

**77TH OREGON LEGISLATIVE ASSEMBLY  
2013 REGULAR SESSION  
STAFF MEASURE SUMMARY  
HOUSE REVENUE COMMITTEE**

**MEASURE: HJM 18  
CARRIER: Rep. Gomberg**

**REVENUE:** No Revenue Impact

**FISCAL:** No Fiscal Impact

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**Action:** Be Adopted

**Vote:** 6-0-3

**Yeas:** Bailey, Bentz, Berger, Read, Vega Pederson, Barnhart

**Nays:** 0

**Exc.:** Conger, Davis, Gelser

**Prepared By:** Paul Warner, Economist

**Meeting Dates:** 5/31

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**WHAT THE BILL DOES:** Urges Congress to exempt certain sellers from potential federal legislation that requires them to collect and remit sales and use taxes to the state of the purchaser in the case of remote sales. Exemption applies only if seller is located in a state that does not impose a sales and use tax.

**ISSUES DISCUSSED:**

- Challenges to Oregon small businesses.
- Importance of sending message to Congress that supports Oregon business.
- Number of sales tax jurisdictions and complexity of compliance with differing tax base definitions.
- Lack of infrastructure for Oregon small business that do not currently collect sales taxes.
- Potential indirect revenue impact on Oregon.
- Potential impact on Oregon border areas.

**EFFECT OF COMMITTEE AMENDMENTS:** No Amendments.

**BACKGROUND:** The U.S. Senate voted May 6 to approve the Market Place Fairness Act (S. 743). The bill now goes to the House of Representatives. The Market Place Fairness Act authorizes states that adhere to certain simplifications to require out-of-state retailers that have more than \$1 million a year in out-of-state sales to collect and remit that state's sales taxes. The legislation also requires states to provide software to on-line retailers free of charge and removes the liability from the retailer should the software malfunction.

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