

Reproduced with permission from Daily Tax Report, 196 DTR G-4, 10/9/13. Copyright © 2013 by The Bureau of National Affairs, Inc. (800-372-1033) <http://www.bna.com>

## *Electronic Commerce*

### **Poll Shows Greater Awareness Of Sales Tax Requirement on Web Sales**

**A** poll commissioned by shopping center owners shows that consumers are much more aware than a year ago that they must pay sales taxes on goods they buy through the Internet.

The poll, organized by the International Council of Shopping Centers, showed that 64 percent of consumers are aware they owe sales tax on goods they buy online, an increase of 23 percentage points since October 2012.

In addition, the group said, the poll indicated support for federal legislation that would lead the way to more retailers collecting sales tax at the time of purchases.

“Americans increasingly recognize that this is not a new tax,” said Michael Kercheval, president and CEO of ICSC, in an Oct. 8 news release. “The results of this poll demonstrate that consumers want a sales tax system that supports their retail habits and gives brick-and-mortar merchants a chance to compete on a level playing field.”

The ICSC is a trade organization with more than 60,000 members in 90 countries, according to its website.

The poll, conducted by Opinion Research Organization, showed that 78 percent of consumers believe paying sales tax would be easier if done at the time of purchase, and 64 percent of consumers support legislation requiring online-only retailers to collect sales tax at the time of sale, an increase of five percentage points from October 2012.

The shopping center group said the poll was based on a survey among two national probability samples, which, when combined, consisted of 1,001 adults, 501 men and 500 women 18 years of age and older, living in the continental U.S.

**Series of Polls.** The poll is the latest in a series dealing with issues related to the Marketplace Fairness Act (S. 743 and H.R. 684), which allows states to require that online sellers collect sales tax from their residents, no matter in which state the retailer is based.

In September, the National Taxpayers Union and the R Street Institute, which oppose the legislation, released a poll showing that respondents opposed changes in tax policy like those in the bill by 57 percent to 35 percent (178 DTR G-6, 9/13/13). Another poll released in September, by the Marketplace Fairness Coalition, which supports the legislation, showed 53 percent of voters in favor of the bill and 37 percent opposed. Support climbed to 58 percent after an introductory message favorable to the legislation, the group said (179 DTR G-1, 9/16/13).

The National Governors Association, which supports the bill, distributed the results of the ICSC poll results to reporters. The NGA has estimated that states lose as much as \$23 billion annually in sales tax that should have been collected on Internet-based purchases.

The Senate has passed the legislation, leaving the House Judiciary Committee as the main battleground. There, Chairman Rep. Robert Goodlatte (R-Va.) has said the bill needs revision to address the complexity of sales taxes among states and states' sovereignty in setting their own tax rules, among other issues.

A spokeswoman for the House Judiciary Committee told Bloomberg BNA Oct. 8 that the committee's hearing schedule has been suspended due to the government shutdown and had no information on whether a hearing might be scheduled in 2013.

BY MARC HELLER

To contact the reporter on this story: Marc Heller in Washington at [mheller@bna.com](mailto:mheller@bna.com)

To contact the editor responsible for this story: Cheryl Saenz at [csaenz@bna.com](mailto:csaenz@bna.com)