

United States Senate

WASHINGTON, DC 20510

December 4, 2008

Mr. Scott Peterson
Executive Director
Streamlined Sales Tax Governing Board
4205 Hillsboro Pike
Suite 305
Nashville, Tennessee 37215

Dear Mr. Peterson:

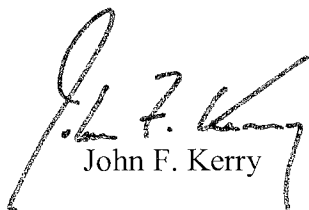
We are writing to ask the Governing Board to support an amendment by the Commonwealth of Massachusetts at the upcoming Streamlined Sales Tax meeting in Providence, Rhode Island on December 5.

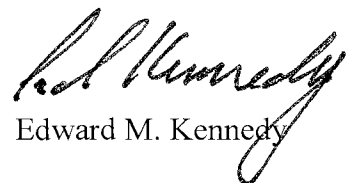
At the Streamlined Sales Tax Governing Board meeting, the Commonwealth of Massachusetts is expected to offer an important amendment which would allow Massachusetts to become a member of the Streamlined Sales Tax Project. Specifically, this amendment would allow Massachusetts to continue its current law practice of exempting the first \$175 in purchases of clothing from the sales tax by allowing states to become members if they provide an exemption for essential clothing. Under the amendment, states would have the ability to set the threshold for the exemption. We urge you to support this amendment.

Without passage of this amendment, Massachusetts would have to change its clothing exempting in order to be a member. The current exemption would have to be repealed or all clothing would have to be exempted from the sales tax. The \$175 exemption for essential clothing strikes the right balance. It mitigates the regressive aspect of a sales tax on clothing while allowing this tax to provide a valuable revenue stream. During these difficult economic times, we think it is appropriate that states exempt essential clothing from a sales tax.

Thank you in advance for your consideration of the Massachusetts amendment.

Sincerely,


John F. Kerry


Edward M. Kennedy