

SANTA FE COUNTY

Resolution No. 2005 -52

A Resolution Supporting Remote Sales Tax Collection Legislation

WHEREAS, the United States Supreme Court has ruled that states and local governments cannot require out-of-state retailers to collect taxes on purchases made by in-state and local government taxpayers;

WHEREAS, states and local governments require their taxpayers calculate and remit so-called "use taxes" on their purchases when sales taxes are not collected, but no effective enforcement mechanism exists to collect such taxes, and many taxpayers do not even realize that they owe a use tax;

WHEREAS, states, counties and cities will be losing between \$18 billion and \$23 billion this year in sales and use taxes, taxes that are owed but will not be collected;

WHEREAS, by the year 2008, loss from sales and use tax collection is expected to climb to between \$22 billion and \$34 billion;

WHEREAS, states, with input from counties and the private sector, have agreed that existing tax laws pose a significant burden for out-of-state retailers;

WHEREAS, states and local governments have now spent five (5) years simplifying their sales tax systems through the Streamlined Sales Tax Project ("SSTP") and the resulting Streamlined Sales and Use Tax Agreement;

WHEREAS, SSTP is an effort created by state governments, with input from local governments and the private sector to simplify and modernize sales and use tax collection and administration;

WHEREAS, federal legislation was introduced in the 108th Congress to provide authorization for states that have enacted sales tax laws conforming to the Streamlined Sales Tax Agreement to require out-of-state sellers to collect sales taxes; and

WHEREAS, the resulting Streamlined Sales and Use Tax Agreement ("the Agreement") requires uniform definitions, state level administration of local taxes, fewer local sales tax rates, simplified exemption processing, reduced audit burdens and other simplifications to make it easier for sellers to comply;

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WHEREAS, upon full implementation of the Agreement, the burden faced by out-of-state retailers in collecting sales taxes will be minimal;

WHEREAS, businesses will experience "one stop service" including a central seller registration system, a database that matches each consumer's ZIP code to the applicable tax rate, a state-of-state matrix of taxable items, and electronic return filing;

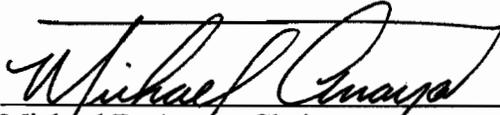
WHEREAS, as soon as ten (10) states, representing 20 percent (20%) of the population of all states that impose a sales tax are in compliance with the Agreement, the voluntary Agreement is scheduled to take effect; 15 states representing 24 percent (24%) of the population are expected to be in compliance by October 1, 2005, and the Agreement is expected to take effect on that date.

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners of Santa Fe County urges members of Congress to support federal legislation authorizing states to require retailers in other states to collect sales and use taxes on remote sales; and

FURTHER BE IT RESOLVED, that the Board of County Commissioners of Santa Fe County urges states to enact laws to make sales and use taxes conform to the simplification requirements of the Streamlined Sales Tax Agreement.

PASSED, APPROVED AND ADOPTED this 26th day of April, 2005.

**SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS**


Michael D. Anaya, Chairman

ATTEST:


Valerie Espinoza, Santa Fe County Clerk



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APPROVED AS TO FORM:


Stephen C. Ross, Santa Fe County Attorney

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss
BCC RESOLUTIONS
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I Hereby Certify That This Instrument Was Filed for
Record On The 27TH Day Of April, A.D , 2005 at 10:16
And Was Duly Recorded as Instrument # 1377208
Of The Records Of Santa Fe County
Witness My Hand And Seal Of Office
Valerie Espinoza
Deputy County Clerk, Santa Fe, NM
