

'Netflix tax' already a thing in some states

By Mike Snider, USA Today

Netflix – and tax?

Your monthly bill for Netflix, Amazon, Hulu and other streaming entertainment services could go up soon as states such as Illinois try to find ways to offset declining sales taxes and other revenue shortfalls. Chicago, Pennsylvania and Florida have already passed a so-called Netflix tax, and cities such as Pasadena have broached the issue.

These taxes can translate to additional fees of less than \$1 each month to consumers. But over the months – and tacked onto multiple streaming subscriptions – they might add up to \$50 or more each year.

Netflix, consumer tax groups and tech trade organizations have voiced their opposition to such taxes, warning they can be unfair and deter innovation. Some opponents have initiated legal challenges, and at least one state has shelved plans after a court decision. But state and local governments aren't likely to halt fresh efforts as falling pay-TV subscriptions and video rentals mean there's less opportunity to tax cable bills or charge sales tax at the cash register.

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