

CITY OF LOS ANGELES
CALIFORNIA

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer



ERIC GARCETTI
MAYOR

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CITY CLERK

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Council and Public Services
Division

www.cityclerk.lacity.org

When making inquiries relative to
this matter, please refer to the
Council File No.

August 1, 2013

To All Interested Parties:

Chief Legislative Analyst

I HEREBY CERTIFY that the City Council adopted the action(s), as attached, under
Council File No. 13-0002-S69, at its meeting held July 23, 2013.

City Clerk
kw

cc: 8 Certified copies sent to Sacramento Representatives
cc: 8 Certified copies sent to Washington Representatives

Mayor's Time Stamp
OFFICE OF THE CITY CLERK
RECEIVED
2013 JUL 26 AM 10:12
CITY OF LOS ANGELES

RECEIVED
City Clerk's Time Stamp
CITY CLERK'S OFFICE
2013 JUL 26 AM 10:10
CITY CLERK
BY _____
DEPUTY

FORTHWITH

SUBJECT TO THE CONCURRENCE OF THE MAYOR

COUNCIL FILE NO. 13-0002-S69

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE July 23, 2013

RE: THE CITY'S POSITION TO SUPPORT H.R. 684, S. 336, AND S. 743, THE MARKETPLACE FAIRNESS ACT, TO ALLOW QUALIFYING STATES TO ESTABLISH A SYSTEM TO COLLECT SALES AND USE TAXES OF ONLINE, CATALOG, AND OTHER REMOTE SELLERS

LAST DAY FOR MAYOR TO ACT AUG 05 2013
[10 Day Charter requirement as per Charter Section 231(h)]

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

✓

*DISAPPROVED

*Transmit objections in writing pursuant to Charter Section 231(h)

DATE OF MAYOR APPROVAL OR DISAPPROVAL 7/29/13

E.G.
MAYOR

RECEIVED
CITY CLERK'S OFFICE
2013 JUL 30 AM 6:29
BY _____
CITY CLERK
DEPUTY

40

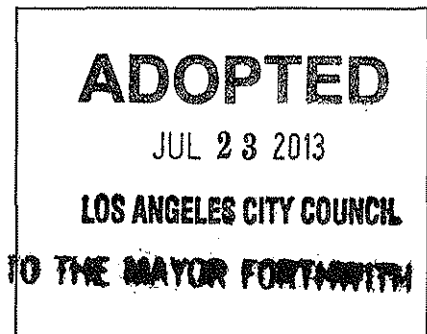


Council Action

The City Council ADOPTED the following recommendation(s), contained in a COMMUNICATION FROM THE CHIEF LEGISLATIVE ANALYST which were WAIVED, pursuant to Council Rule 17, by the Chair of the Rules, Elections and Intergovernmental Relations Committee, SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City's Federal Legislative Program, SUPPORT for H.R. 684, S. 336, and S. 743, the Marketplace Fairness Act, to allow qualifying states to establish a system to collect Sales and Use Taxes of online, catalog, and other remote sellers.

Council File No. 13-0002-S69



RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies to or pending before a local, state or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, due to a 1992 Supreme Court ruling (Quill Corp vs. North Dakota), states have been unable to enforce their own sales and use tax laws on sales by out-of-state businesses, catalogues, and online sellers; and

WHEREAS, this situation has created a disadvantage for brick and mortar businesses and has led to greater confusion and further distortion of the marketplace; and

WHEREAS, on February 14, 2013, Representative Steve Womack introduced the Marketplace Fairness Act of 2013, and subsequently, similar legislation was introduced (S. 336 and S. 743); and

WHEREAS, the bills do not impose a new tax, but rather provide states and localities with a mechanism to require the collection of sales and use taxes on Internet and mail-order sales; and

WHEREAS, while electronic commerce creates new marketplaces, it has also put traditional retail outlets at an unfair disadvantage because of outdated and inequitable tax and regulatory systems; and

WHEREAS, the United States Congress has the ability to enable state and local governments to require sellers to collect sales and use taxes from their customers if they do not have a physical presence in their jurisdiction; and

WHEREAS, the proposed bills would authorize states to require all sellers making remote sales to collect and remit sales and use taxes regardless of the location of the seller, if such state implements a simplified system for administration of sales and use tax collection for remote sellers; and

WHEREAS, the proposed bills would benefit many brick and mortar businesses given their disadvantage for having to collect taxes whereas online sellers do not; and

WHEREAS, in the previous Congress, the City supported S. 1832 and H.R. 3179 which also sought to level the playing field for brick and mortar businesses by empowering states to collect sales and use taxes;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by adoption of this Resolution, the City of Los Angeles, hereby includes in its 2013-2014 Federal Legislative Program, SUPPORT of the Marketplace Fairness Act (H.R. 684, S 336 and S 743) to allow qualifying states to establish a system to collect sales and use taxes from online, catalog and other remote sellers.

RESOLVED THAT THE FOREGOING
RESOLUTION WAS ADOPTED BY THE
COUNCIL OF THE CITY OF LOS ANGELES
AT ITS MEETING OF JUL 23 2013
BY A MAJORITY OF ALL ITS MEMBERS.



JUNE LAGMAY
CITY CLERK

BY [Signature]
DEPUTY