Retail Association of Nevada

May 2016

LOOKING OUT FOR BUSINESS

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NEVADA NEWS

Single Issue, Single Result

By RAN Staff

LATER THIS MONTH, EARLY VOTING FOR THE 2016 PRIMARY ELECTION WILL begin and by now you should have heard from, and even met, the candidates who are asking for your vote this cycle. What candidates (whether they currently hold office or are new to the seat) say during the election cycle, in person and in their literature, is extremely important as it often reveals how they would vote or approach particular issues when in office.

For incumbents you can research their voting records and previous election promises to double check that they've kept their words to their constituents. To review RAN's legislative matrix, a guide to how current legislators voted in the last legislative session, visit the government affairs section of **www.rannv.org.**

By completing all of this preparation before voting, you are ensuring you have the complete and necessary information to make an informed decision.

The 2016 election is nothing if not contentious, and it's certainly full of enough wedge issues that there is something for everyone to either vote for or against. RAN would perhaps add a cautionary note, however, when you are making your final candidate decisions. While specific issues and votes can be important, choosing candidates for office based on single issues often leads to a single result: disappointment.

During this primary season, take a look at a candidate's overall approach to government. Maybe you don't share the same opinion on every topic, but choosing the candidate that best agrees with your approach as to how Nevada should be governed, will often lead to better candidates that gives votes you can understand.

Maybe you think government should play a larger role in support services, or maybe you think government should be small enough to just accomplish general goals. Choosing candidates that think like you do on global issues, and not just on individual topics, will lead to being represented by elected officials that share your same views on the role of government.

The legislature considered over one thousand bills in the last session and asking candidates where they stand on every one of those bills is impossible. This cycle, ask your soon-to-be representatives questions that give you a better idea on how they approach solving problems and don't put as much emphasis on looking at litmus tests. Asking about single issues gives you single results, but asking about a single approach to a thousand issues unlocks more answers. ■

INSIDE

Protect Your Business from Counterfeit Money

By Lea Tauchen

According to the United States Secret Service website, "The threat of counterfeit U.S. currency to the financial system of the United States has grown in recent years. Advances in technology, the availability of scanning and printing devices and the adoption of the U.S. dollar by nations as their legal tender have exacerbated the threat."

In Nevada, our local U.S. Secret Service offices have experienced higher than expected occurrences of counterfeit bills compared to other cities/states of our size.

It is important for businesses, especially cash handlers in the retail industry, to be well trained on the security features of currency to help suppress the passage of counterfeit bills. Counterfeiters look for opportunities to take advantage of uninformed businesses. And the worst part is that if your business has been targeted and you unknowingly accept counterfeit currency, you will lose that money. You will not be reimbursed with real money. So it is vital to protect your business.

The U.S. Currency Education Program (CEP) website provides educational materials and informational resources that can assist cash handlers in a retail store environment. CEP is managed by the Federal Reserve Board and works closely with the U.S. Secret Service and the U.S. Treasury Department to ensure businesses and consumers are aware of the design and security features of U.S. currency.

CEP provides interactive training modules on currency authentication processes, quick reference cards for employees, and posters for display, as well as videos that cover a variety of currency topics and news on production changes and redesigns. All training materials can be downloaded for free at **www.uscurrency.gov.**

On page 3, you will see their comprehensive guide that includes the security and design features of the current \$5, \$10, \$20, \$50, and \$100 notes.

If you believe that a customer has handed you a counterfeit bill, the U.S. Secret Service instructs you to "try to note the characteristics of the person who tried to pass the fake note and any companions. If possible, write down a description of any vehicle he or she drove as well as the license plate number. Next, immediately contact your local police department or U.S. Secret Service field office. Finally, make sure that you write your initials and the date in the border of the suspect note. Remember to limit the handling of the note and protect it by putting it in an envelope. Only turn the note over to a police officer or a U.S. Secret Service agent."

"In Nevada, our local U.S. Secret Service offices have experienced higher than expected occurrences of counterfeit bills compared to other cities/states of our size. It is important for businesses, especially cash handlers in the retail industry, to be well trained on the security features of currency to help suppress the passage of counterfeit bills."

Again, please remember if the note is genuine, it will be returned to you, but if it is counterfeit, you will lose that money. And it is illegal for you to knowingly give that bill to someone else.

If you would like to schedule a briefing on counterfeit currency or training on counterfeit suppression techniques with your local U.S. Secret Service field office or you have any questions, please contact Lea Tauchen at **lea@rannv.org** or **775-882-1700.** ■

See authenticating currency instructions on page 4

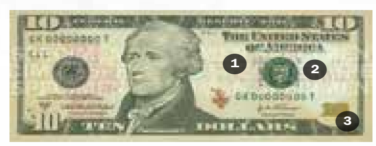
The Latest in U.S. Currency Design

The redesigned $100 note introduces two advanced security features: the **3-D Security Ribbon** and the **Bell in the Inkwell**. It is not necessary to trade in your old-design notes for new ones. All U.S. currency remains legal tender, regardless of when it was issued. Protect yourself — it only takes a few seconds to check the new $100 note and know it's real.

1. Portrait Watermark 2. Security Thread 3. Color-Shifting 100

1. Security Thread 2. Portrait Watermark 3. Color-Shifting 50

1. Security Thread 2. Portrait Watermark 3. Color-Shifting 20



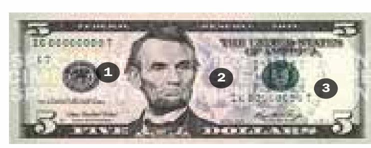
1. Security Thread 2. Portrait Watermark 3. Color-Shifting 10

3-D Security Ribbon

Tilt the note back and forth while focusing on the blue ribbon. You will see the bells change to *100*s as they move. The ribbon is woven into the paper, not printed on it.

Bell in the Inkwell

Tilt the note to see the color-shifting bell in the copper inkwell change from copper to green.

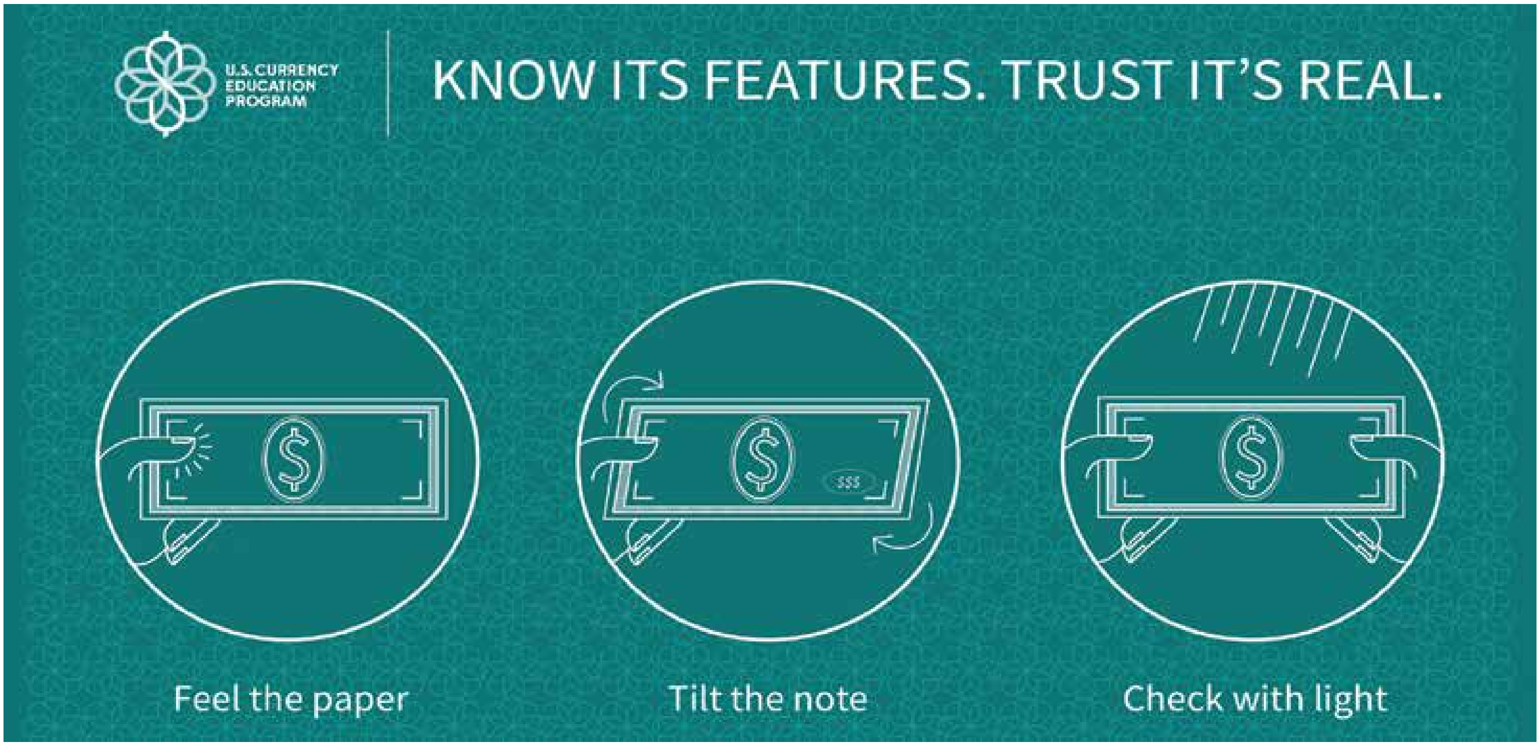


1. Watermark: Column of three smaller numeral 5s 2. Security Thread 3. Watermark: Large numeral 5

www.newmoney.gov

For educational use only. Item not for resale. Item # 409

Authenticating Currency



Feel the paper

Move your finger across the note. It should feel slightly rough to the touch as a result of the printing process and the unique composition of the paper.

Tilt the note

Tilt the note to see the ink in the numbers on the lower right corner change color. On the current style of notes, the color should change from copper to green.

- Color-shifting ink appears on denominations $10 and higher.
- The current style $100 note includes two additional security features you can check by tilting the note: a color-shifting Bell in the Inkwell and a 3-D Security Ribbon. The 3-D Security Ribbon contains images of bells and *100s* that shift as you tilt the note.

Check with light

Hold the note to light to check that the watermark and security thread are visible from the front and back of the note.

- The security thread is in a different location on each denomination $5 and higher.
- The watermarks on the $10, $20, $50, and $100 notes should match the portrait on the front of the note. The $5 note has numeral *5* watermarks.

Visit **uscurrency.gov** for more information and training resources on authenticating current and older styles of U.S. currency.

Become familiar with your organization's counterfeit-reporting procedures, and follow those procedures if you are uncertain if the banknote you are handling is genuine U.S. currency. Procedures may include notifying your manager, notifying your loss-prevention representative, or calling your local law enforcement authority.

Update of Interest to All Pharmacies Practicing in Nevada

By Liz MacMenamin

THE BOARD OF PHARMACY MET IN RENO ON MARCH 2 and in Las Vegas on April 13th and 14th.

The following regulations were heard at the workshop in Reno:

- **Amendment of Nevada Administrative Code (NAC) 639.955:** Imposition of fines; authority to take disciplinary action. The proposed amendment imposes fines for not transmitting information regarding the dispensing of controlled substances.

This information will be due by the end of the "next business day following dispensing a controlled substance" listed in Schedule II, III, IV. Failing to comply with this regulation, the board may impose a fine of up to $100.00 a day. RAN asked the board for consideration of the pharmacies that may not be able to submit this in a timely manner because of circumstances beyond their control.

- **Amendment of Nevada Administrative Code (NAC) 639.921:** Sharing information between systems: Conditions and requirements. The proposed amendment would allow for the sharing of information between two or more pharmacies that are commonly owned or contractually related.

The proposed amendment would expand the ability to share information between companies that are unrelated, but have contractually agreed to share information and filling services.

The regulations were returned to the Legislative Council Bureau for final language, and will be returned to the board for public hearings at a future meeting. They were not returned in sufficient time to be placed on the agenda for the April meeting.

Other discussions of interest to members in Nevada at the March meeting were in regard to existing regulations that relate to the filling process and the responsibilities of all parties involved in the "segmented filling" process.

Board staff discussed current discipline cases and believed that there may be a need to reopen these regulations and make adjustments. Dan Luce, with Walgreens, testified that the board currently has the ability to discipline all those involved in the process and most importantly, may discipline the actual pharmacy that may hold a license as an "out of state pharmacy practicing in Nevada." The Board made no recommendations to staff on this matter.

The following regulation was heard in a public hearing in Las Vegas on April 14th:

- **Amendment of Nevada Administrative Code (NAC) 639.620, 639.6282, 639.6305 — Third-Party Logistics Providers**: The regulation amends the definition of third-party logistics providers (3PLs) to be consistent with the Federal Drug Quality and Security Act (DQSA). The amendment requires that a 3PL obtain a license as an authorized warehouse, rather than being licensed as a wholesaler as they have historically been licensed.

This regulation was passed unanimously by the board with the public member abstaining from voting. The Executive Director of the Nevada Trucking Association (NTA) testified that he had meetings with board staff and tried to reach an agreed-upon solution, but at the time of this hearing, staff and the NTA were not in agreement. The board supported staff and voted to move forward with this language. This will now be heard at the next Legislative Commission to Review Regulations.

The next board meeting will be held in Reno, Nevada on June 1st and 2nd at the Hyatt Place Reno-Tahoe Airport Hotel. It is possible that the two regulations heard in the workshop held in March may be included on this agenda; if you have any concerns or would like to discuss this please give Liz MacMenamin a call. ■

Nevada Notes

NEVADA SECRETARY OF STATE ANNOUNCES

Nevada Secretary of State Barbara Cegavske announced two initiative petitions have qualified for inclusion on the 2016 General Election ballot.

The Background Check Initiative will be listed as Question Number 1 on the ballot, while the Initiative to Regulate and Tax Marijuana will be listed as Question Number 2.

Secretary Cegavske has selected committees for each question: one committee is comprised of citizens who favor approval of the ballot question, while the other committee is comprised of citizens who oppose the question.

The text of the initiatives can be found on the Secretary of State's website at **www.nvsos.gov.**

Questions related to Nevada elections can be submitted to Elections Division at the Secretary of State's office at **nvelect@sos.nv.gov** or by calling **(775) 684-5705.**

Press Release

Editor's Note: BQ1 is a gun control measure; BQ2 is a recreational marijuana measure.

NORTHERN NEVADA COMMERCIAL REAL ESTATE —RETAIL

As one of the leading industries in Nevada, the hit to the retail sector during the recession was especially tough for the state.

Vacancy for retail in Reno-Sparks peaked at 17.3 percent in the first quarter of 2013, according to commercial real estate service firm CBRE Inc. Since then, the vacancy rate has gone down to 12 percent in the first quarter of this year. A vacancy rate of 7 percent to 8 percent is typically considered healthy for retail.

Retail is also at an interesting juncture given the impact of "disruptive" innovations — business models that disrupt existing markets while creating new ones. Online retail operations such as Amazon, for example, have led to the closure of several physical stores for more traditional competitors. Whereas once you had multiple big box stores in the area for electronics, for example, now you only have Best Buy.

The good news for Reno-Sparks is that retail saw a strong first quarter during the first three months of 2016. Retail also posted one of the biggest job gains for the state in March, helping lower the state's jobless rate to 5.8 percent for the month, according to the Department of Training, Employment and Rehabilitation.

RGJ

PHARMACY STUDENTS VOLUNTEER TO ANSWER CALLERS' MEDICARE QUESTIONS

Pharmacy students at Roseman University are volunteering to help Nevada's Medicare population learn more about their insurance coverage, and a new grant is expected to boost their efforts.

The students, who have been trained through the Nevada State Health Insurance Assistance Program, operate the school's Medicare Call Lab, answering questions from Medicare participants and their families about insurance plans, prescription coverage, and possible state and federal assistance eligibility.

Training for the students, members of Roseman's chapter of the American Society of Consultant Pharmacists, includes the basics of Medicare, listening to advisers take and respond to questions and practicing logging information.

The State Health Insurance Assistance Program, or SHIP, operates offices across the state and provides the students with lists of calls to make. The students also operate their own call line.

If a caller's questions are too detailed, Roseman students will leave information for a SHIP counselor to connect with the caller.

A $50,000 award through grant competition NobleCause will be distributed this month, allowing the lab to purchase tablets, dividers to separate students' workstations and dual headsets to speed up training.

Roseman's Medicare Call Lab can be reached at **702-968-6615** or by email at **medicare@roseman.edu.**

LVRJ

PHARMACOGENETIC TESTING ANOTHER STEP TOWARD MORE PERSONALIZED HEALTH CARE

Rhigel "Jay" Tan knew there had to be a better way. Like many of his colleagues, the UNLV professor and psychiatric and mental health nurse practitioner had long been skeptical of the trial-and-error approach to prescribing medicine for mental health patients.

For years, he and others had been scratching their heads over why one drug would produce fantastic results for one patient

Continued on page 11

National Notes

UPSCALE SHOPPING CENTERS NUDGE OUT DOWN-MARKET MALLS

Retailers are abandoning a decades-old strategy of growing sales by blanketing cities with stores as consumers do more of their shopping online and less at the mall.

The shifting shopping habits have prompted chains such as Macy's Inc. to close stores in secondary malls to focus on web sales and more upscale shopping centers.

Once-solid regional "B" malls that thrived for years are losing shoppers and tenants to the "A" malls—those with sales per square foot in excess of $500, according to Green Street Advisors.

The research firm estimates that about 44% of total U.S. mall value, which is based on sales, size and quality among other measures, resides with the top 100 properties, out of about 1,000 malls.

Not all "B" malls are struggling, however. What undermines them is when a better mall opens nearby.

Many of the top malls are attracting higher end tenants and leasing space to upscale restaurants and gyms, or hosting events. As a result, shoppers are more apt to bypass smaller, local malls that tend to stock basic items more easily purchased online.

Large mall operators have been divesting lower-performing properties to double down on their most profitable locations. Both Simon Property Group Inc. and General Growth Properties Inc. have spun off lower-quality malls into separate companies so they can focus their capital on higher end properties.

WSJ

STORE BRAND SALES REACHED NEW RECORD LAST YEAR

Sales of store brand products hit a record $118.4 billion last year, with store brand sales making up 17.7% of retailers' dollar shares, which was also a record, according to a report from the Private Label Manufacturers Association. Sales of store brands in the supermarket segment reached $62.5 billion, according to the report, which was about the same as in 2014.

Progressive Grocer

STATES TEST LIMITS OF POWER TO REGULATE INTERSTATE E-COMMERCE

The U.S. Constitution grants Congress the power to regulate interstate commerce. But with states missing out on billions of dollars in sales and use taxes from online and catalog purchases, and Congress unable to agree on a national framework, states are getting more aggressive about testing the limits of their own interstate regulatory authority. And they're getting plenty of encouragement from the courts.

In National Bellas Hess v. Illinois (1967) and again in Quill v. North Dakota (1992), the U.S. Supreme Court affirmed that states can only impose sales taxes on businesses that have a physical presence, or "nexus," within their borders.

In recent years many states, spurred by budget shortfalls and the loss of billions of dollars in sales tax revenues to online and catalog purchases — coupled with consumers' disinclination to voluntarily remit use taxes on their out-of-state purchases — have passed "affiliate nexus" laws, also known as "Amazon taxes." Those laws require out-of-state business with in-state affiliates, such as sales offices or distribution centers, to collect and remit sales taxes in those states.

But last year Alabama adopted a regulation more at odds with the rulings in Bellas Hess and Quill. That regulation requires out-of-state sellers that do over $250,000 in business with Alabama residents to collect and remit sales taxes to the state, essentially asserting that an "economic presence" is enough to make a business subject to sales taxes.

A dozen other states have, in fact, introduced bills related to remote sales taxes this year, according to LexisNexis State Net's legislative tracking database. And the National Conference of State Legislatures has released model language for states to use to enact legislation challenging Quill.

That language significantly broadens the definition of "doing business" in a state to include virtually anything related to "the selling, leasing, or delivering…of tangible personal property or [taxable services]."

That includes not only selling or distributing through an affiliate, but also advertising, direct marketing and even using "cookies" or other user preference data "stored on property in or distributed within" a state.

(See more at: **www.lexisnexis.com/communities/state-net/b/capitol-journal/archive/2016/04/08/states-test-limits-of-power-to-regulate-interstate-e-commerce.aspx?utm_campaign=State+Net+Capitol+Journal**)

Continued on page 11

CEO *ISSUE* UPDATE

When Frustration Drives Legislation

An op-ed column published less than one year ago demonstrates the significance of this week's enactment of the Ensuring Patient Access and Effective Drug Enforcement Act.

The op-ed—coauthored by NACDS and the U.S. Pain Foundation for *The Tampa Tribune*—described the complexity of issues surrounding prescription pain medications, and the frustrations that flowed from them: "To hear of one family devastated by prescription drug abuse is to receive motivation to tackle the problem. Yet to hear a story of a suffering patient who cannot receive a needed pain medication serves as equal motivation to protect access. Both of these scenarios need to be addressed—simultaneously."

In addition, many pharmacists felt caught in the middle of this incredibly difficult and often frustrating situation.

Given the sincerity of NACDS members' efforts to help address these very serious problems, it is extraordinarily good timing that the U.S. Senate passed the bill on the day after the 2016 NACDS RxIMPACT Day on Capitol Hill; that the U.S. House of Representatives passed it on the Tuesday before the 2016 NACDS Annual Meeting; and that President Obama signed it into law on the last day of the NACDS Annual Meeting.

Throughout the ongoing push-and-pull over prescription pain medications, NACDS and our allies have referred to the Ensuring Patient Access and Effective Drug Enforcement Act as a symbol of the multi-faceted approach and true collaboration that would be necessary to address these issues effectively. Now that the legislation has been enacted, we will make it a priority to see that it is leveraged to exert as much influence as possible to create workable and comprehensive solutions for all parties involved.

Congratulations to everyone who worked—and will continue to work—to translate these frustrations into practical solutions.

Steven C. Anderson, IOM, CAE
NACDS President & Chief Executive Officer

Editor's Note: Reprinted with permission from the National Association of Chain Drug Stores (NACDS).

That Little Competitive Edge

By James Larsen
jameslarsen@businesspsyc.org

RETAILERS' RADAR IS ALWAYS TUNED to detect competitive advantages they can incorporate into their businesses. Advantages are worth their weight in gold, and now, Alexander Chernev and Sean Blair, from Northwestern University have discovered a new competitive advantage that any business can use. They explored how this advantage works, and they developed rules we can follow to help ensure that it works for us.

Chernev and Blair guessed that a well-understood effect known as the "halo effect" had a wider application than has been shown in the past. They guessed that pro-social actions by a business would influence evaluations of the products offered by that business, and they were right.

The halo effect is a tendency of people to extend overall evaluations of a product or service to specific properties of that product. For example, health and nutrient claims on food packages induce a "health halo" that leads people to rate these products higher on health attributes not even mentioned. A halo effect can also be observed when very attractive people are assumed to be highly intelligent before they are given an opportunity to say or do something to disprove it. Chernev and Blair found that this halo effect also extends to acts of corporate social responsibility. Under the right conditions, such acts can significantly influence consumer perceptions of the functional performance of the company's products even though these charitable acts have nothing to do with these products.

Chernev and Blair explored the operation of this halo effect in a series of experiments. In each experiment, customers compared the performance of two products. They also learned that one of the products was produced by a company with a history of socially responsible, charitable actions, while the other product was not. In each experiment, the halo effect transferred positive qualities from the socially responsible business to the product evaluations, significantly improving them over the comparison products.

These experiments also revealed three rules that retailers need to follow to trigger this evaluation halo.

First, the halo effect significantly improves product evaluations with people relatively unfamiliar with the product. In a wine-tasting comparison, wine connoisseurs were not influenced by the halo effect. Consumers unfamiliar with wine were influenced. ***Rule #1: Expect the halo effect associated with a company's pro-social activities to be stronger when customer expertise is low rather than high. Expect the halo effect to help you promote your business to new customers, especially customers unfamiliar with the product.***

Second, the halo effect disappears when people believe that a firm's pro-social activities are motivated by self-interest. The moral undertone of the company's motivation for engaging in socially responsible activities is crucial. The halo effect influences product evaluations when pro-social activities appear to be motivated by benevolence. ***Rule #2a: Stress benevolent motivation for pro-social behavior.***

Information about a firm's pro-social activities should come from third-party sources, not company advertising. Firm advertising touting pro-social activities gives the appearance of self-interest as the motivating factor. ***Rule #2b: Use sources other than firm advertising to inform the public of business pro-social activities.*** Public relations advisors can explain how to do this.

Third, customer values serve to amplify or diminish the halo effect. If customer values match the benevolent, pro-social activities of the firm, the halo effect strongly influences product evaluations. If a match does not exist, the halo effect is much reduced. ***Rule #3: Know the values of the market you wish to reach, and match your pro-social activities with these values.***

Customers have many retailing choices. The little edge that brings customers into our businesses can make all the difference. ■

Reference: businesspsych.org

Important Information for SIG Members

NRS requires all existing members of a self-insured group to be notified of all new members. NRNSIG new members are listed below.

8082 Fairfield LLC
Century Auto Body
CB Nellis Inc. dba Morning Star Distributing
CRC Las Vegas dba ProPak LV
George Fujii dba West Coat Martial Arts
Gussow Dental Care dba Vegas Smiles
Integrated Medical Group Inc
Kidsville Learn and Play Center Inc
Livingston Home LLC
Livingston Home II LLC
LV Canoe Kayak Club LLC
Minden Lawyers LLC
Nasons Scanning Service LLC
Nevada Gaming Partners Management LLC
Robby Williams dba Inside Designs
Silver Street Express Lube LLC
TransformationsCare LLC

NRNSIG members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

Nevada Notes *Continued from page 6*

and bring nothing more than painful side effects to another.

A few years ago, Tan turned to pharmacogenetic testing for answers. The field, which has been around for several decades, is evolving rapidly with the push for more personalized care. Even the federal government has a stake in the matter, earmarking $215 million in the 2016 budget for its precision medicine research initiative, which involves more research into pharmacokinetics testing.

Pharmacogenetic tests evaluate a person's genetic metabolic pathways, most of which are in the liver, to ascertain whether a drug will be beneficial to that person. After a few years and a few hundred patient tests, Tan can honestly say the approach is a game-changer.

Medical professionals agree pharmacogenetics is indeed the wave of the future, not just for psychiatric medications, but for many other drugs as well — even though barriers still exist.

LVRJ Op-Ed

National Notes *Continued from page 7*

RETAILERS TO BENEFIT FROM POSTAL RATE REDUCTION

In what has been described as an historic rate reduction, the U.S. Postal Service (USPS) rolled back postage rates on April 10.

The reduction – the first stamp prices have fallen since 1919 – is prompted by the removal of the 4.3% exigent surcharge. It will apply to several mail classifications, including letters, large envelopes, flats, and postcards.

The changes will bring the price of First-Class stamp mail to $0.47 from $0.49; First-Class metered mail to $0.465 from $0.485; and postcards to $0.34 from $0.35.

The rate structure for shipping products, including Priority Mail and parcels/packages, will not be affected.

WSJ

OPIOID ABUSE COSTS AMERICAN EMPLOYERS $10 BILLION ANNUALLY

Absenteeism and lost productivity linked to opioid abuse is costing American employers some $10 billion annually, according to the American Society of Addiction Medicine.

Nationally, about 4.5% of individuals who received an opioid prescription abused the medication, according to a study from Castlight Health.

"Opioid abuse is a national conversation, but the impact on our economy from the perspective of the employer and the impact on employees and their families isn't as addressed as the social impact," said Kristin Torres Mowat, senior vice president of plan development and data operations at Castlight.

NBC News
NACDS

"Treat employees well. Employees are your internal customers and need a regular dose of appreciation. Thank them and find ways to let them know how important they are. Treating customers and employees well is equally important."

Barbara Wold
bwold@ix.netcom.com

UPCOMING EVENT

NRF PROTECT PEOPLE. ASSETS. BRANDS. Loss Prevention Conference
June 14–16, 2016
Expo June 15–16, 2016
Philadelphia, PA
#NRFPROTECT

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By Any Name, a Consumption Tax is a Tax on the Economy

YOU CAN CALL IT A VALUE ADDED TAX, NATIONAL Retail Sales Tax, Flat Tax or — most misleading of all — a Fair Tax. Some versions would replace the current income tax system while others would be imposed on top of it.

But no matter what the name, a consumption tax is a bad idea that just won't go away.

NRF has been fighting proposals for a tax on consumption for more than 15 years. From a plan unveiled in 2000 to another proposed in 2014, we've explained over and over that taxing consumption would cause massive disruption to the U.S. economy. Many leading economists agree. The idea never gets very far. But just when you think it is dead and buried, it comes back.

The latest reincarnation came just last month as the House Ways and Means Committee held a hearing on consumption tax proposals as the first in a series of sessions on comprehensive tax reform.

NRF is all in favor of tax reform. But we want reform that would boost the economy, and a consumption tax would do exactly the opposite. We have repeatedly called on Congress to "broaden the base" by limiting exemptions and deductions, and then use the revenue that would be saved to lower rates.

Unfortunately, retailers, consumers and others who would be affected by a consumption tax weren't allowed to testify at March's hearing, only members of Congress who have sponsored bills on the issue. So we did the next best thing and submitted a statement for the record — and made sure our message was amplified through news reports and social media.

"A consumption tax would decimate consumer spending, which makes up two-thirds of the economy."

As we told the committee, a consumption tax would decimate consumer spending, which makes up two-thirds of the economy. ■

This article was published in the April 2016 issue of STORES Magazine.

See more at: **https://nrf.com/news/any-name-consumption-tax-is-tax-the-economy?utm_source=NRFStat&utm_medium=04-15&utm_content=STORES_ConsumptionTax&utm_campaign=SmartBrief#sthash.NEiYy1kY.dpuf**