



CITY of LAGUNA NIGUEL

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CITY COUNCIL

Mayor John Mark Jennings
Mayor Pro Tem Laurie Davies
Council Member Elaine Gennawey
Council Member Fred Minagar
Council Member Sandy Rains

April 4, 2019

The Honorable Autumn Burke
California State Assembly
State Capitol, Room 5150
Sacramento, CA 95814

RE: Support for A.B. 147

Dear Assembly Member Burke,

On behalf of the City of Laguna Niguel, we are writing to express our support for your bill, AB 147, which is a measured approach to California's implementation of the landmark United States Supreme Court holding of *South Dakota v. Wayfair, Inc.*, (2018). This decision has the potential for a profound impact on sales taxation.

The implementation of the *Wayfair* decision will result in the collection of millions of dollars for state and local agencies from out of state and internet-based sales. This measure will help level the playing field for brick and mortar retailers and is an improvement over the State's Department of Tax and Fee Administration's proposed implementation of *Wayfair* based upon existing law.

We support your efforts to address the collection of local transaction and use taxes, following the *Wayfair* decision. Sales tax is our City's second highest revenue source and enables us to provide critical services such as law enforcement, fire and emergency medical response and road repair. We also strongly support any amendment that would distribute taxes from out of state and online retailers to the customer's city of residence. This method is fair, equitable and would allow for a much needed source of revenue for cities in California.

We are excited to support AB 147 because it offers a smooth implementation of *Wayfair* and will ensure the collection of millions of dollars in local revenue. We thank you for your leadership on this issue.

Sincerely,

A blue ink signature of John Mark Jennings.

John Mark Jennings
Mayor

A blue ink signature of Laurie Davies.

Laurie Davies
Mayor Pro Tem

A blue ink signature of Elaine Gennawey.

Elaine Gennawey
Council Member

A blue ink signature of Fred Minagar.

Fred Minagar
Council Member

A blue ink signature of Sandy Rains.

Sandy Rains
Council Member

cc: The Honorable Senator Pat Bates
The Honorable Assembly Member Bill Brough
Tony Cardenas, League of California Cities, tcardenas@cacities.org
League of California Cities, cityletters@cacities.org