



November 9, 2011

Senator Richard J. Durbin
711 Hart Senate Office Building
Washington, D.C. 20510

Senator Tim Johnson
136 Hart Senate Office Building
Washington, D.C. 20510

Senator Michael B. Enzi
379A Russell Senate Office Building
Washington, D.C. 20510

Senator Lamar Alexander
455 Dirksen Senate Office Building
Washington, D.C. 20510

NATIONAL
ASSOCIATION

OF
REAL ESTATE
INVESTMENT
TRUSTS®

♦ ♦ ♦

REITS:

BUILDING
DIVIDENDS

AND
DIVERSIFICATION®

Re: Support for Marketplace Fairness Act

Gentlemen:

The National Association of Real Estate Investment Trusts (NAREIT)®, which represents REITs and publicly traded real estate companies including those that own and operate shopping centers, regional malls and free standing retail properties, thanks you for introducing the Marketplace Fairness Act (the MFA). At this time of significant budget shortfalls, the MFA would allow many state and local governments to collect billions of unpaid tax dollars that they are owed under current law. This collection authority would provide billions of dollars that could allow states and localities to continue to invest in vital but funding-challenged services, such as education, emergency preparedness, homeland security, health care, and transportation.

NAREIT is strongly committed to equal treatment for online and onsite business operations with respect to collection responsibility for sales and use taxes. We believe all commercial sales transactions should be subject to the same tax collection responsibilities, since they already are subject to the same tax liabilities. Particularly during one of the worst economic crises in generations, remote vendors should not be afforded an economic advantage over the brick and mortar businesses that create jobs and otherwise contribute to the economic, cultural, and social lives of our communities.

Under current law, retailers that do not have a physical presence in, but sell directly to the residents of, a state are able to avoid compliance with sales and use taxes laws. Meanwhile, Main Street businesses must, and do, comply with these laws. As a result of this unfair situation, remote sellers are put at a competitive advantage, and billions of dollars in sales taxes owed state and local governments – estimated at over \$10 billion a year annually by 2012 – have gone uncollected. Enactment of the MFA would go a long way towards closing



this gap, while allowing states to preserve essential services without raising taxes.

We appreciate your leadership on this issue, and look forward to working with you and your Senate colleagues to ensure that simple and equitable sales tax collection becomes a reality nationwide.

Sincerely,

A handwritten signature in black ink, appearing to read "S.A. Wechsler". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steven A. Wechsler
President and CEO

