

RESOLUTION NO: 1484

A RESOLUTION OF THE CREVE COEUR CITY COUNCIL IN SUPPORT OF MISSOURI LEGISLATION TO PASS WAYFAIR INTERNET SALES TAX LEGISLATION WITHOUT A REVENUE NEUTRAL CLAUSE.

WHEREAS, the 2018 ruling in the South Dakota v Wayfair U.S. Supreme Court case has allowed South Dakota to begin collecting sales tax revenue for online vendors that do not have a physical presence in their state; and

WHEREAS, following that ruling, 43 of 45 states with statewide sales tax have adopted collection and remittance obligations for remote sellers positioning other states far ahead of Missouri with regard to collecting revenue from online sales taxes; and

WHEREAS, the General Assembly has not passed any legislation that will allow Missouri, its cities, counties or municipalities to collect sales tax from businesses that do not have a physical presence in Missouri and has not enacted laws enabling it to participate in the Streamlined Sales and Use Tax Agreement (SSUTA), with which most states are now members; and

WHEREAS, Missouri and its local governments are losing tens of millions of dollars in online sales tax because Missouri has not simplified its local sales taxes or entered into the Streamlined Sales and Use Tax Agreement; and

WHEREAS, Prior to the COVID-19 virus pandemic internet sales were already on the rise at the expense of Missouri brick and mortar retailers in part because there existed an uneven playing field for retailers in Missouri who collect sales taxes while internet vendors do not; and

WHEREAS, the COVID-19 pandemic has added significantly to this burden by shifting shopping habits from local retail to online sales, exacerbating the many problems caused by this tax disparity; and

WHEREAS, after the 2020 COVID-19 pandemic subsides the shifted buying habits will make it even more difficult for local merchants to convince consumers to go back to supporting the brick and mortar stores in Missouri communities and the challenge of uneven taxation will only compound this with cataclysmic consequences for small businesses; and

WHEREAS, Municipalities and Counties have traditionally relied primarily on voter approved sales tax revenue to provide the basic services of Police, Public Works and Parks services and prior to COVID- 19 the lost local sales due to no internet sales tax collections already challenged Missouri Cities and Counties ability to balance their budgets to provide those services; and

WHEREAS, the 2020 COVID-19 Pandemic has exacerbated the challenge of lost local sales tax revenue collections by driving consumers to the internet and conditioning society to buy on line creating a sanctioned system of sidestepping sales tax even though Citizens still need and urge police protection, street maintenance, parks, and other city services; and

WHEREAS, it will be next to impossible for Missouri and its Cities and Counties to recover economically from the 2020 COVID-19 Pandemic without internet sales tax revenue to afford to provide basic services which is why all Municipal Leagues in the state are in favor; and

RESOLUTION NO: 1484

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CREVE COEUR to go on record and declare that internet sales tax revenue is vital to all local retail businesses and government agencies in Missouri and encourage the Missouri House and Senate immediately pass the Wayfair Tax Legislation without counterproductive revenue neutral provisions and with a provision to enable all cities and counties in the state to benefit immediately whether they have passed a use tax or not.

This resolution passed and approved this 27th day of April 2020.

DocuSigned by:

Mayor Glantz

A365D853F744465...

Barry Glantz
Mayor

ATTEST:

DocuSigned by:

deborah ryan

3BF7E95BA23D47C...

Deborah Ryan, MPCC
City Clerk