

Topics: Security/Fraud | Supply Chain

California, Colorado Push Creative E-Commerce Tax Plans

March 4, 2010 | By Fred J. Aun

SHARE

 Email

0

 Tweet

0

 Share

Log In

0

g+1

In the ongoing legal tax-collection battle between pureplay E-tailers and U.S. states, California and Colorado are getting a bit creative. California is joining New York in what is becoming a big states versus small states strategy, while Colorado is requiring those pureplays to tell state residents how much tax they owe based on their E-Commerce purchases. Yeah, that's exactly what consumers want to hear from Amazon.

Amazon has steadfastly pushed back against state tax efforts, primarily by canceling affiliate relationships in states that try to hit up its affiliates for sales taxes. The states feel they can take this approach because, although Amazon might have no physical presence or storefronts, the same isn't true for affiliates.

Amazon's reaction to the tax-the-affiliate approach was cancellation of affiliate programs in North Carolina and Rhode Island. But it filed a lawsuit in New York, on the rationale that the New York market was too large to ignore.

Sign up for our FREE newsletter for more news like this sent to your inbox!

TOOLS



Comment



Print

A similar decision could come into play in California, where Gov. Arnold Schwarzenegger vetoed an affiliate tax bill last year. But legislators in Sacramento are not willing to give up. Gambling that Amazon will not want to turn its back on the money coming in from its thousands of California-based affiliates, the California lawmakers are considering a new affiliate taxation bill.

The measure defines "retailer" as any business entering into agreements under which a person in the state, "for a commission or other consideration, directly or

JOIN 13,000+ INSIDERS
SIGN UP FOR OUR
NEWSLETTER

SIGN ME UP

FierceRetailIT delivers the latest retail technology news & analysis. Join more than 13,000 retail IT leaders who subscribe to our free weekly email. Sign up today!



POPULAR STORIES

MOST READ

MOST SHARED

CurrentC gives more retailers mobile wallet prospects

92% of executives satisfied with big data applications

The untold story of the Target data breach

Walmart rolling out EMV-enabled MasterCards

Apple Pay puts NFC and security front and center