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STATE OF CONNECTICUT
BY HIS EXCELLENCY
JOHN G. ROWLAND
GOVERNOR
EXECUTIVE ORDER NO. 27



WHEREAS, in today's competitive economic environment, the Internet and other direct marketing devices are valuable purchasing tools used by Connecticut citizens; and

WHEREAS, in Fiscal Year 2003-2004 Connecticut will lose approximately \$280 million in sales tax revenue due to on-line and direct marketing purchases; and

WHEREAS, this loss has increased by approximately \$141 million since Fiscal Year 2000-2001 and is estimated to rise to approximately \$366 million for Fiscal Year 2005; and

WHEREAS, the current budgetary crisis facing the State of Connecticut requires a comprehensive, multi-state study of the fiscal affects of direct marketing sales (including internet and catalog sales) while acknowledging that state tax systems should treat all transactions in a competitively neutral manner; and

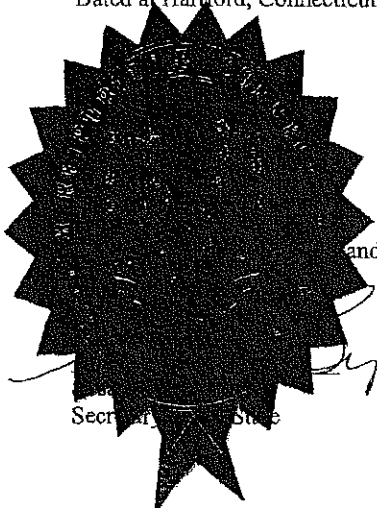
WHEREAS, the collection of sales and use taxes should be simplified to reduce the administrative burden of tax collection to benefit Connecticut's taxpayers; and

WHEREAS, thirty-four states and the District of Columbia have agreed to participate in the Streamlined Sales Tax Project, which was created to develop measurers to design, test, and implement a sales and use tax system that radically simplifies sales and use taxes;

NOW, THEREFORE, I, John G. Rowland, Governor of the State of Connecticut, acting by virtue of the authority vested in me by the Constitution and by the statutes of this state, do hereby **ORDER** and **DIRECT**:

1. The Commissioner of Revenue Services or her designee to participate in interstate discussions through the Streamlined Sales Tax Project to develop a simplified sales and use tax system in accordance with the *Structure and Operating Rules of the Streamlined Sales Tax Project* adopted on March 20, 2000, as may be amended.
2. This order shall take effect on March 17, 2003.

Dated at Hartford, Connecticut, this 17th day of March, 2003.



John G. Rowland
JOHN G. ROWLAND
Governor

and

[Signature]
Secretary of State