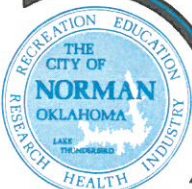


A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, URGING THE UNITED STATES CONGRESS TO ENACT LEGISLATION UNDER THE COMMERCE CLAUSE OF THE UNITED STATES CONSTITUTION ENABLING STATE AND LOCAL GOVERNMENTS TO COLLECT REVENUES THAT ARE DUE TO LOCAL GOVERNMENTS BY VIRTUE OF IN-STATE SALES FROM OUT-OF-STATE RETAILERS AS RECOGNIZED BY THE UNITED STATES SUPREME COURT IN THE CASE OF *QUILL VS. NORTH DAKOTA*.

- § 1. WHEREAS, the City of Norman (“Norman”) relies heavily on sales tax revenue to fund its basic services such as street maintenance; traffic control; community policing; emergency response; fire suppression; parks and recreation; code enforcement; community planning and development; and support services; and
- § 2. WHEREAS, the voters of Norman have approved additional dedicated sales taxes for public safety, capital and infrastructure improvements, and the NORMAN FORWARD quality of life initiative; and
- § 3. WHEREAS, the Oklahoma Constitution forbids cities to use property taxes for operational expenses, making Oklahoma cities such as Norman reliant on sales tax to fund basic services; and
- § 4. WHEREAS, businesses located in Norman act as agents of Norman, Cleveland County, and Oklahoma to collect sales tax on purchases made in their businesses; and
- § 5. WHEREAS, Norman businesses employ residents of Norman and surrounding communities and support local businesses, non-profit agencies, schools and other public agencies; and
- § 6. WHEREAS, local businesses compete with remote sellers offering products through internet sales who are unwilling to collect and remit properly assessed sales taxes to Norman, Cleveland County, Oklahoma, and other state and local governments; and
- § 7. WHEREAS, national studies reveal that state and local governments lose approximately \$30 billion each year from uncollected sales and use taxes from transactions involving remote internet retailers who transact business in competition with local retailers who do collect sales tax; and
- § 8. WHEREAS, local businesses who employ Norman residents and support local governmental and charitable causes lose business opportunities when purchases are made from remote businesses who sell products in competition with them; and



Resolution R-1617-81

- § 9. WHEREAS, in 1992, the United States (U.S.) Supreme Court, in the case of *Quill vs. North Dakota*, overruled prior precedent in ruling that states imposing and collecting sales and use tax from out-of-state retailers do not violate the Due Process Clause, opting not to overrule prior precedent regarding a Commerce Clause challenge to such taxes; and then clearly noted that Congress has the legislative power under the Commerce Clause to regulate interstate commerce, allowing imposition and collection of sales and use tax from out-of-state retailers as Congress deems appropriate; and
- § 10. WHEREAS, state and local associations, including the Government Finance Officers Association, the National League of Cities, the National Association of Counties, the U.S. Conference of Mayors, and the National Governors Association, with participation from Norman, the Oklahoma Tax Commission, and the Oklahoma Municipal League, along with partners in the retail community, worked together for years to develop a fair and easy system to collect and remit these sales taxes, structured on a system of collection based on the purchaser's location (the "Streamlined Sales Tax Initiative"); and
- § 11. WHEREAS, through this collaborative effort, a fair, effective and efficient method to eliminate the competitive disadvantage faced by our local small business retailers was proposed in 2013 when the Marketplace Fairness Act passed in the Senate through a bipartisan effort which would have established a fair system for the collection of existing taxes owed by state and local government and address the pressing need to level the competitive playing field between remote internet sellers and local "bricks and mortar" retailers; and
- § 12. WHEREAS, the U.S. Senate reintroduced the Marketplace Fairness Act in 2015; and.
- § 13. WHEREAS, In 2017, the 115th Congress should move forward through the U.S. Senate and U.S. House of Representatives the Marketplace Fairness Act, the Remote Transactions Parity Act, and other legislation that will allow the collection and remittance of sales taxes based on the purchaser's location to protect Norman's and other Oklahoma cities' and counties' ability to receive the sales and use tax revenues due to them under current municipal law and state statutes and level the playing field between local retailers and remote internet sellers.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA:

- § 14. City Council urges Senate Majority Leader Mitch McConnell, Senator James Inhofe, Senator James Lankford, and all U.S. Senators to reintroduce the Marketplace Fairness Act into the U.S. Senate during its 2017 session; and.
- § 15. City Council urges Speaker Paul Ryan, Representative Tom Cole, Representative Jim Bridenstine, Representative Steve Russell, Representative Frank Lucas, and all members of the U.S. House of Representatives to act on the Marketplace Fairness Act, the Remote Transactions Parity Act, or other legislation to allow the collection and remittance of sales tax based on the purchaser's location; and

Resolution R-1617-81

- § 16. City Council urges the U.S. Senate and U.S. House of Representatives to hold votes to pass the Marketplace Fairness Act, the Remote Transactions Parity Act, and other legislation to allow the collection and remittance of sales taxes based upon the purchaser's location during the 2017 Session, and thereby sending a clear and unequivocal message to states and localities that the U.S. Congress supports local small business women and men who create jobs, produce revenues to support essential infrastructure improvements, and create a stronger and more resilient economy for the benefit of all Americans; and
- § 17. City Council directs the City Clerk to provide attested copies of the resolution to the Honorable Paul Ryan, Speaker of the House of Representatives, the Honorable Mitch McConnell, Senate Majority leader of the U.S. Senate, and the Oklahoma Congressional Delegation.

PASSED AND ADOPTED THIS _____ day of _____, 2017.

Mayor

ATTEST:

City Clerk