

**TESTIMONY PRESENTED TO THE FINANCE, REVENUE, AND BONDING
COMMITTEE
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Testimony Concerning House Bill No. 5420

AN ACT CONCERNING THE IMPOSITION OF THE SALES TAX ON ROOM REMARKETERS

Senator Daily, Representative Widlitz and distinguished members of the Finance Committee, thank you for the opportunity to offer testimony on House Bill No. 5420, An Act Concerning The Imposition of the Sales Tax on Room Remarketers.

The concept of the bill before you seeks to ensure that the state receives all the taxes that are due on room occupancy in the state, regardless of the point of sale. For many years now states have witnessed the erosion of their sale tax base as more and more of our nation's commerce has migrated away from traditional brick and mortar establishments. I am sure we would all agree that tax policy should be blind as to the method of how a sale is completed, but rather whether that product or service is taxable. I would recommend that this Committee take the opportunity to study this issue closely and ascertain whether the state is receiving all that it is due and whether all participants in this industry are being treated equally from a tax perspective. The Administration stands ready to work with this Committee to determine the merits of this proposal and take necessary action if warranted.

I would like to again thank the committee for the opportunity to present this testimony.