

FOR the purpose of requesting the members of the Maryland Delegation of the United States Congress to support legislation that would permit states to collect taxes from out-of-state vendors soliciting orders for tangible personal property by mail directed to consumers in the state.

WHEREAS, The 1967 Supreme Court decision in *National Bellas Hess, Inc. v. Illinois Department of Revenue* held that states do not have the authority to require the collection of sales and use taxes by out-of-state mail-order firms who solicit orders from consumers by mail or advertising.

WHEREAS, In the two decades since the Supreme Court decision dramatic improvements in marketing and direct-mail techniques, communications technology, and transportation and distribution systems have, along with a concomitant increase in market-share, changed the nature of interstate sales.

WHEREAS, The State of Maryland reports that the inability to collect taxes on interstate sales from out-of-state vendors solicited in this State results in a loss of millions of dollars of revenue annually.

WHEREAS, Legislation has recently been introduced in the 101st Session of the United States Congress that would authorize states to collect the sales and use tax on mail-order purchases made in the state where the out-of-state vendor regularly and systematically solicits business in the state.

WHEREAS, Imposing taxation on out-of-state vendors who regularly and systematically solicit business in this State would not create a burden on interstate commerce; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Maryland Delegation of the United States Congress is requested to support legislation that would permit states to collect taxes from out-of-state vendors soliciting orders for tangible personal property by mail directed to consumers in the state; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Reference to the Maryland Congressional Delegation: Senators Paul S. Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, D.C. 20510; and Representatives Royden P. Dyson, Helen Delich Bentley, Benjamin L. Cardin, C. Thomas McMillen, Steny H. Hoyer, Beverly B. Byron, Kweisi Mfume, and Constance A. Morella, House Office Building, Washington, D.C. 20515.

Signed May 2, 1990.

No. 7

(House Joint Resolution No. 21)

A House Joint Resolution concerning

Federal Income Taxation of Political Campaign Committees