STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

May 9, 2012

The Honorable Harry Reid
Office of Senate Majority Leader
United States Senate
S-321 Capitol Building
Washington, D.C. 20510

The Honorable Mitch McConnell
Office of Senate Minority Leader
United States Senate
S-230 Capitol Building
Washington, D.C. 20510

Dear Majority Leader Reid and Minority Leader McConnell:

I am writing in support of S. 1832, the *Marketplace Fairness Act* and to express my hope for its passage in 2012. As I continue to look for fair and responsible solutions that support economic growth in Michigan, I encourage the Senate to level the playing field for all retailers by establishing a simple, streamlined federal approach for states to consistently enforce sales and use tax laws.

I support the *Marketplace Fairness Act* because it would enable states to collect sales taxes evenly and fairly across the retail spectrum. "Brick-and-mortar" retailers throughout the state are currently required to collect sales taxes at the point of sale. By enabling remote sellers to ignore the collection of sales and use taxes, it provides them an unfair competitive advantage and threatens the viability of retailers throughout our communities, many of which are locally-owned small businesses that reflect the unique character and culture of the Great Lakes State.

Technology currently exists to quickly and effectively calculate taxes due on sales and can easily be integrated into online retailers' operations. It is time for Congress to grant states the authority to enforce sales tax and use laws on all retailers doing business in their state.

In fact, the Michigan Department of Treasury estimates that total revenue lost to e-commerce and mail order purchases will amount to $872 million during fiscal years 2012 and 2013. As we continue to work to improve the quality and efficiency of services throughout the state, it is crucial that the state has the tools to fairly collect the revenue that it is owed. The *Marketplace Fairness Act* would provide states with the authority to do just that.

Once again, I encourage the Senate to implement a fair and reasonable solution to address this issue. I look forward to working with you as we continue to strive for policies that support fiscal responsibility and fair competition in the marketplace.

Sincerely,

Rick Snyder
Governor

CC: Senator Michael Enzi
Senator Lamar Alexander
Senator Roy Blunt
Senator Dick Durbin
Senator Tim Johnson
Senator Mark Pryor
Senator Jack Reed
Senator Sheldon Whitehouse
Senator Carl Levin
Senator Debbie Stabenow