

# Senate embraces Internet taxes

Senators vote 75 to 24 to glue an endorsement of Internet sales taxes onto a Democratic budget bill, despite opponents predicting the idea is antibusiness and a "bureaucratic nightmare."

by [Declan McCullagh](#) | March 22, 2013 5:04 PM PDT



Dick Durbin, center, the Senate's No. 2 Democrat, says today's Senate vote in favor of levying Internet sales taxes on American shoppers is "one that is long overdue."

(Credit: Getty Images)

The U.S. Senate voted overwhelmingly today to endorse levying **Internet sales taxes** [[http://www.cnet.com/8301-13578\\_3-57575489-38/internet-tax-proposal-up-for-a-vote-in-senate-this-week/](http://www.cnet.com/8301-13578_3-57575489-38/internet-tax-proposal-up-for-a-vote-in-senate-this-week/)] on American shoppers, despite warnings from a handful of senators that the proposal is antibusiness, harmful to taxpayers, and will be a "bureaucratic nightmare."

By a vote of 75 to 24, senators adopted an amendment to a Democratic budget resolution that, by allowing states to "collect taxes on remote sales," is intended to eventually usher in the **first national Internet sales tax** [[http://www.cnet.com/8301-31921\\_3-20052999-281.html](http://www.cnet.com/8301-31921_3-20052999-281.html)].

The vote follows a week of fierce lobbying from the National Retail Federation and the Retail Industry Leaders Association, which represent companies including Walmart, Target, AutoZone, Best Buy, Home Depot, OfficeMax, Macy's, and the Container Store. They argue that online retailers, which in some cases do not collect sales taxes at checkout, enjoy an **unfair competitive advantage** [[http://www.cnet.com/8301-31921\\_3-57333501-281/internet-sales-tax-fight-returns-to-congress/](http://www.cnet.com/8301-31921_3-57333501-281/internet-sales-tax-fight-returns-to-congress/)] over big box stores that do.

"We believe this is the fair thing to do," Sen. Dick Durbin, an Illinois Democrat, said during this afternoon's floor debate. "Otherwise they're competing against retailers who don't collect."

The amendment, drafted by Sen. Mike Enzi (R-Wy.), is nonbinding but nevertheless represents an important political milestone for Internet tax aficionados. The overwhelming vote count now likely allows them to bypass the Senate Finance committee, headed by Democratic Sen. Max Baucus from Montana, a state without a sales tax -- and representatives in Washington, D.C., who would like to keep it that way.

In Montana, Baucus said during the floor debate today, "sales tax is anathema." But, he warned, what the amendment "says is eventually you can have a sales tax in my state. So in effect we'll be forced to have a sales tax."

Montana businesses selling through the Internet or mail order to other states will

have to "collect and enforce" those other states' sales taxes, Baucus said. "I've never heard this happening before.... It's a terrible precedent."

Taxpayer advocates say Enzi's amendment amounts to a multibillion dollar tax hike on American consumers that shouldn't be tucked into an unrelated budget bill ([PDF](http://budget.senate.gov/democratic/index.cfm/files/serve?File_id=7d337c26-4dab-4dfd-bb59-887c1b45f9501) [http://budget.senate.gov/democratic/index.cfm/files/serve?File\\_id=7d337c26-4dab-4dfd-bb59-887c1b45f9501](http://budget.senate.gov/democratic/index.cfm/files/serve?File_id=7d337c26-4dab-4dfd-bb59-887c1b45f9501)). The National Taxpayers Union set up a [petition](https://secure3.convio.net/ntu/site/Advocacy?cmd=display&page=UserAction&id=1629) [<https://secure3.convio.net/ntu/site/Advocacy?cmd=display&page=UserAction&id=1629>] to Congress this week saying Enzi's bill is "really just a way to unleash state tax collectors on the Internet," and 15 conservative groups sent a [letter](http://www.rstreet.org/policy-brief/an-open-letter-to-the-united-states-congress-oppose-the-marketplace-fairness-act/) [<http://www.rstreet.org/policy-brief/an-open-letter-to-the-united-states-congress-oppose-the-marketplace-fairness-act/>] last week to members of Congress saying an Internet tax law is "is bad news for conservative principles and the cause of limited government."

They're joined by eBay, an association of small Internet sellers called [WE R HERE](http://werherecoalition.org/who-we-are) [<http://werherecoalition.org/who-we-are>], and [NetChoice](http://www.netchoice.org/) [<http://www.netchoice.org/>], which includes Facebook, Yahoo, LivingSocial, and AOL as members.

"It's discouraging but not unexpected," [Steve DelBianco](http://www.netchoice.org/about/netchoice-staff/) [<http://www.netchoice.org/about/netchoice-staff/>], executive director of NetChoice, said after the vote. He said the Enzi amendment was "not even vaguely related to the underlying bill" that will be offered for a binding vote later this year, so it would be a mistake to predict the vote count would be the same.

That binding vote would come in the form of the so-called [Marketplace Fairness Act of 2013](http://thomas.loc.gov/cgi-bin/bdquery/z?d113:s.00336:) [<http://thomas.loc.gov/cgi-bin/bdquery/z?d113:s.00336:>] (S.336), introduced last month, which has 26 Senate [cosponsors](http://thomas.loc.gov/cgi-bin/bdquery/z?d113:SNO0336:@@P) [<http://thomas.loc.gov/cgi-bin/bdquery/z?d113:SNO0336:@@P>] and would authorize state governments to collect taxes from remote sellers with more than \$1 million in gross receipts. But it takes effect only if state governments sufficiently simplify their labyrinthine tax laws. In New Jersey, for instance, bottled water and cookies are [exempt from sales tax](http://www.streamlinedsalestax.org/uploads/downloads/State%20Compliance/New%20Jersey/2010/New%20Jersey%20Taxability) [<http://www.streamlinedsalestax.org/uploads/downloads/State%20Compliance/New%20Jersey/2010/New%20Jersey%20Taxability>], but bottled soda and candy are taxable. In Rhode Island, buying a mink handbag is taxed, but a [mink fur coat is not](http://www.streamlinedsalestax.org/uploads/downloads/State%20Compliance/Rhode%20Island/2010/Rhode%20Island%20Taxal) [<http://www.streamlinedsalestax.org/uploads/downloads/State%20Compliance/Rhode%20Island/2010/Rhode%20Island%20Taxal>].

The current legal and political landscape was shaped by a 1992 case called [Quill v. North Dakota](http://www.law.cornell.edu/supct/html/91-0104.ZO.html) [<http://www.law.cornell.edu/supct/html/91-0104.ZO.html>], in which the U.S. Supreme Court ruled: "Congress is now free to decide whether, when, and to what extent the states may burden interstate mail order concerns with a duty to collect use taxes."

Under the Quill ruling, out-of-state retailers generally don't have to collect taxes. One exception to that rule is a legal concept called "nexus," which means a company can be forced to collect sales taxes if it has a sufficient business presence, which is why Amazon.com wasn't required to collect sales taxes in California [until recently](http://www.cnet.com/8301-13578_3-57510713-38/amazon-shoppers-will-squeeze-through-calif-tax-loophole/) [[http://www.cnet.com/8301-13578\\_3-57510713-38/amazon-shoppers-will-squeeze-through-calif-tax-loophole/](http://www.cnet.com/8301-13578_3-57510713-38/amazon-shoppers-will-squeeze-through-calif-tax-loophole/)]. Another exception is the sale of cigarettes, which is covered by the Jenkins Act.

As a practical matter, many Americans already pay sales taxes on Internet purchases, especially as Internet retailers including Amazon and even Apple have opened stores or warehouses in more states. But smaller retailers, including Newegg.com, Systemax's TigerDirect.com, and eBay sellers are less likely to have nexus.

Durbin released a statement this afternoon saying the vote was on an "amendment summarizing" the Marketplace Fairness Act, and that "today's vote proves that an overwhelming majority of Senators support this bipartisan legislation."

The National Retail Federation circulated a statement after the vote saying: "The retail community is unified in our commitment to pass the Marketplace Fairness Act and make it law. NRF members will continue to educate and lobby legislators on the importance of leveling the sales tax playing field for all retailers -- no matter their preferred channel."

The National Taxpayers Union, on the other hand, responded by saying: "Lawmakers claiming to be taxpayer advocates had no business backing this amendment, which opens the door to a host of threats to taxpayers.... Polls asking the question fairly show that the more they understand (the proposal), the more stridently citizens oppose the

bill. They will not walk away from this fight simply because of a cleverly engineered parliamentary maneuver."

[\[http://www.cnet.com/profile/declanoo/\]](http://www.cnet.com/profile/declanoo/)



**Declan McCullagh** [<http://www.cnet.com/profile/declan00/>]

is the chief political editor at CNET. Declan previously was a reporter for Time and the chief for Wired and wrote the Taking Liberties section and Other People's Money column for CBS News' Web site.

[\[http://plus.google.com/112961607570158342254/\]](http://plus.google.com/112961607570158342254/)

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Apr 4, 2013

If they increase the gross revenue to five million (which is how this was bill was originally proposed I believe), that would let true "small" businesses have an advantage and as they grow into small-medium size businesses, they can then handle the taxation better. It should also be a flat 4% (or something similar) with one return to file. Amazon is Walmarting the Internet. You can even buy direct from China to your doorstep and skip all American workers. Can't wait until we all work for these big companies as drones. But at least we got the best prices.

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[beowulf74 \[http://www.cnet.com/profile/beowulf74\]](http://www.cnet.com/profile/beowulf74)

Mar 28, 2013

Typical tax and spend Democrats running the Senate. Shame on the 26 GOPs who voted for it and kudos to the 5 Democrats who voted against it.

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[mradomile \[http://www.cnet.com/profile/mradomile\]](http://www.cnet.com/profile/mradomile)

Mar 25, 2013

It seems we are once again the Country reverting to a state of affairs that caused the American Revolution, "No Taxation without representation", If you want to delude yourself and believe that these monkeys represent anyone other than themselves, then get in line for treatment in Obamacare.

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[glasshalfull01 \[http://www.cnet.com/profile/glasshalfull01\]](http://www.cnet.com/profile/glasshalfull01)

Mar 25, 2013

Please lighten up. Let's see how it plays out. States without sales tax will lobby intensely for a low federal baseline and probably succeed. States with very high sales tax (i.e. Illinois) will find that their residents still use Internet sales to bypass the local sales tax, minimizing the hit and sustaining the pressure on those states to control their spending. Anyone tracking Washington realizes that the feds need money, even with cuts 3X -4X the level of sequestration just to pay back debt. So where do you want it to come from?

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**[zephon13 \[http://www.cnet.com/profile/zephon13\]](http://www.cnet.com/profile/zephon13)**

Edited by a Moderator Mar 25, 2013

Oh yea, we all know Walmart is hurting REAL bad from online sales. Just look how bad their multi-BILLION dollar empire is doing! Oh my god we need these taxes to save our country? Oh boohoo! Executives have to take a fraction of a percent off their annual 6-figure bonus because online sellers don't charge tax.

\*\*\*\* this senate. I hope every one of them that voted for this lose every last thing they hold dear to them, since they obviously care so much about the people who are going to be paying all of this extra money.

/ **[like](#)** [**[reply](#)**]**[c|net Reader \[http://www.cnet.com/profile/c|net+Reader\]](http://www.cnet.com/profile/c|net+Reader)**

Mar 25, 2013

If there was one simple rate to apply to each purchase, then this could be workable, but only for businesses big enough to deal with sales tax collection and reporting in other states. Small business costs will increase with this added burden and could be enough to drive some out of business. <sarcasm>That will help the economy.</sarcasm>

Ultimately, this is just another way to extort more money from the citizenry to pay for pet projects. I'd like to severely restrict the Government's income and let the private sector provide for the poor and infirm. The problem is that too many people take the idea of reducing Government to mean the helpless are left to shift for themselves, as if the Government is the only way to help one's fellow man. I would much prefer to donate (more of) my money to charities that satisfy my sense of helping, than for the Government to steal it from me to give to whomever shouts loudest. That also means I wouldn't give my money to help those who can support themselves, other than helping them get back on their feet. (This also makes handouts and hands-up more personal, so those receiving money are more likely to feel the need to give back or help others, in their turn. Taking from an impersonal Government seems victimless, yet it means taking from my family!)

/ **[1 like](#)** [**[reply](#)**]**[swannyww \[http://www.cnet.com/profile/swannyww\]](http://www.cnet.com/profile/swannyww)**

Mar 25, 2013

Shipping cost plus taxes will slow this economy and cost shipping jobs, manufacturing jobs, etc. Stores complain about the web being unfair, but stores carry only what they want to carry and the items are usually the highest profit items. The web provides selection and that is why they are successful. Read the book Free Lunch and you will be shocked the deals the big stores have made to avoid paying taxes, yet collecting them. Maybe if the big box stores didn't get free stores, no taxes, collect state tax and get to keep it, get to keep state withholding tax as well. they would have a case. This false complaint by the big guys is just them looking for another deal to keep them happy, while damaging the web sales (competition), and destroying small businesses with even more power they will gain.

/ **[1 like](#)** [**[reply](#)**]**[reider251b \[http://www.cnet.com/profile/reider251b\]](http://www.cnet.com/profile/reider251b)**

Mar 24, 2013

I wonder if any thought was ever put into the impacts of this online tax to other government programs (Medicare/Medicaid/etc.) Many seniors, due to lower costs, purchase their

prescriptions via mail order or online. Tax increases the cost to them, and what's passed to the mentioned programs. Seems like our glorious politicians may be shooting themselves in the foot... Again, just my opinion. I don't know the ins and outs of the above mentioned programs, so what I'm saying is purely speculation.

/ [2like](#) [[reply](#)]

**[grcnc \[http://www.cnet.com/profile/grcnc\]](http://www.cnet.com/profile/grcnc)**

Mar 24, 2013

This is the only thing that will save any small businesses that are left, and probably some of the chains. Rampant showrooming with smartphones and Amazon's takeover is killing any kind of normal business. If you have the money to blow on stuff, you can cover the taxes, and hopefully you will buy the item locally since the business owner has stuck out their neck to keep the stuff in stock, only to be bent over from the consumer, distributor, and vendor of the item, meanwhile eating the tax and the shipping, which ends in no profit to keep the doors open. Hell yeah, can't wait to open in the morning!

/ [1like](#) [[reply](#)]

**[chriswebpub \[http://www.cnet.com/profile/chriswebpub\]](http://www.cnet.com/profile/chriswebpub)**

Mar 25, 2013

[@grcnc \[http://www.cnet.com/profile/grcnc\]](http://www.cnet.com/profile/grcnc) You're totally wrong. The Internet didn't kill the local mom and pop. Walmart did. You know what will kill Walmart? Internet Mom and Pops. You know what will kill Internet Mom and Pops? This bill. Small niche online retailers with large selection are the only things that can compete with Walmart, Target, malls full of chain stores, etc. Why do you think Walmart is so in favor of this bill? The myth of the mom and pop dime store being saved by this is just that, a myth.

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**[JayChong56 \[http://www.cnet.com/profile/JayChong56\]](http://www.cnet.com/profile/JayChong56)**

Apr 28, 2013

[@chriswebpub \[http://www.cnet.com/profile/chriswebpub\]](http://www.cnet.com/profile/chriswebpub) [@grcnc](http://www.cnet.com/profile/grcnc)

[\[http://www.cnet.com/profile/grcnc\]](http://www.cnet.com/profile/grcnc): What if the bill exempted businesses which make less than a million from online sales? Would that affect your position? A version of the bill had the million or less exemption, although I'm not sure if that version will be the one to pass Congress.

<http://lawblog.legalmatch.com/2013/04/26/internet-taxes-expansion-federal-power/>  
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**[c|net Reader \[http://www.cnet.com/profile/c|net+Reader\]](http://www.cnet.com/profile/c|net+Reader)**

Apr 30, 2013

[@JayChong56 \[http://www.cnet.com/profile/JayChong56\]](http://www.cnet.com/profile/JayChong56)

I dislike such targeted bills. Today, only some particular group is targeted. Tomorrow, it will be extended. Besides, the big companies will just split up into smaller entities with smaller total sales to avoid this, if it makes sense. Anytime Government thinks they can target something, the target moves.

If taxing Internet purchases is appropriate, then all businesses should do it. However, because Internet-based businesses deal with all possible tax jurisdictions, versus just a few for brick-and-mortar stores, having a single rate for the entire country would be reasonable and easy enough for all Internet-based businesses to manage.

/ [like](#) [[reply](#)]

**[relder251b](http://www.cnet.com/profile/relder251b)** [<http://www.cnet.com/profile/relder251b>]

Mar 24, 2013

Oh yea, we also need to think about what the reduced demand for products, due to increased cost, is going to do to the manufactures... Hmm, demand, within reason, means profit. reduced demand, can easily equal bankruptcy. Now we have a whole new level of price hike... This is a never ending rabbit hole.

/ [3like](#) [[reply](#)]

**[relder251b](http://www.cnet.com/profile/relder251b)** [<http://www.cnet.com/profile/relder251b>]

Mar 24, 2013

I noticed a comment made a bit back stating that it would help the economy and reduce competition? Please advise how one benefits the other. Perhaps it's just simply my narrow minded, uneducated view that is having a problem with the statement. Taxation would certainly reduce competition. Reduced competition increases cost to customers. So, lets do the math:

100.00, add a "nominal" 3% tax = 103.00

That is certainly easy for larger companies to deal with for the short term. They reduce their margin to compensate.

Small businesses aren't so lucky, as they don't have high volume agreements with manufacturers. Once the small business takes a hit, seeing that most are running very lean, at least to start, small businesses start dying off an even a faster rate than they already do. Once they are out of the picture, larger companies raise the price because the demand rises. Now that 100.00 product gets bumped up to regain, or even increase, the margin in compensation for the short term hit. so it get's bumped up to 106.00, finally totaling 109.18 for the consumer. what started out as a 3% increase in cost becomes over 9%. Hmmm, please, again advise, how does this help us?

/ [2like](#) [[reply](#)]

**[jbwhite1999](http://www.cnet.com/profile/jbwhite1999)** [<http://www.cnet.com/profile/jbwhite1999>]

Mar 24, 2013

For those saying this is a cash cow for the US Government, you are wrong, Sir.

Sales tax is (at the time) a state collected tax. I wrote the programs that a large company uses to collect and pay sales tax, and it is a nightmare. There are different rates for everything. But I suggest that every state standardize what they will collect on, and then there will be no excuse. Here, it is 2% at the grocery store, 6.75 on most goods, 7.75 for tires and restaurants. The next county over, it is 2, 7, and 7. When I get my oil changed, there is tax on the oil, but not the labor. States need this revenue! Sales tax is a regressive tax - I hope that paying it on internet purchases will allow the rate to be lowered.

So states, have a big meeting in Washington, and come up with consistent rules. Maybe at the same time, the Feds can do the same on income tax (and no, GE is not invited to

participate).

/ [1 like](#) [[reply](#)]

**[registereduser](http://www.cnet.com/profile/registereduser)** [<http://www.cnet.com/profile/registereduser>]

Mar 24, 2013

It is just easy cash cow for the US Government. Thats all it is.

/ [like](#) [[reply](#)]

**[theYellingGoat](http://www.cnet.com/profile/theYellingGoat)** [<http://www.cnet.com/profile/theYellingGoat>]

Mar 24, 2013

This will have such a negative economic effect, I can't even imagine the consequences in today's "market". Fair? Is it "fair" to allow an out-of-control federal government to literally put tens-of-thousands online sales companies out of business through taxation, most of which are small businesses only in competition with the brick-and-mortars because of a lesser tax-burden? Key: Is it fair to the consumer who will have less money to spend on any other things (Bastiat's "Broken Window Fallacy") while having to pay higher costs on what would have been internet purchases due to the corporatist/statist take-down of competition? This will have world-wide negative consequences because American internet sales to the US isn't isolated only to the US. There will be a ripple-effect. Since we are a debt-based economy, this is just another nail in the coffin. Let me tell you what's fair: Lessening the tax-burden and regulations across the board to include the brick-and-mortars. Then we should finish "fair" by dragging the idiot lobby-slobbering Senators into the streets to be tarred and feathered.

/ [4 like](#) [[reply](#)]

**[philhie](http://www.cnet.com/profile/philhie)** [<http://www.cnet.com/profile/philhie>]

Mar 24, 2013

The Companies will move out of the country and then nobody wins.

/ [1 like](#) [[reply](#)]

**[vrikkgwj](http://www.cnet.com/profile/vrikkgwj)** [<http://www.cnet.com/profile/vrikkgwj>]

Mar 24, 2013

More old, rich, white men trying to take more of our money... and then justifying it.

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**[ReVeLaTeD](http://www.cnet.com/profile/ReVeLaTeD)** [<http://www.cnet.com/profile/ReVeLaTeD>]

Mar 24, 2013

I'm ok with this change IF they abolish income taxes, State and Federal, and abolish the penalty tax they levy against 401k premature withdrawal.

It's otherwise double, sometime triple dipping.

The second thing they need to do is ensure that any sales tax dollars collected MUST be equally distributed and not unfairly slanted towards mass transit when your freeway system is screwed up.



/ [1 like](#) [[reply](#)]

**[Rick805](http://www.cnet.com/profile/Rick805)**

Mar 24, 2013

I can't say I'm happy about it. Still I knew deep in my heart that the taxes I was avoiding by buying things on line was depriving my local government of revenue it needs for the services and infrastructure. If I want roads and police and fire protection I guess I have to pay for it to think otherwise is childish.

/ [like](#) [[reply](#)]

**[CanadianKat](http://www.cnet.com/profile/CanadianKat)**

Mar 24, 2013

[@Rick805](#) You could have declared it on your taxes. Technically you were supposed to do that already. (I know I'm almost certainly in the minority, but I actually did before California made everyone start collecting.)

/ [like](#) [[reply](#)]

**[khobia123](http://www.cnet.com/profile/khobia123)**

Mar 24, 2013

[@Rick805](#) I am with you Rick805 however where I am from they have more police than work for em to do. And the road surfaces suck. I truly wonder what they are doing with our money. There is a lot that needs to be done and I am not naive to think we won't have to pay for it. But I am we'll aware in the end that we are the ones getting screwed when these Washington con artists are done.

/ [2 like](#) [[reply](#)]

**[Cashpockets](http://www.cnet.com/profile/Cashpockets)**

Mar 24, 2013

Marketplace Fairness Act??

Since when did any of these Government Aholes believe in being fair. All they are really concerned about is themselves and pleasing the Coporations that bribe them to do their bidding.

/ [2 like](#) [[reply](#)]

**[khobia123](http://www.cnet.com/profile/khobia123)**

Mar 24, 2013

I am not surprised this is a Democrat pushed and backed bill. As their middle name is more taxes. Politics as usual. A bunch of fat cats milking the American public and having the audacity to call themselves our representatives. They represent alright the lobbyist that give them all the sweet incentives we don't hear about.

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**[mewhowhat](http://www.cnet.com/profile/mewhowhat)** [<http://www.cnet.com/profile/mewhowhat>]

Mar 24, 2013

They will milk anything they can get their hands on..so don't be surprised!

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**[a6nguyen](http://www.cnet.com/profile/a6nguyen)** [<http://www.cnet.com/profile/a6nguyen>]

Mar 24, 2013

@mewhowhat it seems fair for retail business. If you look at overall, it will reduce competition. It also bring in new revenue. We are about to nuke North Korea, and we need all the \$\$\$ we can get our hand on. =D

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**[theYellingGoat](http://www.cnet.com/profile/theYellingGoat)** [<http://www.cnet.com/profile/theYellingGoat>]

Mar 24, 2013

[@a6nguyen](http://www.cnet.com/profile/a6nguyen) [<http://www.cnet.com/profile/a6nguyen>] You're kidding, right? Like a "funny, haha" joke?

/ [like](#) [[\]](#) [reply](#) [[\]](#)

**[WesBone123](http://www.cnet.com/profile/WesBone123)** [<http://www.cnet.com/profile/WesBone123>]

Mar 24, 2013

So americans selling in america will have to collect sales tax, but China and Hong Kong will not have to charge / collect sales tax....nice... Its bad enough they can already ship items to america cheaper than we can ship something across town....

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**[tupayaso](http://www.cnet.com/profile/tupayaso)** [<http://www.cnet.com/profile/tupayaso>]

Mar 23, 2013

Funny how our politicians seem that they can never agree on anything, from the budget, sequestration, economy just to name a few but they all seem to agree just fine when it comes to one thing...taxes. I guess that this is all that they must think their job in office consists of...

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**[relder251b](http://www.cnet.com/profile/relder251b)** [<http://www.cnet.com/profile/relder251b>]

Mar 23, 2013

Pardon my ignorance, but at what point do we as an internet savvy population say "no". Have we forgotten our roots? One of the most remembered events in US history was based around unreasonable taxation, the Boston Tea Party. This simply seems to be yet another way to suck money from people to pad the political pockets. I understand that, due to their poor financial management capabilities (my 6 year old could have done better), we are in a very serious situation, but simply throwing more money at the problem, in the end, isn't the

solution. "Give a man a fish, he eats for a day; Teach a man to fish, he eats for a lifetime" comes to mind. We need to stop handing money over to our spoiled government, and teach them how to manage money.

As a "side note": Someone, at some point, needs to address where items to be voted on pair up unrelated items, simply in the hopes either 1. someone doesn't see the add on, or 2. someone doesn't care and pushes an addendum through. 1 vote, 1 item. Our politicians may actually have to vote more than once, and, occasionally, may even see things that pass in front of them. Heavens forbid they actually work for the money we pay them, and earn the privilege of representing the people for which they make decisions on the behalf of.

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**[Pappie2012 \[http://www.cnet.com/profile/Pappie2012\]](http://www.cnet.com/profile/Pappie2012)**

Mar 23, 2013

How about we tax the actors in Hollywood they always got there big mouths open about how the rest of us have to live. I'd say maybe about a 50% tax on there big mouths.

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**[Pappie2012 \[http://www.cnet.com/profile/Pappie2012\]](http://www.cnet.com/profile/Pappie2012)**

Mar 23, 2013

When well you low life left wing lazy people stop wanting a free ride that's all these taxes are for. They already raised the taxes on everyone now you want to let them tax us again when does it stop because all they are doing is robbing from hard working people and giving it to the low life crack heads and the baby generation that don't want to work.

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**[Pappie2012 \[http://www.cnet.com/profile/Pappie2012\]](http://www.cnet.com/profile/Pappie2012)**

Mar 23, 2013

The Democrat's are going to tax every and anything they can to get money to spend they need 15 trillion dollars to just get Obamas health care going so he can say he's God

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**[defector777 \[http://www.cnet.com/profile/defector777\]](http://www.cnet.com/profile/defector777)**

Mar 23, 2013

My goodness, what a nightmare this is going to be.

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**[GEVO-ES44AC \[http://www.cnet.com/profile/GEVO-ES44AC\]](http://www.cnet.com/profile/GEVO-ES44AC)**

Mar 23, 2013

**[@defector777 \[http://www.cnet.com/profile/defector777\]](http://www.cnet.com/profile/defector777)**,

That's an understatement ! Man oh man. And if you ain't big enough to hire an office full, well, audios ..

/ [1 like](#) [[reply](#)]

**[defector777](http://www.cnet.com/profile/defector777)** [<http://www.cnet.com/profile/defector777>]

Mar 23, 2013

@GEVO-ES44AC

Exactly. I just finished up work on a project for a small company in Florida - 67 counties = 67 potential variances in sales tax. For a small business to have to keep track of that for all the states in the USA is going to be ridiculously burdensome. Even if the govt supplies a system that can be integrated with, the small business is going to have to pay a company to do the integration and maintain the system. Plus it adds a potential point of failure into the mix.

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**[jc364](http://www.cnet.com/profile/jc364)** [<http://www.cnet.com/profile/jc364>]

Mar 23, 2013

@defector777 The worst thing is, I see this harming start-up companies more than anybody else.

/ [1 like](#) [[reply](#)]

**[Techtrainin](http://www.cnet.com/profile/Techtrainin)** [<http://www.cnet.com/profile/Techtrainin>]

Mar 23, 2013

Taxes...to the democrats, it was just a matter of time before they shoved this down our throats.

/ [2 like](#) [[reply](#)]

**[smallbiz88](http://www.cnet.com/profile/smallbiz88)** [<http://www.cnet.com/profile/smallbiz88>]

Mar 23, 2013

@[Techtrainin](http://www.cnet.com/profile/Techtrainin) [<http://www.cnet.com/profile/Techtrainin>]

It's good for the economy. Think of how many small retail businesses in your community that will prosper from this (hopefully) now that there will be a more level playing field between them and online retailers.

/ [like](#) [[reply](#)]

**[Papple2012](http://www.cnet.com/profile/Papple2012)** [<http://www.cnet.com/profile/Papple2012>]

Mar 23, 2013

@[smallbiz88](http://www.cnet.com/profile/smallbiz88) [<http://www.cnet.com/profile/smallbiz88>] @[Techtrainin](http://www.cnet.com/profile/Techtrainin)

[\[http://www.cnet.com/profile/Techtrainin\]](http://www.cnet.com/profile/Techtrainin) Taxing the internet well kill the economy just to let you know most companies already are online selling there stuff how do you think it's going to help. it's time to hang the taxmen

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**[W-D \[http://www.cnet.com/profile/W-D\]](http://www.cnet.com/profile/W-D)**

Mar 23, 2013

@smallbiz88 There's no reason a small retail business can't create an online presence. Better yet, use the fulfillment service offered by a certain large on-line only seller. Also, they can work with their suppliers for better wholesale cost pricing.

It's not up to the government to 'level the playing field' in a free market system. That's your job.

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**[kieranmullen \[http://www.cnet.com/profile/kieranmullen\]](http://www.cnet.com/profile/kieranmullen)**

Mar 23, 2013

@smallbiz88 [<http://www.cnet.com/profile/smallbiz88>] @Techtrainin [<http://www.cnet.com/profile/Techtrainin>] The expense of social services is dependent on the number of users served correct? Then why are taxes collected based on the number of sales transactions? There will be far more sales transactions than people served.

/ [like](#) [[reply](#)]

**[Techtrainin \[http://www.cnet.com/profile/Techtrainin\]](http://www.cnet.com/profile/Techtrainin)**

Mar 24, 2013

@smallbiz88 @Techtrainin

It's a regressive tax. You liberals should fight this. It hurts the lower income brackets, the same group you cling to at election time.

/ [like](#) [[reply](#)]

**[khobia123 \[http://www.cnet.com/profile/khobia123\]](http://www.cnet.com/profile/khobia123)**

Mar 24, 2013

@smallbiz88 @Techtrainin Whenever is more taxes good for the economy. Oh you mean the same economy our politicians are pissing away?

/ [like](#) [[reply](#)]

**[smallbiz88 \[http://www.cnet.com/profile/smallbiz88\]](http://www.cnet.com/profile/smallbiz88)**

Mar 24, 2013

@khobia123 [<http://www.cnet.com/profile/khobia123>] @W-D [<http://www.cnet.com/profile/W-D>]

It's good for the economy because small businesses that have been previously suffering by losing many sales to online retailers will now see an increase in business once people realize they can now get products for the same price at their local stores.

This will allow local stores to hire more people and grow their businesses at the community level. The community level is what we should be focusing on - NOT focusing on already highly profitable large internet retailers. The people who can't afford products because they are taxed (low income level earners) will now be able to afford taxed goods because there will be more jobs available where they live. There are more small businesses than there are multimillion dollar businesses, and if we focus on the businesses earning under 1 Million a

year, it will naturally be a boost to the economy.

And so what if consumers have to pay taxes - taxes get spent on what the people demand. Do you feel like the government is not spending taxes how you'd like? Well, maybe it's time to start getting out there and making some noise about how you'd like to see them spent.

This new move to tax online retailers has come about because WE have demanded it. And you know what? Those of US who sell along side the multi-million dollar corps online follow all the same rules, and we are even smaller than they are. If we can do it, they can do it.

And to those reading this that are not business owners, just realize that is will be good for the economy because when businesses in your community do well, then you community does well. More people will have jobs and there will be more opportunities for those who seek them.

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**[khobia123](http://www.cnet.com/profile/khobia123)** [<http://www.cnet.com/profile/khobia123>]

Mar 24, 2013

@smallbiz88 @khobia123 @W-D Listen I am all for small businesses making money. Heck I would rather shop at a mom and pop store than anywhere else and I do. But I don't believe this will work. So we will have to wait and see. As one overtax citizen to another I am tired of all politicians and I am tired of them dipping into my pockets. Hey we shall see. Don't bother replying.

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**[Daizexius666](http://www.cnet.com/profile/Daizexius666)** [<http://www.cnet.com/profile/Daizexius666>]

Mar 24, 2013

**[@smallbiz88](http://www.cnet.com/profile/smallbiz88)** [<http://www.cnet.com/profile/smallbiz88>] **[@khobia123](http://www.cnet.com/profile/khobia123)**

**[\[http://www.cnet.com/profile/khobia123\]](http://www.cnet.com/profile/khobia123)** **[@W-D](http://www.cnet.com/profile/W-D)** [<http://www.cnet.com/profile/W-D>]

"And to those reading this that are not business owners, just realize that is will be good for the economy because when businesses in your community do well, then you community does well. More people will have jobs and there will be more opportunities for those who seek them."

That's a crock of cookies! The city I live in collected 23 million in property taxes last year. The money was used for putting a new statue and flowers on the university grounds. There are less jobs in the city from a year ago. So explain to me again how this has helped the local economy?

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**[SamDunham](http://www.cnet.com/profile/SamDunham)** [<http://www.cnet.com/profile/SamDunham>]

Mar 25, 2013

**[@smallbiz88](http://www.cnet.com/profile/smallbiz88)** [<http://www.cnet.com/profile/smallbiz88>] **[@Techtrainin](http://www.cnet.com/profile/Techtrainin)**

**[\[http://www.cnet.com/profile/Techtrainin\]](http://www.cnet.com/profile/Techtrainin)** This has absolutely nothing to do with small retail businesses and everything to do with companies like Wal-Mart.

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**[solitaire\\_pax](http://www.cnet.com/profile/solitaire_pax)** [[http://www.cnet.com/profile/solitaire\\_pax](http://www.cnet.com/profile/solitaire_pax)]

Mar 23, 2013

**[@Techtrainin](http://www.cnet.com/profile/Techtrainin)** [<http://www.cnet.com/profile/Techtrainin>]

Sure, the government may tax you - but then they buy services from private companies, pay salaries for workers who in turn buy from private companies too - it's like the water cycle, recycling the money through the economy's circulation system.

Now to see what rich Republicans and their tax-hating megarich overlords have in mind for the government, the economy and anyone who is not rich through massive cuts in all spending (except for the military), just take a tourniquet and apply it to your neck.

/ **2like** [**reply**]

**[Evenoire](http://www.cnet.com/profile/Evenoire)** [<http://www.cnet.com/profile/Evenoire>]

Mar 23, 2013

**[@solitare\\_pax](http://www.cnet.com/profile/solitare_pax)** [[http://www.cnet.com/profile/solitare\\_pax](http://www.cnet.com/profile/solitare_pax)] **[@Techtrainin](http://www.cnet.com/profile/Techtrainin)**

**[\[http://www.cnet.com/profile/Techtrainin\]](http://www.cnet.com/profile/Techtrainin)** Um you are aware alot of the super wealthy are liberal right? Look at ALL of Hollywood....

/ **1like** [**reply**]

**[Techtrainin](http://www.cnet.com/profile/Techtrainin)** [<http://www.cnet.com/profile/Techtrainin>]

Mar 24, 2013

**[@solitare\\_pax](http://www.cnet.com/profile/solitare_pax)** **[@Techtrainin](http://www.cnet.com/profile/Techtrainin)**

Sorry, really, you trust .gov and our clowns in DC to spend the cash wisely? You are not paying attention then.

/ **2like** [**reply**]

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