

Congress may adjust online sales tax rules

By J.D. Harrison, Washington Post

Four months after the Senate approved a controversial bill requiring online merchants to start collecting sales tax, a pair of lawmakers have opened the debate in the House, but with one major change from the original legislation – no exemption for small businesses.

House Judiciary Committee Chairman Bob Goodlatte, R-Va., and Rep. Spencer Bachus, R-Ala., a subcommittee chairman, recently released an outline of principles for online sales tax legislation, citing input from taxpayers, trade groups and state and local governments. In it, they argue that lawmakers should take action to level the playing field for brick-and-mortar and Internet retailers.

“Americans across the country are affected by the issue of Internet sales tax whether they are consumers or business owners,” Goodlatte said in a statement, adding that the principles are meant to “provide a starting point for discussion in the House.”

Currently, states have the authority to collect online sales tax, but the onus is on the shoppers, not the sellers, to report what the transactions.

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