



Washington Wants To Know

Should Congress End Special Treatment For Online-Only Retailers?

(NAPSA)—There are more than a million retail outlets in the United States and they employ almost 14 million people. After struggling through the Great Recession, many economists say it's time for Congress to help these entrepreneurs, their communities and their employees by ending the special treatment given to their online-only competitors.

Here's How

It can pass the Marketplace Fairness Act. This will:

- Restore free market principles by requiring all retailers to play by the same rules, whether they operate on Main Street or online
- Simplify the collection of sales taxes for all retailers, making the system fairer and easier for all small businesses
- Make it easier for states to collect revenue that is already owed, taking pressure off lawmakers to make deep cuts or raise other taxes
- Promote real business competition and help protect our local business base and jobs.

The Situation Now

Today, online-only retailers are exploiting a legal loophole from the pre-Internet era that lets them avoid collecting state sales taxes. Meanwhile, local brick-and-mortar businesses are legally obligated to collect sales taxes at the point of purchase every single



Legislation before Congress can improve our economy by closing a decades-old sales tax loophole that lets online-only retailers avoid collecting sales taxes.

day. As a result, Internet-based retailers get a government-sanctioned price advantage of up to 10 percent in many states.

Explains Governor and former Indiana Representative Mike Pence: "I don't think Congress should be in the business of picking winners and losers. Inaction by Congress results in a system today that does pick winners and losers."

When Main Street retailers lose sales to out-of-state, online-only retailers due to an unfair competitive advantage, it damages local businesses that create those jobs, pay their property and income taxes and build communities. Sales taxes collected by local, brick-and-mortar businesses fund

critical services that benefit all citizens—from highway improvements to emergency services and public education. These are also the businesses that sponsor Little League teams and support charitable efforts throughout the year.

Governors from across the country, including New Jersey governor Chris Christie, have helped mobilize support for Congress to act. These governors see firsthand the negative impact this loophole has on local companies and communities, and they are urging Congress to solve this problem now.

What Can Be Done

Fortunately, the technology exists to simplify implementation of e-fairness legislation for small businesses. There is already software on the market that lets small online companies quickly and efficiently calculate taxes due on sales, which can be easily incorporated into their operations. eBay provides this software to their own sellers for only a few dollars a month.

Learn More

You can get further facts from the experts at The Alliance for Main Street Fairness—a coalition of business owners and civic leaders who want all businesses to have the chance to compete in a free market void of government interference—at www.standwithmainstreet.com.