



ACMA Compilation of House, Senate Reactions to Supreme Court's June 21, 2018 Decision Mandating Internet Sales Tax Collection

Below are excerpts of reactions by some members of the House and Senate, Democrats and Republicans, both favorable and unfavorable, to the U.S. Supreme Court's ruling in South Dakota v. Wayfair, which effectively overruled the Quill (1992) and National Bellas Hess (1967) remote sales tax collection precedents.

Negative/opposed

Sen. Maggie Hassan (D-NH)

"I am extremely disappointed by the Supreme Court's ruling in this case, which will unfairly burden New Hampshire's small businesses by requiring them to collect sales tax for other states on goods sold over the internet. I've heard from small business owners in the Granite State about how a mandatory internet sales tax collection requirement would negatively impact them, creating a complex web of red tape and hindering their growth."

Sen. Jeanne Shaheen (D-NH)

"This is a disastrous decision for New Hampshire's economy and does not take into account the day to day challenges of running a small business. New Hampshire small businesses do not have the time or resources to become tax collectors for other states. This decision creates mountains of red tape for small businesses in New Hampshire and across the country, hurting their ability to grow and create jobs by selling on the internet."

Rep. Carol Shea-Porter (D-NH)

"This decision is unfair to our state and will harm New Hampshire businesses. Other states shouldn't be able to force Granite State business owners to navigate a complicated web of tax collection rules in order to collect and remit taxes that we don't even have in our state. Congressional committee leaders from both parties, including House Judiciary Chairman Goodlatte and Senate Finance Ranking Member Wyden requested that the Supreme Court refrain from a decision as Congress debated this issue. But the courts went around Congress and ruled anyway. That was wrong, and I am disappointed that the court reversed 50 years of precedent to decide this case."

Sen. Jon Tester (D-MT)

"Montanans don't pay sales taxes and we shouldn't be in the business of collecting sales taxes. I will relentlessly defend Montanans and hold Washington accountable to pass a law to reverse this disastrous decision by the Supreme Court."

Sen. Steve Daines (R-MT)

"Today's Supreme Court decision means unnecessary and complex burdens on small businesses, as well as a tax increase on consumers across the country. We must act to protect small businesses in Montana and across the country from this overregulation."

Joint statement: Rep. Bob Goodlatte (R-VA), Rep. Anna Eshoo (D-CA) & Rep. Jim Sensenbrenner (R-WI)

“The Court’s reversal of Quill’s physical presence principle is a nightmare for American businesses and small online sellers, who will now have to comply with the different tax rates and rules of, and be subject to audits by, over 10,000 taxing jurisdictions across the U.S. in which they have no say at the ballot box or representation in state and local government. This decision will have broad ramifications well beyond the sales tax arena. The physical presence rule the Court overturned today preserved the political accountability that is essential to deter complex compliance burdens for small businesses. Today’s decision will stifle online commerce, close businesses, and ultimately harm consumers. The dominant issues under debate in this case involved policy, not law. The briefs filed with the Court were filled with discussions of economics, the efficacy of software, trends in the retail industry, and myriad other non-legal questions. Congress is the appropriate institution to resolve these policy questions, not the Supreme Court.”

Rep. Jim Sensenbrenner (R-WI)

“Today’s Supreme Court decision only highlights the urgency for Congress to take action to clarify these matters of interstate commerce. Failure to do so leaves American entrepreneurs and small businesses subject to taxation and regulation without representation. Congress should immediately pass my No Regulation Without Representation Act, which restores fairness and order to our nation’s e-commerce system.”

Sen. Ron Wyden (D-OR)

“The Supreme Court has given the green light for states to establish an underground, nationwide, privatized tax-collecting bureaucracy. With this ruling sellers from other countries won't have to collect tax, which will give them a big leg up over American producers and sellers. Oregonians selling their goods online will now be extorted by a litany of software providers and their allies in state governments. They'll need to pay multinational corporations a pretty penny to comply with an endless web of new tax jurisdictions.”

Former NH Governor and White House Chief of Staff John Sununu

“I think it’s unconscionable that they would ask our businesses to become basically tax collectors for other states.”

Positive/favorable

Gov. Charlie Baker (R-MA)

“It’s a good day for those in the retailing space who, for many years, have been disadvantaged because of the two-tiered system that’s been in place.”

Rep. David Cicilline (D-RI)

“Today’s decision is a major victory for locally owned businesses, the economic lifeblood our communities. For decades, small and locally owned businesses have withered on the vine because of the internet sales tax loophole that was closed today by the Supreme Court.”

Rep. Roger Marshall (R-KS)

"Today's opinion unequivocally recognizes that the government shouldn't be picking winners and losers among retailers. To only allow states to only collect sales tax from brick and mortar stores and not from mega online corporations in California is both wrong and fundamentally unfair to our mainstreet businesses in Kansas and across rural America."

Rep. Kristi Noem (R-SD)

"Out-of-state online retailers have, for years, been given an unfair advantage over the businesses that hire in our local communities. Overturning Quill was the right decision, but it is only the first step toward creating an environment in which our hometown businesses can compete and thrive."

Sen. Heidi Heitkamp (D-ND)

"In a big win for Main Street, the Supreme Court just ruled on a case that I've been working on for longer than I care to admit. Back in 1992, when I was the state's tax commissioner, I helped bring forward this case to level the playing field for local retailers in North Dakota. This is a big win for business in North Dakota and will give our state revenues a much-needed boost."

Gov. Doug Burgum (R-ND)

"This is a long overdue victory for our local retailers who provide the jobs, storefronts and shopping experiences that make our cities and towns the vibrant communities they are. For far too long, they've operated under an antiquated law that gave remote sellers an unfair advantage over retailers who invest their time, energy and resources into our communities."

Sen. Lamar Alexander (R-TN)

"It correctly leaves to states decisions about who should pay state sales and use taxes and how they should be collected. It stops the federal government from forcing states to prefer out-of-state businesses over Main Street."

Sen. Mike Enzi (R-WY)

"I am glad the Court realized the importance of closing this gaping loophole in our tax law that denied states the right to enforce their own laws and to collect the taxes they were owed. This issue has always been about fairness and this ruling will help local businesses, states and local governments."

Rep. Suzan DelBene (D-WA)

"I am very pleased with the Supreme Court's decision to abandon the outdated physical presence rule set by Quill. As in so many other areas, technology has evolved faster than the law and left us with at times bizarre, unfair results. This is a big win for local brick-and-mortar retailers, who will now get a chance to compete on a level playing field with out-of-state internet companies that have maintained an unfair edge by not collecting sales taxes. This decision will also help bring back millions of dollars in revenue for Washington state and communities across the country while allowing small businesses to expand and thrive."

Rep. Steve Womack (R-AK)

“Today’s Supreme Court decision in South Dakota v. Wayfair is a win for Main Street businesses and state and local governments. For years, I have highlighted the inherent unfairness of the Quill standard and urged Congress to be proactive in finding a commonsense solution. By overturning Quill’s outdated nexus requirement, the Supreme Court has done what Congress should have long ago – pave the way for Arkansas and 44 additional states to collect the taxes they are lawfully owed and level the playing field for our local businesses. Now, it is imperative that Congress moves swiftly to enact legislation to protect small businesses across the country, as South Dakota has already chosen to do. I have been a champion of e-fairness since coming to Congress, and I will continue to work tirelessly on this important issue. We must get this done.”

Sen. Dick Durbin (D-IL)

“This is good news for main street businesses in Illinois and across America. This ruling clears the way for our retailers to compete on a level playing field with internet giants. I’m honored to be part of the bipartisan coalition in Congress that has worked for years to make this change. I encourage our state and local leaders to focus the more than \$380 million in projected new revenues that could be collected in Illinois on creating jobs in our state and reducing the current tax burden on working families.”

Rep. Peter Welch (D-VT)

“This important decision gives Vermont’s downtown businesses a fighting chance to succeed in a global economy. For too long our small entrepreneurs, who are required to collect state sales tax, have endured cutthroat competition from sales tax-exempt online businesses selling identical products. When a consumer can walk into a downtown store, try out a product, then go home and buy it online at a lower price, Main Street stores lose out. This decision levels the playing field and will help Vermont’s downtowns thrive.”