

## Internet Sales Tax Fairness

TVMA joins veterinary groups in call on Congress to support Internet sales tax fairness The American Veterinary Medical Association (AVMA) and 26 state veterinary medical associations, including TVMA, have joined hundreds of businesses and trade associations today in calling on Congress to support legislation that would protect small businesses while supporting Internet sales tax fairness.

The Marketplace Equity Act (H.R. 3179), which is pending before the U.S. House Committee on the Judiciary, would close a tax loophole which harms veterinary clinics as well as other traditional small businesses. It would also assist states in collecting approximately \$23 billion in uncollected state sales taxes that are currently due on Internet and other remote sales.

“As Congress seeks solutions to address the federal budget, passing the Marketplace Equity Act will help states facing their own budget shortfalls without increasing the federal deficit,” says Dr. Ron DeHaven, chief executive officer of AVMA. “Congress has an opportunity to enhance states’ rights over sales tax collection authority and, in the process, close a loophole that will level the playing field for our nation’s small businesses, including veterinary clinics.”

At issue is a decades-old Supreme Court ruling, issued in 1992 before the widespread popularity of Internet commerce, which prohibits states from requiring remote sellers to collect sales and use taxes owed on purchases from out-of-state vendors. Traditional brick-and-mortar businesses, such as veterinary clinics, are required to charge and collect sales taxes on many items they sell. This loophole has created an unfair price disadvantage for many retail businesses.

AVMA actively supports sales tax fairness for small businesses and giving states the authority to manage their sales tax laws. For more information on congressional activities, visit [www.avma.org/advocacy](http://www.avma.org/advocacy).