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## Jun. 23, 2013

A national report released on Friday suggests that local governments across the country are losing out on more than \$1.5 billion a year in revenue due to uncollected sales tax on Internet purchases.

Locally, that would mean more than \$6.3 million in sales tax went uncollected by Franklin County last year, though Franklin County officials believe the report's estimates are "too generous."

Released today by the United States Conference of Mayors, the National Association of Counties and the National League of Cities, the report, U.S. Metro Economies: Impact of Marketplace Fairness on Select Jurisdictions — Update, attempts to show the money that local jurisdictions are losing without the passage of the federal Marketplace Fairness Act.

The act, which was passed by the U.S. Senate earlier this year, has languished in the House. It would require that sales taxes be collected on Internet purchases based on the tax rate where the buyer is located.

The report pegs the loss to other central Ohio counties at anywhere from \$196,000 in Madison County to \$1.4 million in Delaware County. The statewide total was more than \$43 million in 2012, according to the report's conclusions.

Franklin County Administrator Don Brown said county budget officials who have looked into the issue say that untaxed Internet sales result in a more modest loss in

the county of about \$1 million a year. He said that figure is based on a state study that

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Brown said the county would benefit from the act's passage, though.

"We would love the money," he said. "It would hold down rates, and it would be fairer to retailers with a physical presence here."

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