

Supreme Court declines online sales tax case

By Robert Barnes, Washington Post

On one of the busiest online-shopping days of the year, the Supreme Court declined Monday to get involved in state efforts to force Web retailers such as Amazon.com to collect sales tax from customers even in places where the companies do not have a physical presence.

The multibillion-dollar issue – which could end tax-free online shopping for many Americans – is one of the most important in modern retailing. Traditional bricks-and-mortar businesses say the online retailers receive an unfair advantage by not having to collect sales taxes in some areas.

It is the second time the court has opted against hearing such a challenge.

All but five states impose sales taxes on purchases, whether online or not, and an increasing number have passed legislation to force online retailers such as Overstock.com and eBay to begin collecting those taxes from customers.

The court's decision to stay out of the issue for now may put more pressure on Congress to come up with a national solution, as both online and traditional retailers complain about a patchwork of state laws and conflicting lower-court decisions.

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