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**FOR IMMEDIATE RELEASE**

## **ERICK ERICKSON IS WRONG...AND HERE'S WHY:**

**WASHINGTON, March 20, 2013** – This morning Erick Erickson published a very misleading post that claims that legislation introduced by Senator Enzi (R-WY) will raise taxes and tax online downloads.

The truth is:

1. The Marketplace Fairness Act will not raise anyone's taxes; in fact it could help lower taxes by making state tax codes more efficient and restoring state and local control.
2. The Marketplace Fairness Act does not tax the Internet or Internet businesses.
3. The Marketplace Fairness Act has nothing to do with iTunes – digital goods are not covered by The Marketplace Fairness Act.

At the end of the day, the Marketplace Fairness Act gets the federal government out of the way of state policymaking and restores free market principles by leveling the playing field between local, brick-and-mortar sellers and their out-of-state competition.

By the way, it is probably a coincidence that he expresses his sincere concern for eBay sellers. Certainly eBay couldn't be behind Erickson's piece. The good news is that the Marketplace Fairness Act protects small online businesses by exempting the first \$1 million in online sales – not total retail sales but specifically online sales – so the exemption actually applies to businesses with far more than \$1 million in annual sales.

One MORE thing Erickson misses is that the tax is already due. As an avid online shopper himself, if he isn't calculating and remitting the use taxes he potentially owes, he could be audited and face fines and penalties. The truth is that every online shopper faces that threat under the current system and that is why a significant majority of online shoppers want the tax collected at the point of purchase.

At the end of the day we shouldn't be surprised that Erickson is taking the side of faceless Internet sellers who are desperately trying to protect their competitive advantage – as much as 10% in some places.

To quote Ronald Reagan, "facts are stubborn things." Erickson is entitled to his own opinion, but not his own facts.

For more information about the Coalition, including a list of companies and organizations that support federal legislation, please visit [www.marketplacefairnessnow.org](http://www.marketplacefairnessnow.org).

The Marketplace Fairness Coalition supports federal legislation that empowers states to update their sales and use tax laws to level the playing field for all sellers. The Coalition is comprised of businesses of every size, sector and channel of product distribution, as well as state and national trade associations. The members of the Coalition represent nearly 3 million businesses, associations, and organizations located in every state throughout the country. The time has come for Congress to give businesses clarity and certainty by allowing states to update their laws to reflect a 21<sup>st</sup> Century economy.

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