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## **NetChoice Strongly Opposes ‘Main Street Fairness’ Act from Congressional Democrats**

*Internet tax proposal will harm small businesses that rely on Internet sales*

Washington, D.C. – NetChoice strongly opposes the so-called “Main Street Fairness Act,” introduced in the Senate today by Sen. Richard Durbin (D-IL) and in the House of Representatives by Rep. John Conyers (D-MI). The proposed legislation would impose unfair and disproportionate collection burdens on small businesses, while adding less than three-tenths of one percent to state and local tax revenues.

“Congress often says that small businesses are the backbone of the economic recovery, but these new collection costs will break the backs of many small online businesses,” said Steve DeBianco, executive director of NetChoice. “This legislation fails to define safe harbors for small businesses, virtually guaranteeing that small and medium retailers will receive little help in complying with thousands of state and local tax jurisdictions.”

“Past attempts to pass similar legislation included a specified safe harbor that protected small businesses from the cost and complexity of a new Internet tax. Today’s legislation leaves the job of defining such safe harbors up to the unelected tax administrators on the SSTP’s Governing Board. That’s like letting the foxes run the hen house.”

“This Governing Board claims to have simplified definitions, but it defines beef jerky as “candy” while defining cotton candy as not candy.”

“According to the SSTP’s own [study](#), small businesses spend 17 cents of their own money to collect and file every dollar of sales tax they send to their home states. This bill would force small online retailers to collect for two dozen states, requiring expensive software updates, inviting exposure to an army of auditors, and cutting into resources they’d rather spend on building businesses and creating jobs.”

“It’s a cruel irony to call this job-killing bill the ‘Main Street Fairness Act,’” DeBianco said. “Online sales are about the only way small retailers can survive being steamrolled by the big-box chains who are behind this bill.”

NetChoice joins a broad array of organizations and elected officials that oppose the measure. Today’s bill has no bi-partisan support, in stark contrast to the long list of bipartisan sponsors of House Resolution 95, Supporting the Preservation of Internet Entrepreneurs and Small Businesses. That resolution opposes “any legislation that would grant State governments the authority to impose any new burdensome or unfair tax collecting requirements on small online businesses and entrepreneurs.”

NetChoice is a public policy advocacy organization that promotes Internet innovation and communication and fights threats to online commerce at state, federal and international levels. The Washington, DC-based group protects Internet commerce-driven competition and battles rules that hinder consumer choice and hurt small businesses. For more information, see [www.netchoice.org](http://www.netchoice.org).

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