



Level the Playing Field for Missouri's Bricks & Mortar Businesses

It used to be that when we needed something, we went to the local store to buy it. When we checked out, as we wished the clerk a good day, we paid sales taxes on our purchases. Those taxes helped fund the roads we used to get there, and the education of the kids we saw playing at the park along the way.

Now, we can hop on our computer or phone, and with just a few clicks, we can buy the same products. A truck still uses the roads to deliver our packages, and it still passes local school kids along the way. But because of antiquated state and federal laws, even though we owed sales & use taxes on our items, they likely weren't collected.

Missouri's economy has changed, but our state tax collections systems haven't. As a result, local stores are at a competitive disadvantage, and public services in our communities suffer.

Level the playing field for Missouri retailers, and protect our communities by implementing the streamlined collections mechanism.



- Missouri's "mom & pop" shops and other bricks and mortar businesses provide valuable jobs in all areas of the state. They sponsor little league teams, donate to schools, and give back to the community. But Missouri's tax laws put them at a competitive disadvantage.
 - Implementing the Streamlined Collections Mechanism would allow Missouri to join with 23 other states, including most of our neighbors, and begin automatically collecting the sales tax due for online retail purchases at the time of sale.
 - Both state and federal legislation are required to fully update outdated tax laws.
- Based on state action alone, the Streamlined Collections Mechanism would initially generate about \$20 million a year in uncollected sales and use taxes. With both state and federal legislative changes, Missouri would see an estimated \$358 million annually in currently uncollected state and local sales taxes.

The Bottom Line: Updating the collections mechanism for sales taxes owed on remote sales would level the playing field for local businesses that invest in their communities and protect state and local investments in schools, roads, and other public services.

Notes

1. For more information about the streamlined collections mechanism, visit: www.mobudget.org/enact-sst/

