



## Office of Mayor Frank C. Guinta

**PRESS RELEASE – August 25, 2009**

Contact: Mark Laliberte (mlaliberte@manchesternh.gov) (603) 624-6500; Cell: (603) 490-4098

### **Statement by Manchester Mayor Frank Guinta regarding *Town Fair Tire Centers, Inc. vs. Commissioner of Revenue***

MANCHESTER (August 25, 2009) – “I am thrilled that the Massachusetts Supreme Judicial Court unanimously reversed a lower court decision that gave its state’s Department of Revenue the ability attempt to collect sales tax on New Hampshire products,” Mayor Guinta said. “The court understands what the citizens of New Hampshire and Massachusetts already know, that the Commonwealth has no right to collect a use tax on purchases made at a New Hampshire store.”

Mayor Guinta is referring to a decision regarding the Commonwealth of Massachusetts’ Department of Revenue, which tried to collect sales tax on tires sold to its residents at Town Fair Tire stores in New Hampshire. Town Fair Tire has a location in Manchester and six other communities in the state.

“This case, though it involved Town Fair Tire stores in New Hampshire, actually affects every merchant in our city and state,” Guinta said. “In Manchester, there are many stores – large and small – that provide goods and services to Massachusetts residents that do not want to pay a sales tax. The New Hampshire Advantage – with no sales or income tax – is a draw for many people from across the country. We welcome these customers and hope they make Manchester a destination for shopping, entertainment and more.”

However, Mayor Guinta said that this issue might come up again. The SJC indicated that the Massachusetts Legislature could change their law that ‘presumes’ goods purchased in New Hampshire by Massachusetts residents are for use in the commonwealth.

“I would certainly hope that the Massachusetts Legislature would let this issue rest,” Guinta said. “New Hampshire has passed its own statute (Senate Bill 5), which bans states from requiring merchants from having to report or collect taxes from residents of any other states. This is a sovereign right, and one that is not only in our state laws, but also in the United States Constitution. Article I, Section 9 clearly states that, “no tax or duty shall be laid on articles exported from any state.”