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New Study By Top Conservative Economist Finds E-Fairness Will Spur Economic Growth, Create Jobs

Dr. Arthur Laffer Releases Extensive Report On State-by-State Benefits Of A Level Marketplace

WASHINGTON D.C. – The Marketplace Fairness Coalition, which represents thousands of American businesses – large and small, as well as both brick-and-mortar and online – pointed to an extensive new study out today by top conservative economist Dr. Arthur Laffer as another reason Congress should address e-fairness and pass the <u>Marketplace</u> <u>Fairness Act</u>. This important legislation was passed by the Senate in May with broad and bipartisan support and currently awaits action by the House where it has similarly received strong support from members of both political parties.

In Dr. Laffer's new study, "*Pro-Growth Tax Reform and E-Fairness*," he reports that the collection of online sales taxes that are already legally owed and leveling the playing field for all retailers, while using additional revenues wisely, would have a profoundly positive economic impact in states across the country.

"This study further confirms what job creators and political leaders across the country have long been saying which is that flattening the tax code and leveling the playing field will spur economic growth," the Marketplace Fairness Coalition said in a statement today. "The federal government shouldn't be in the business of picking winners and losers in the marketplace but unfortunately that is exactly what's taking place today under our outdated tax code. It's our hope that House Republicans and Democrats alike will study Dr. Laffer's findings carefully, and follow the Senate's bipartisan vote by moving forward with the Marketplace Fairness Act."

As Dr. Laffer writes this morning in an <u>op-ed for *USA Today*</u> outlining his new report:

• To prosper as a nation, we need to return to the robust growth that we enjoyed a decade ago. One step is giving states the power to require online-only retailers to collect sales taxes as part of a transition to a more pro-growth tax structure, allowing for revenue-neutral income tax reductions. It's worth noting that under the leadership of Gov. Scott Walker, Wisconsin has already passed legislation that would dedicate efairness revenues to a state income tax cut. Wisconsin is poised to be a beacon for progrowth policies in the Midwest.

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The Marketplace Fairness Coalition is comprised of businesses of every size, sector, and channel of product distribution, located in every state throughout the country.