

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION SUPPORTING FEDERAL AND STATE LEGISLATION TO ENSURE THE PROPER ASSESSMENT AND COLLECTION OF SALES TAX FROM ALL INTERNET/ONLINE SALES THEREBY CREATING A FAIR AND FREE MARKET FOR ALL BUSINESSES AND CONSUMERS REGARDLESS OF THE LOCATION OF THE BUSINESS FROM WHICH THE PURCHASE WAS MADE; AND FOR OTHER PURPOSES.**

WHEREAS, the City of North Little Rock, Arkansas (the "City") recognizes that legislation frequently referred to as the **Marketplace Fairness and Remote Transactions Parity Act** ("this Legislation") is being considered by the United States Congress; and

WHEREAS, similar legislation was considered by the Arkansas General Assembly during the 2017 regular legislation session (Senate Bill 140 of 2017); and

WHEREAS, this Legislation would give states the authority to enforce local and state taxes that are already in place and owed by out-of-state online retailers; and

WHEREAS, this Legislation would require retailers to collect and remit sales tax to state and local governments for out-of-state online sales; and

WHEREAS, all businesses, regardless of their physical location, should be required to collect and remit state and local sales tax; and

WHEREAS, the playing field, as it currently stands, favors out-of-state internet retailers that exploit a pre-internet loophole, allowing them to evade collecting state and local sales tax even though they sell the same products in the same communities as local merchants do; and

WHEREAS, as it currently stands, stores with a local retailer must collect sales tax while online stores do not, thereby enabling online stores to undercut local retail prices; and

WHEREAS, this Legislation is not a new tax or a tax increase, but rather enables states to collect taxes that are already due; and

WHEREAS, this Legislation would generate more sales, pay more sales tax to the state treasury, encourage more local retailers, create jobs for local workers and infuse more money into local economies through the State of Arkansas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the City Council of North Little Rock, Arkansas (the "City Council") does hereby urge members of the Arkansas Congressional Delegation and the Arkansas Legislature to work for passage and vote in favor of legislation requiring the collection and remittance of state and local sales tax by all retailers thus making for competition in a true free market and giving every business an equal opportunity to compete, innovate and create jobs.

SECTION 2: That the City Council does hereby urge Governor Asa Hutchinson to call for a special session as quickly as possible to address this most important issue for the benefit of the State's local retail businesses and its citizens.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

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\_\_\_\_\_  
Mayor Joe A. Smith

SPONSOR:

ATTEST:

Joe A. Smith  
Mayor Joe A. Smith *by AF*

\_\_\_\_\_  
Diane Whitbey, City Clerk

APPROVED AS TO FORM:

C. Jason Carter  
C. Jason Carter, City Attorney *by AF*

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/b

FILED <u>11:32</u> A.M. _____ P.M.
By <u>Asst City Atty Amy Fields</u>
DATE <u>8-22-17</u>
<b>Diane Whitbey, City Clerk &amp; Collector</b> <b>North Little Rock, Arkansas</b>
RECEIVED BY <u>[Signature]</u>