

SANTA FE COUNTY

1766129

Resolution No. 2000- 59

A RESOLUTION ON DELAYING CONGRESSIONAL ACTIONS ON INTERNET TAX MORATORIUM

WHEREAS, out-of-state remote sellers who conduct sales via the Internet, mail and phone orders are not required by law to collect existing sales and use taxes imposed by state and local governments; and

WHEREAS, the primary barrier to collecting taxes on remote sales is the Supreme Court's ruling in *Quill V. North Dakota* which defers to Congress to authorize states to require remote sellers to collect taxes in a manner that does not unduly burden Interstate commerce; and

WHEREAS, state and local governments are working together to implement a streamlined sales tax system that would simplify definitions, tax rates and tax bases and use 21st Century technology in the collection process; and

WHEREAS, current laws create a competitive disadvantage and great inequities between merchants who sell from traditional "brick-and-mortar" establishments and those who sell from electronic stores; and

WHEREAS, increasing sales on the Internet, and the resulting erosion of sales and use tax revenues, will limit the ability of states, governments and school districts to finance essential public services such as police, fire, emergency medical services, education, social services, infrastructure development and healthcare; and

WHEREAS, a recent University of Tennessee study estimates that state sales tax revenue losses in 2003 will exceed \$10 billion; and

WHEREAS, the Advisory Commission on Electronic Commerce failed to reach a legally required consensus on fair and equitable treatment of both remote sellers and "Main Street" retailers and also proposed that Congress preempt state and local sovereignty guaranteed by the U. S. Constitution.

NOW, THEREFORE, BE IT RESOLVED THAT THE SANTA FE BOARD OF COUNTY COMMISSIONERS supports simplification of state and local sales taxes, and urges states to move expeditiously to develop and approve model simplification legislation; and

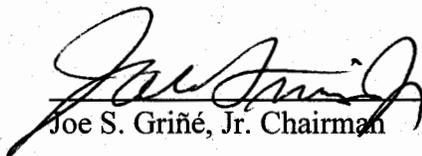
BE IT FURTHER RESOLVED BY THE SANTA FE BOARD OF COUNTY COMMISSIONERS that Congress should not extend or expand the current moratorium until its expiration in October 2001; and

BE IT FURTHER RESOLVED BY THE SANTA FE BOARD OF COUNTY COMMISSIONERS that if state and local governments choose to negotiate a brief extension of the existing moratorium as part of a broader bill, such an extension:

- Should only be effective for a short period of time (no more than two years); and
- Must be linked to states' successfully implementing sales tax simplification, which would trigger Congressional authorization of expanded duty to collect use taxes on remote sales.

APPROVED, ADOPTED AND PASSED this 9th day of May 2000.

BOARD OF COUNTY COMMISSIONERS

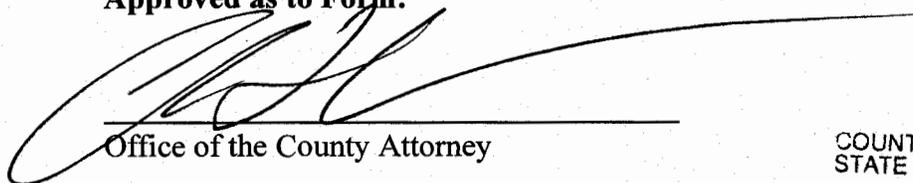

 Joe S. Grifé, Jr. Chairman




 Rebecca Bustamante, County Clerk



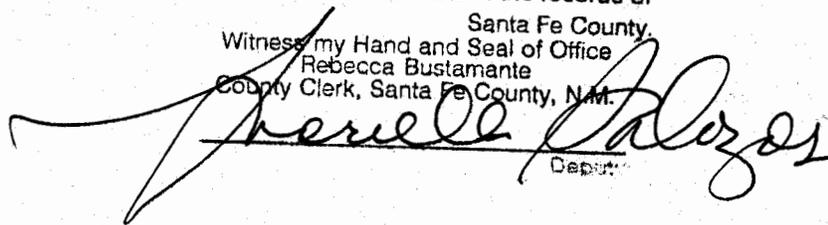
Approved as to Form:


 Office of the County Attorney

1116.377

COUNTY OF SANTA FE)
 STATE OF NEW MEXICO) SS
 I hereby certify that this instrument was filed
 for record on the 15 day of May P.D.
 20 00 at 1:17 o'clock P.m
 and was duly recorded in book 1766
 page 129-130 of the records of

Santa Fe County,
 Witness my Hand and Seal of Office
 Rebecca Bustamante
 County Clerk, Santa Fe County, N.M.


 Deputy