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To: The Honorable Sylvia Luke, Chair  
and Members of the House Committee on Finance

Date: Thursday, February 8, 2018  
Time: 2:00 P.M.  
Place: Conference Room 308, State Capitol

From: Linda Chu Takayama, Director  
Department of Taxation

Re: H.B. 2417, Relating to Taxation

The Department of Taxation (Department) supports the intent of H.B. 2417 and offers the following comments for the Committees' consideration.

H.B. 2417 amends the definition of "business" in Hawaii Revised Statutes (HRS) section 237-2 by clarifying that a person with no physical presence in the State is engaged in business if the person has gross receipts attributable to transactions in this State totaling \$100,000 or more. The bill is effective on July 1, 2018.

First, the Department notes that the bill would subject a taxpayer to the general excise tax (GET) if the taxpayer lacks physical presence, but had a cumulative of \$100,000 in gross receipts over many years. The Department suggests amending this provision as follows:

A person with no physical presence in the State is engaged in "business" in this State if, during the current or immediately preceding calendar year, the person has gross receipts attributable to this State of \$100,000 or more.

Second, the Department notes that the last sentence in the definition of "business"—which reads, "[g]ross receipts attributable to this State include gross receipts from sales that would be taxable under this chapter but for the physical presence of the seller, and are facilitated by a marketplace provider that is engaged in business in this State"—is ambiguous. It is unclear whether the sentence is attempting to define the gross receipts of a marketplace provider or a third-party seller.

If the intent of this provision is to impose GET on third-party sales made through a marketplace provider, the Department suggests adopting the language in Sections 1 and 2 of H.B. 1655, which deems the marketplace provider the seller of tangible personal property (TPP) and therefore subjects the marketplace provider to GET at the four-percent rate.

Section 1 of H.B. 1655 amends the definitions of "person" and "representative" in HRS section 237-1 as follows:

"Person" or "company" includes every individual, partnership, society, unincorporated association, joint adventure, group, hui, joint stock company, corporation, trustee, personal representative, trust estate, decedent's estate, trust, trustee in bankruptcy, or other entity, whether such persons are doing business for themselves or in a fiduciary capacity, and whether the individuals are residents or nonresidents of the State, and whether the corporation or other association is created or organized under the laws of the State or of another jurisdiction. Any person who ~~[has in the person's possession, for sale in the State, the property of a nonresident owner, other than as an employee of such owner,]~~ sells or assists in the sale of tangible personal property on behalf of another seller by providing customer service, processing payments, and controlling the fulfillment process shall be deemed the seller of the property, when sold[-], and the seller on whose behalf the sale is made shall be deemed to have made a sale at wholesale pursuant to section 237-4.

"Representative" means any salesperson, commission agent, manufacturer's representative, broker or other person who is authorized or employed by ~~[an unlicensed]~~ a seller to assist such seller in selling property for use in the State, by procuring orders for such sales or otherwise, and who carries on such activities in the State, it being immaterial whether such activities are regular or intermittent~~[+ but the]~~. The term "representative" does not include [a]:

- (1) A manufacturer's representative whose functions are wholly promotional and to act as liaison between an unlicensed seller and a seller or sellers, and which do not include the procuring, soliciting or

- accepting of orders for property or the making of deliveries of property, or the collecting of payment for deliveries of property, or the keeping of books of account concerning property orders, deliveries or collections transpiring between an unlicensed seller and a seller or sellers~~[- Any unlicensed seller who in person carries on any such activity in the State shall also be classed as a representative.];~~ and
- (2) A person who sells or assists in the sale of tangible personal property on behalf of another seller and who provides customer service, processes payments, and controls the fulfillment process.

Section 2 of H.B. 1655 amends the definition of "import" in HRS section 238-1 as follows:

- "Import" (or any nounal, verbal, adverbial, adjective, or other equivalent of the term) includes:
- (1) The importation into the State of tangible property, services, or contracting owned, purchased from an unlicensed seller, or however acquired, from any other part of the United States or its possessions or from any foreign country, whether in interstate or foreign commerce, or both; ~~and~~
- (2) The sale and delivery of tangible personal property owned, purchased from an unlicensed seller, or however acquired, by a seller who is or should be licensed under the general excise tax law from an out-of-state location to an in-state purchaser, regardless of the free on board point or the place where title to the property transfers to the purchaser~~[-];~~ and
- (3) The sale of tangible personal property by, or assisted by, a licensed seller who provides customer service, processes payments, and controls the fulfillment process on behalf of an unlicensed seller for delivery to a purchaser in the State.

The above-mentioned language in H.B. 1655, combined with the \$100,000 threshold in

this bill, would result in the following:

- (1) A marketplace provider who lacks physical presence in the State will be subject to GET if a combination of its own sales and its marketplace sales (*i.e.*, sales for which it assisted or facilitated on behalf of another seller) for TPP delivered in the State total \$100,000 or more;
- (2) A marketplace provider doing business in the State will be subject to GET at the rate of four percent for its own sales as well as sales made on behalf of third-party sellers for TPP delivered in the State;
- (3) A third-party seller who is doing business in the State will be subject to GET at the half-percent rate if it sells TPP through a marketplace provider for delivery in the State; and
- (4) If a third-party seller who is not doing business in the State makes a sale of TPP through a marketplace provider for delivery in the State, the marketplace provider will be subject to use tax at the rate of half a percent for the import of the TPP (in addition to being subject to GET at the rate of four percent for the sale of the TPP).

This proposal is the most efficient method of imposing and collecting GET on third-party sales made through a marketplace provider because instead of having to collect the retail rate of GET from numerous individual third-party sellers, the Department would only need to collect from one seller—the marketplace provider.

Finally, the Department notes that it will be able to administer the changes in this bill with the current effective date.

Thank you for the opportunity to provide comments.



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
TWENTY-NINTH LEGISLATURE, 2018**

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**ON THE FOLLOWING MEASURE:**  
H.B. NO. 2417, RELATING TO TAXATION.

**BEFORE THE:**  
HOUSE COMMITTEE ON FINANCE

**DATE:** Thursday, February 8, 2018                      **TIME:** 2:00 p.m.

**LOCATION:** State Capitol, Room 308

**TESTIFIER(S):** Russell A. Suzuki, Acting Attorney General, or  
Nathan S.C. Chee

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Chair Luke and Members of the Committee:

The Department of the Attorney General has concerns about this bill because it may be challenged as violating the Commerce Clause of the United States Constitution.

The purpose of this bill is to amend the definitions in chapter 237, Hawaii Revised Statutes (HRS), relating to general excise tax by (1) adding the term "marketplace provider", and (2) amending the definition of "business". "Marketplace provider" is defined as "any person who sells or assists in the sale of tangible personal property on behalf of another seller and who provides customer service, processes payments, and controls the fulfillment process." Under the proposed amendment to the term "business", a taxpayer would be engaging in "business", and subject to the general excise tax regardless of whether it has a physical presence in Hawaii. A person without physical presence in Hawaii is deemed to be engaging in "business" in the State if the person has gross receipts attributable to transactions in Hawaii totaling \$100,000 or more. Gross receipts attributable to sales in the State include sales by a person without physical presence in the State and that are facilitated by a marketplace provider.

The amendments proposed in this bill may withstand a challenge in the State court under the current Hawaii Supreme Court jurisprudence; however, the amendments may still be subject to federal constitutional challenge.

The Commerce Clause of United States Constitution explicitly grants power to Congress to regulate interstate commerce, and in doing so, also implicitly restricts states from enacting laws that unduly burden interstate commerce. The United States

Supreme Court stated that a state tax will survive a Commerce Clause challenge if the tax “is applied to an activity with a substantial nexus with the taxing State, is fairly apportioned, does not discriminate against interstate commerce, and is fairly related to the services provided by the State.” Complete Auto Transit, Inc. v. Brady, 430 U.S. 274, 279 (1977). Furthermore, the United States Supreme Court in Quill Corp. v. North Dakota, 504 U.S. 298 (1992), appeared to affirm the need for some type of physical presence, as originally established in National Bellas Hess, Inc. v. Department of Revenue of Illinois, 386 U.S. 753 (1967), in order to meet the substantial nexus requirement.

Today’s proliferation of online commerce reveals that the physical presence requirement affirmed by Quill 25 years ago may be inadequate in today’s market. For example, New York’s highest court recently said that “[t]he world has changed dramatically in the last two decades, and it may be that the physical presence test is outdated.” Overstock.com, Inc. v. New York Department of Taxation and Finance, 20 N.Y.3d 586, 595 (2013). Despite this statement, the New York court maintained that the taxpayer must have some type of physical presence in the state.

It may be important to note that many of the authoritative cases, including Quill, interpret the substantial nexus requirement to involve a state sales and use tax, not a general excise tax, which is at issue here in Hawaii. It is unknown whether the tests under Quill will be applied to a general excise tax and whether the imposition of such a tax without a requirement of a physical presence in the state would ultimately be sustained under a Commerce Clause challenge. Furthermore, it may be important to note that the United States Supreme Court will be reevaluating the physical presence requirement under Quill when it reviews the arguments from South Dakota v. Wayfair Inc., 901 N.W.2d 754 (S.D. 2017), cert. granted, 2018 WL 386568 (U.S. Jan. 12, 2018) (No. 17-494), later this year.

Because the main purpose of this bill is to apply the state general excise tax to the activity of certain taxpayers with no physical presence in Hawaii, if this bill becomes law, a taxpayer may cite to the United States Supreme Court decisions of Quill and Bellas Hess to challenge the State that the application of the general excise tax to a

taxpayer with no physical presence in Hawaii violates the Commerce Clause of the United States Constitution.

Thank you for the opportunity to provide comments.

# TAX FOUNDATION OF HAWAII

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126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

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SUBJECT: GENERAL EXCISE, Define Doing Business Without Physical Presence;  
Attribution from Marketplace Provider

BILL NUMBER: HB 2417

INTRODUCED BY: LUKE

EXECUTIVE SUMMARY: This is an attempt to adopt a form of “factor presence nexus,” namely a statement that substantial sales in a state give rise to a sufficient connection between the state and the seller to enable that state to impose sales tax or use tax collection obligations. While the measure may be subject to constitutional challenge, it is in line with other states’ measures increasing pressure on remote sellers to collect and remit sales and use taxes owed on purchases by customers in the state. It also provides for attribution of nexus from a “marketplace provider,” which is on firmer constitutional footing.

SYNOPSIS: Adds a definition of “marketplace provider” in HRS section 237-1 as “any person who sells or assists in the sale of tangible personal property on behalf of another seller and who provides customer service, processes payments, and controls the fulfillment process.”

Amends the definition of “business” or “engaging” in business in HRS section 237-2 to provide that a person with no physical presence in the State is engaged in “business” in this State if the person has gross receipts attributable to this State of \$100,000 or more. Also provides that gross receipts attributable to this State include gross receipts from sales that would be taxable under chapter 237 but for the physical presence of the seller, and are facilitated by a marketplace provider that is engaged in business in this State.

EFFECTIVE DATE: July 1, 2018.

STAFF COMMENTS: The United States Constitution has been interpreted as providing two limits on the states’ powers to tax. These limits come from at least two places: first, the Due Process Clause, requiring a person to have “minimum contacts” with a state before that state is allowed to exercise police powers, including the power to tax, against that person; and second, the Commerce Clause, where the Supreme Court held in *Complete Auto Transit, Inc. v. Brady*, 430 U.S. 274 (1977), that if the Congress does not otherwise define the threshold for taxability, state tax may not be imposed upon a person unless there is “substantial nexus” with that person. Substantial nexus is more than minimum contacts, and *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992), appears to stand for the proposition that some physical presence is needed to establish substantial nexus.

In Hawaii, section 237-22(a) HRS, states that there shall be excepted or deducted from the values, gross proceeds of sales, or gross income so much thereof as, under the Constitution and laws of the United States, the state is prohibited from taxing, but only so long as and only to the extent that the state is so prohibited. *In re Grayco Land Escrow, Ltd.*, 57 Haw. 436, 559 P.2d



264, *cert. denied*, 433 U.S. 910 (1977), established that Hawaii already extends its general excise and use taxes to reach the limit of the Constitution (“Thus, in plain and unmistakable language, the statute evidences the intention of the legislature to tax every form of business, subject to the taxing jurisdiction, not specifically exempted from its provisions.”).

This bill is trying to solve the problem, faced by all states that have enacted sales and use taxes, about collecting sales and use taxes on remote sellers. A seller with no physical presence in a customer’s state might see no obligation to collect and remit tax in the customer’s state. The customer would be liable for use tax, but tax departments throughout the country have met with little success in motivating such customers, especially those with small purchases, to pay use tax.

Nothing the legislature enacts will change the U.S. Constitution, and the bill may face constitutional challenge if enacted. Even so, the Multistate Tax Commission has recommended, and many states have enacted, “factor presence nexus” standards saying that nexus should be found when a taxpayer has a significant dollar amount of sales activity in the state, and these standards have motivated some of the larger remote sellers to agree to collect and remit sales and use taxes on that activity.

Amazon, the online retailer, registered for a Hawaii general excise tax license and started collecting and remitting Hawaii tax on online purchases effective April 1, 2017. We understand, however, that it is collecting and remitting tax on its own sales but is not doing so on “Amazon Marketplace” sales, where the company acts as a sales agent and a fulfillment agent for other, unrelated companies.

For marketplace sales, *Scripto, Inc. v. Carson*, 362 U.S. 207 (1960), and *Tyler Pipe Industries, Inc. v. Washington State Department of Revenue*, 483 U.S. 232 (1987), hold that substantial nexus can be established through an independently contracted sales agent who acts in a state on behalf of another. Thus, whether or not “economic nexus” is ultimately found to be constitutional, nexus can be attributed from a marketplace provider as stated in this bill.

Digested 2/6/2018

# PETER L. FRITZ

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## HOUSE OF REPRESENTATIVES THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2018

### COMMITTEE ON FINANCE

Testimony on H.B. 2417  
Hearing: February 8, 2018

#### Relating To Taxation

Chair Luke, Vice Chair Cullen and members of the Committee. My name is Peter Fritz. I am a former Rules Specialist and a tax attorney. I am testifying **in support** of S.B. 2417.

This bill requires that a marketplace provider withhold and remit general excise tax on sales made by marketplace sellers in this State that are facilitated by the marketplace provider.

The definition of "Marketplace provider" in this bill may be too narrow to include orders that are referred to a marketplace seller. A marketplace provider that fulfills an order is generally understood to involve shipping from inventory that a marketplace seller stores in the marketplace provider's warehouse. Orders that are referred to the marketplace seller are completed and shipped to the customer by the marketplace seller. Because the definition of marketplace provider includes control over the fulfillment process, it may not include orders received by the marketplace provider that are shipped directly to the customer by the marketplace seller.

It is suggested that the definition be revised so that a marketplace provider to include referrals to marketplace sellers. The committee might consider the following language:

"Marketplace provider" means a person that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the seller's products through a physical or electronic marketplace operated by the person, and engages:

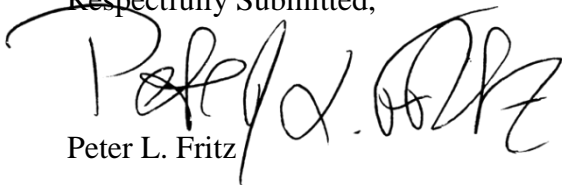
- (1) Directly or indirectly through one or more affiliated persons in any of the following:
  - (A) Transmitting or otherwise communicating the offer or acceptance between the buyer and seller;
  - (B) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and sellers together; or
  - (C) Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller; and
- (2) In any of the following activities with respect to the seller's products:
  - (A) Payment processing services;
  - (B) Fulfillment or storage services;
  - (C) Listing products for sale;
  - (D) Setting prices;

- (E) Branding sales as those of the marketplace facilitator;
- (F) Order taking;
- (H) Providing customer service or accepting or assisting with returns or exchanges.

In 2016, the United States court of appeals for the tenth circuit upheld a Colorado law that required out-of-state retailers that do not collect Colorado's state sales tax to report tax-related information to their Colorado customers and the Colorado department of revenue. The Committee may want to consider adding provisions that allow marketplace providers that have sales sourced to Hawaii to have the option to collect the general excise or use tax on taxable sales or comply with certain notice and reporting provisions. A marketplace provider that challenged the new nexus provisions in this bill would then have to report sales to Hawaii and notify customers of their obligation to pay use tax.

Thank you for the opportunity to testify.

Respectfully Submitted,



Peter L. Fritz

## HOUSE COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair  
Rep. Ty Cullen, Vice Chair

From: Bart Dame  
Date: Thursday, February 8, 2018  
Time: 2 p.m.  
Place: Conference room 308

### **HB2417, RELATING TO TAXATION**

#### **STRONG SUPPORT**

My name is Bart Dame and I am testifying as an individual in STRONG SUPPORT of HB2417, which

Requires that a marketplace provider withhold and remit general excise tax on sales made by marketplace sellers in this State that are facilitated by the marketplace provider. Amends the definition of "business" in the State's general excise tax law.

The development of the internet as a mechanism for facilitating sales has transformed the marketplace and it is appropriate the state change our definitions in order to collect the GET from activities which originate in Hawaii and compete against more traditional "brick and mortar" providers of goods and services whose sales are subject to the GET.

This bill should help plug that loophole, bring in more revenue to the state to help fund needed services and pay our debts. And to do so in a just fashion.

Please pass HB2417.

Thank you for the opportunity to testify.

**LATE**

**NetChoice** Promoting Convenience, Choice, and Commerce on The Net

Carl M Szabo, Vice President and General Counsel

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Rep. Sylvia Luke, Chair  
House Financial Committee  
Hawaii House of Representatives  
Hawaii State Capitol

February 8, 2018

### **RE: Opposition to HB 2417 – Taxation**

Dear Chair Luke and members of the committee:

We ask that you do not pass HB 2417 and avoid making the same mistakes as South Dakota.

HB 2417 will be seen by Hawaii consumers as a new tax and could erode your ability to protect Hawaii businesses from out-of-state tax collectors.

*First, consider problems created by HB 2417's anticipated legal challenges:*

- Will not go into effect for several years, if ever
- Will cost Hawaii taxpayers in attorney's fees and court costs
- May be rendered irrelevant by other state lawsuits or Congressional action

*Second, if the HB 2417 survives court challenges, it would:*

- Reduce the ability of Hawaii to protect its businesses from burdens imposed by other states
- Rely on new revenue extracted from Hawaii residents – not from out-of-state businesses
- Would generate only minimal new tax revenue
- Establish a new tax regime that is anything but equal, consistent, or fair

### **Likely seen as a new tax by your constituents**

Hawaii residents will likely see this as a new tax since any tax collected will come from the pockets of Hawaii citizens, not from out-of-state businesses.

We polled Tennessee residents on a similar tax in that state, and 56% said requiring them to pay tax on online purchases from out-of-state businesses would be a statewide tax increase. We would likely see similar results in a poll of Hawaii citizens. (see Tennessee poll at [NetChoice.org/TNTaxPoll](http://NetChoice.org/TNTaxPoll))

### **HB 2417 is likely to bring burdens on Hawaii businesses from other states**

Just by proposing HB 2417, Hawaii creates a dangerous precedent for other state revenue departments to follow. While HB 2417 would apply only to remote sellers, it encourages other states to create similar laws that would impact Hawaii sellers.

## **No revenue would be generated from HB 2417 for several years, if ever. And HB 2417 fritters away tax dollars on an unnecessary lawsuit**

HB 2417 will generate no revenue for the state unless and until the US Supreme Court overturns a century of established federal doctrine.

Following enactment of the law, groups like NetChoice and ACMA will seek an injunction and challenge the law. Immediate injunction of HB 2417 is likely, since even the state of South Dakota<sup>1</sup> stipulated that its similar “Kill Quill” law was unconstitutional.

On March 6, 2017, the State Circuit Court in South Dakota granted a motion for Summary Judgment against the state’s 2016 law, finding:

“Because each of the Defendants lacks a physical presence in South Dakota... the State acknowledges that under *Quill Corp. v. North Dakota*, the State of South Dakota is prohibited from imposing sales tax collection and remittance obligations on the Defendants.”

“The State further admits that this Court is required to grant summary judgment in Defendants’ favor, because of the *Quill* ruling.”

“This Court is duty bound to follow applicable precedent of the United States Supreme Court.”

“This is true even when changing times and events clearly suggest a different outcome; it is simply not the role of a state circuit court to disregard a ruling from the United States Supreme Court.”

If a similar injunction is obtained in Hawaii, the state could not enforce HB 2417.

It is likely that the US Supreme Court will have already decided on the *Quill* question even before the HB 2417 makes its way through the courts. As noted above, courts already enjoined and are now reviewing the legality of a similar law in South Dakota<sup>2</sup> and Indiana<sup>3</sup> and regulation in Alabama.<sup>4</sup> HB 2417 acts as a pile-on with no material benefit to Hawaii -- while incurring litigation costs for the state.

### **Passage of HB 2417 would erode state sovereignty**

Advocates for HB 2417 claim that the purpose of this bill is to overturn the current *Quill* standard<sup>5</sup> of physical presence. Today, the *Quill* standard stops tax collectors in California, New York, or Illinois from harassing Hawaii businesses that have no physical presence in those states.

But passage of HB 2417 would remove the protections of *Quill* and reduce the ability of Hawaii to protect its businesses from tax collectors across the country, forcing Hawaii businesses to travel across the country to defend themselves in foreign state courts.

State tax collectors would be the true “winners” if HB 2417 succeeds in overturning the *Quill* standard. Hawaii citizens and Hawaii businesses would be the losers.

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<sup>1</sup> See *South Dakota v. Wayfair Inc. et al*, Case No. 3:2016cv03019 (S.D. Dist. Ct. May 15, 2016).

<sup>2</sup> See Sandra Guy, *South Dakota sues four big online retailers over sales taxes*, Internet Retailer (April 29, 2016).

<sup>3</sup> Ind. Code § 34-14-1-1

<sup>4</sup> See Chris Morran, *Newegg Challenges Alabama Over Collection Of Online Sales Tax*, Consumerist (June 14, 2016)

<sup>5</sup> *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992) further confirmed the physical presence standard for sales tax collection. It protected Quill, a Delaware corporation with offices and warehouses in Illinois, California, and Georgia, from North Dakota tax collectors and North Dakota tax rules – a state where Quill had no physical presence.

## **No new money would come into Hawaii**

Even if HB 2417 survived a Supreme Court challenge, *no new money would flow into Hawaii*. Any sales taxes collected as the result of HB 2417 would come from the pockets of Hawaii residents -- not from out-of- state businesses.

## **Minimal tax revenue would be generated from HB 2417**

Today, most of the top e-retailers already collect for Hawaii. That includes Amazon, who accounted for 41% of online sales in Q1 2016.<sup>6</sup>

Some HB 2417's advocates cite a 2009 University of Tennessee<sup>7</sup> study to suggest a large windfall of uncollected sales taxes. However, the UT study is far out-of-date and fails to account for existing tax collection by Amazon and several other large e-retailers.

Even the US General Accounting Office<sup>8</sup> predict collections are, at best, less than half of what the outdated University of Tennessee study promises.

The question, assuming HB 2417 survives in court, is whether the minimal tax revenue extracted from Hawaii citizens is enough to justify the legal costs, executive branch overreach, and erosion of state sovereignty?

## **HB 2417 creates a new tax that is not equal, consistent, or fair**

Tax advocates justify HB 2417 by saying it "creates a level playing field for all sellers." However, HB 2417 foists disproportionate collection burdens on catalog and online retailers. When a customer enters a gift shop in Annapolis, the store does not ask for that customer's home address so she can look-up the tax rate and later remit the tax to the customer's home state.

But HB 2417 would impose the burden of look-up, tax filing, and audit -- if the sale occurs through a phone call, mail order, or the internet. We fail to see how that would be equal, consistent, or fair.

We ask that you reject HB 2417 and protect Hawaii businesses from out-of-state tax auditors, protect Hawaii citizens from a new tax, and avoid costly litigation the state is likely to lose.

Thank you for considering our views and please let us know if we can provide further information.

Sincerely,



Carl Szabo  
Vice President and General Counsel  
NetChoice

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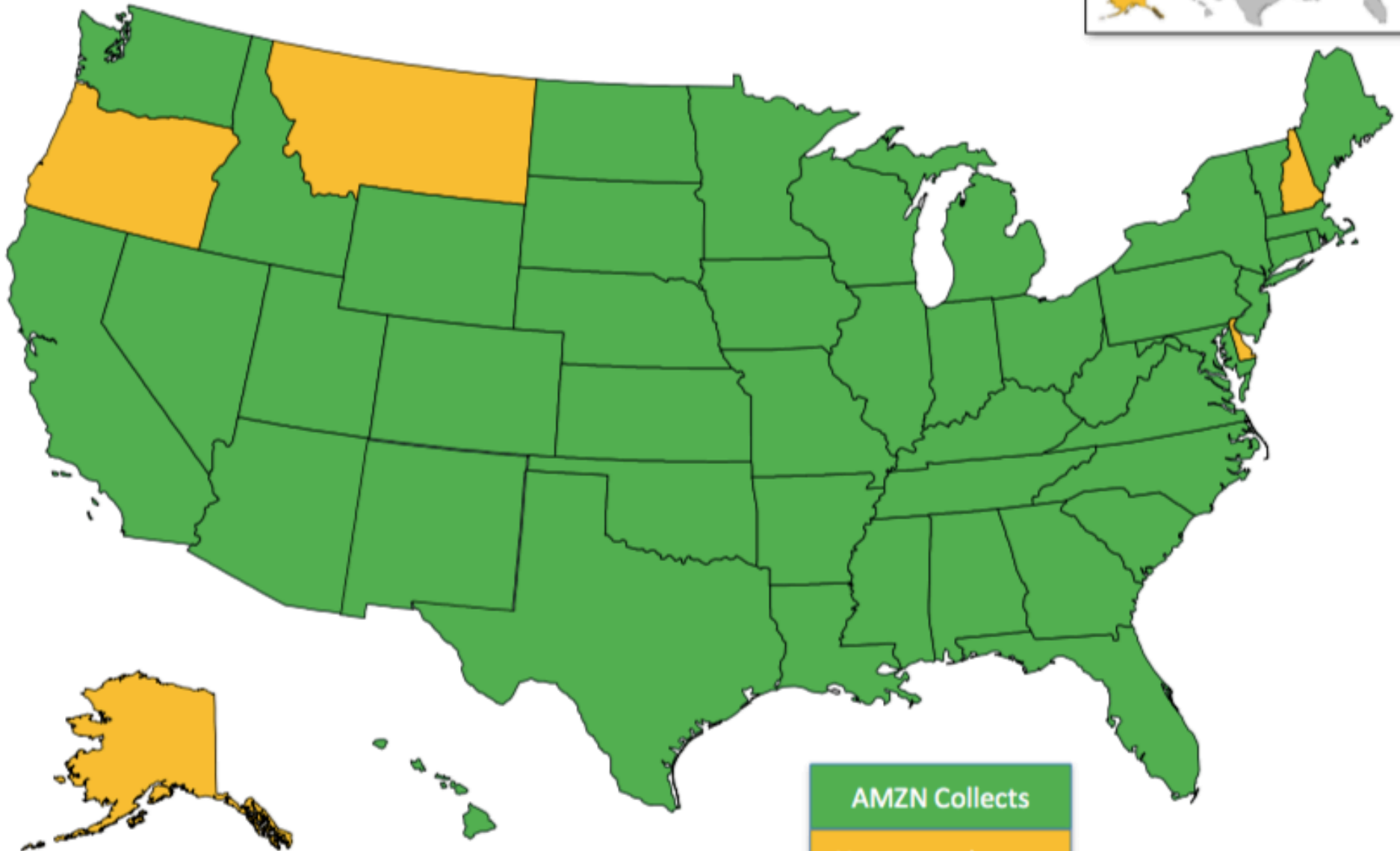
<sup>6</sup> Ken Kam, *The Market Is Underestimating Amazon*, Forbes (May 27, 2016).

<sup>7</sup> Bruce, Fox, and Luna, *State and Local Government Sales Tax Revenue Losses from Electronic Commerce*, University of Tennessee (2009).

<sup>8</sup> U.S. Government Accountability Office, *States Could Gain Revenue from Expanded Authority, but Businesses Are Likely to Experience Compliance Costs* (Nov. 2017)

# Amazon is collecting for the entire country

Now 100% of the US population



AMZN Collects

No state sales tax