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FirstBrief

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MARKETPLACE FAIRNESS ACT RE-INTRODUCED IN THE SENATE

Yesterday, Senators Mike Enzi (R-WY) and Dick Durbin (D-IL), along with Senators Lamar Alexander (R-TN), Heidi Heitkamp (D-ND), Roy Blunt (R-MO), Jack Reed (D-RI), Bob Corker (R-TN), Sheldon Whitehouse (D-RI), and Angus King (I-ME), [introduced the Marketplace Fairness Act, S. 698](#).

Among other things, the Marketplace Fairness Act would allow states with sales and use tax regimes that meet certain simplification standards to require retailers to collect sales and use taxes from consumers within the state, whether or not those retailers have a physical presence. Additionally, the Marketplace Fairness Act provides an exemption for small businesses and would relieve consumers of having to self-report sales/use taxes they already owe.

The bill introduced today is nearly identical to a proposal that passed the Senate on May 6, 2013 by a [vote of 69-27](#), with two minor changes. First, it would delay implementation for one year after enactment. Second, during the first year it is in effect, sales made during the fourth quarter holiday season would be exempted. If you would like to ask your senator to co-sponsor this important legislation, please click [here](#).

By providing this roadmap for states to gain the ability to collect the sale and use taxes they are already owed, this legislation would provide tax parity for bricks-

and-mortar retailers and remote internet and catalogue sellers, simplify state tax filing for individuals, and help address state budget shortfalls at no cost to the federal government. On March 3, 2015, Supreme Court Justice Anthony Kennedy in [Direct Marketing Ass'n. v. Brohl](#) questioned the continuing validity of the previous [Supreme Court decision](#) that prohibited states from collecting sales or use taxes from remote sellers. Legislation such as the Marketplace Fairness Act provides the preferred method to resolve this complex issue.

NAREIT and its members have been supporting legislative changes along these lines since 1999, and NAREIT now serves on the Management Committee of the [Marketplace Fairness Coalition](#). This coalition is comprised of a broad group of businesses and trade associations led by the International Council of Shopping Centers, and it includes the American Booksellers Association, the National Retail Federation, the Retail Industry Leaders Association, the National Association of College Stores, and online retailer Amazon.com.

NAREIT commends the co-sponsors of the Marketplace Fairness Act for their leadership on this important issue. In particular, NAREIT appreciates the tireless efforts of Senators Enzi and Durbin who have championed the need for a level playing field for all retailers for over a decade.

For more information about the Marketplace Fairness Act and related legislation, visit [REIT.com](#).

CONTACT

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