

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2009**

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**SENATE DRS75113-RBz-5A\* (01/07)**

Short Title: Streamlined Sales and Use Tax Update. (Public)

Sponsors: Senators Brunstetter, Clodfelter, Hartsell, and Hoyle.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO URGE THE 111<sup>TH</sup> CONGRESS TO GRANT STATES THE ABILITY TO  
3 REQUIRE COLLECTION OF SALES AND USE TAX BY REMOTE RETAILERS AND  
4 TO UPDATE THE REFERENCE TO THE STREAMLINED SALES AND USE TAX  
5 AGREEMENT.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The General Assembly strongly encourages Congress to grant states  
8 the ability to require collection of sales and use tax by remote retailers by enacting the  
9 provisions of the Sales Tax Fairness and Simplification Act, a bipartisan bill introduced in the  
10 110<sup>th</sup> Congress as H.R. 3396 by Rep. William Delahunt (D-MA) and as S. 34 by Senator Mike  
11 Enze (R-WY), for the following reasons:

- 12 (1) As Congress works to develop an economic stimulus package to provide  
13 much needed relief to businesses, individuals, and states, the Sales Tax  
14 Fairness and Simplification Act would provide tens of billions of dollars in  
15 funding to many states and local governments at minimal or no cost to the  
16 federal government.
- 17 (2) The Sales Tax Fairness and Simplification Act would ensure a fairer and  
18 more equitable sales tax system by requiring all retailers, both Main Street  
19 brick-and-mortar retailers and remote retailers, to collect and remit state  
20 sales and use taxes.
- 21 (3) Under previous United States Supreme Court decisions, the states' ability to  
22 collect sales and use taxes from remote retailers is restricted. However, the  
23 Court has stated in its decisions that Congress has the authority to grant  
24 states the ability to require collection of sales and use tax by remote retailers.
- 25 (4) In an effort to address the collection issues identified by the United States  
26 Supreme Court, North Carolina is one of 22 states that have enacted  
27 legislation to simplify their sales and use tax laws to conform to the  
28 uniformity requirements of the Streamlined Sales and Use Tax Agreement.
- 29 (5) North Carolina has collected thirty-six million dollars (\$36,000,000) in  
30 revenues since October 2005 through the voluntary remittance of sales and  
31 use taxes by remote sellers under the Streamlined Sales and Use Tax  
32 Agreement. This amount is far less than the estimated amount the State is  
33 not collecting from sales by remote sellers.

34 **SECTION 2.** G.S. 105-164.3(45a) reads as rewritten:



1                   "(45a) Streamlined Agreement. – The Streamlined Sales and Use Tax Agreement as  
2                   amended as of ~~June 23, 2007~~September 5, 2008."  
3                   **SECTION 3.** This act is effective when it becomes law.