



TECHNET
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TechNet, WE R HERE To Lead Broad Coalition Against Mandating Online State Sales Tax Collection

Campaign will activate voters, educate legislators on bad policy

Albany — TechNet, the national, bipartisan network of innovation economy CEOs and senior executives, and WE R HERE today announced an aggressive campaign to activate New York voters to oppose a state budget proposal that would make online shopping more expensive and push economic growth and innovation out of state.

The Marketplace Sales Tax plan in Governor Andrew Cuomo’s proposed budget would require online marketplaces like Amazon, eBay, and Etsy to collect state sales tax from customers who are New York State residents regardless of where the seller is located.

The first-in-the-nation proposal would make purchasing items more expensive and make it more difficult for innovative companies to grow in New York. The measure is opposed by nearly 70 percent of New Yorkers, according to a survey conducted by Mercury on behalf of TechNet and WE R HERE.

“The Marketplace Sales Tax scheme would hurt New Yorkers, increase costs, and undermine the innovation economy,” said Matthew Mincieli, Northeast Region Executive Director of TechNet. **“This proposal sends a clear signal to small and emerging online marketplaces: come to New York at your own peril. We know the Governor and the Legislature want to help the tech industry thrive, but this proposal is not the way to do it. We urge our leaders in Albany to remove this proposal from the final adopted budget.”**

Over the coming weeks, the coalition will contact tens of thousands of New Yorkers and provide them with details of the proposal. These individuals will be encouraged to contact their state legislators and tell them in no uncertain terms that they oppose the Marketplace Sales Tax.

“The best way to come up with sound public policy is to involve the people who are impacted directly,” Phil Bond Executive Director of WE R HERE said. **“Whether it’s a**

working class family using technology to make their lives easier, or the next Etsy starting off in someone’s apartment, the Marketplace Sales Tax is bad policy and should be rejected.”

New Yorkers from all regions of the state and across party lines oppose this plan, regardless of whether the person shops online often or rarely. New Yorkers also overwhelmingly oppose candidates who support this proposal.

Under current law, artisans or merchants selling items online collect New York sales tax only if the seller is located in New York. If the seller is located in another state, no tax is collected from the New York State resident.

This new proposal would force eBay, Amazon, and Etsy, as well as other large online marketplaces with offices in New York, to collect taxes from all New York State residents regardless of where the seller is located.

Here are the numbers:

- 69% of participants oppose the proposal; 49% strongly oppose it
- 68% of Democrats and 67% of Republicans oppose the proposal
- 67% of New York City residents and 71% of Upstate residents oppose the proposal
- 66% of frequent users of online shopping and 68% of rare users of online shopping oppose the proposal
- 82% of participants said they would oppose a candidate who supported this proposal

The poll was conducted during the last week of February.

About TechNet

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet’s diverse membership includes dynamic startups to the most iconic companies on the planet and represents more than two million employees in the fields of information technology, e-commerce, advanced energy, biotechnology, venture capital, and finance. TechNet has offices in Washington, D.C., Silicon Valley, San Francisco, Sacramento, Austin, Boston, Seattle, Albany, and Tallahassee.

About WE R HERE

WE R HERE is comprised of small business retailers around the country who are using the Internet and are coming together to ensure government policies are enacted that create a fair marketplace for all types of retail businesses to thrive and innovation to prosper. WE R HERE gives small business online retailers a unified voice, demonstrating to government policy makers and opinion leaders the positive role of online small business retail in the 21st Century economy. The coalition effort mobilizes online retailers to work together to protect them from misguided and predatory laws and regulations that could kill jobs and undermine innovation.

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