Amazon allowed to collect sales tax from Nevadans

By Sean Whaley, Nevada News Bureau

CARSON CITY — Nevada Gov. Brian Sandoval announced today that the state has reached an agreement with online retailing giant Amazon to begin collecting Nevada sales tax on purchases.

The agreement also calls for the state and the Fortune 500 company to work together for immediate enactment of federal legislation that will address the needs of states, retailers and consumers by creating a simplified and equitable framework for sales tax collection.

Sandoval said he will continue to push Congress to act on legislation that will allow states to collect revenues that are already due.

"The only way to completely resolve this issue is for Congress to enact legislation that, within a simplified nationwide framework, grants states the right to require collection by all sellers," Sandoval said. "We thank Amazon for creating jobs and investment in Nevada and are very grateful the company is working with us on a federal solution."

Amazon subsidiaries employ thousands of Nevadans in the Reno and Las Vegas areas.

"Amazon appreciates Gov. Sandoval's focus on Nevada jobs and his efforts to encourage congress to resolve the sales tax issue this year," said Paul Misener, Amazon vice president of Global Public Policy. "We strongly support federal legislation permitting interstate sales tax collection because it is the only way to level the playing field for all sellers, the only way for Nevada to obtain all the sales tax revenue that is already owed, and the only way to fully protect states'

rights."

According to the agreement between the Nevada Department of Taxation and Amazon, the company will voluntarily begin to collect and remit Nevada sales tax beginning Jan. 1, 2014, or as of the effective date of federal legislation, whichever is earlier. Amazon will collect the sales and use tax in the same manner as traditional brick and mortar retailers, relieving Nevadans from having to self-report use taxes from these sales to the state.