



## ***Would Internet Sales Tax be a Raise in Taxes?***

**February 14, 2012 (Tallahassee, FL)**—The answer to that question may be the reason for the success or failure of **SB 7206! Legislation to collect sales taxes for goods purchased over the Internet is moving through the Senate**, with one bill passing through the Budget Subcommittee on Finance and Tax and another passing through the Commerce and Tourism Committee on Thursday.

SB 7206, which secures the collection of online sales taxes, drafted by Sen. Ellyn Bogdanoff, R-Fort Lauderdale, was recently taken over by Sen. Evelyn Lynn. She touted the fairness the legislation would bring to box store retailers who build, employ workers and spur economic activity in the state, and pay the state sales tax, unlike online retailers.

The "Florida Current" reports that despite the progress of the bill in the Senate, **lawmakers might be hesitant to pass a bill that can be perceived as a "new" tax in an election year**. The House has been reluctant to take up the measure, and Gov. Rick Scott has stated he will only sign the bill if it contains offsetting tax cuts. *SB 7206 includes provisions directing the Legislature to provide tax cuts equal to the amount collected through online sales, either via sales tax holidays or a temporary reduction in the overall sales tax. A staff analysis of the bill cites studies showing that Florida misses out on between \$280 million and \$800 million each year by not collecting the 6 percent sales tax on online purchases.*

Meanwhile, **Amazon is floating a plan to build a facility and bring 2,500 jobs to Florida**, provided the state exempts it from paying the tax for at least two years. Sen. Bogdanoff told "The Florida Current" this week that the proposal would be difficult to work out since under state law, a company must pay tax as soon as they begin building in the state. *"They [Amazon] have approached me with some sort of compromise deal that they've reached with other states. I told them I'd take it under advisement,"* Bogdanoff said.

**If your business is interested in this fight, please give me a call and we would be happy to work with you.**

***Chuck Drago***

For additional information, please contact:

Chuck Drago\*

Director, Government Affairs

[cdrago@ioppololawgroup.com](mailto:cdrago@ioppololawgroup.com)

P: 407-444-1004; F: 866-529-4717

\*Not admitted to practice law.

Ioppolo Law Group, PLLC  
1525 International Pkwy, Ste 4071  
Lake Mary, FL 32746  
P: 407-444-1004; F: 866-529-4717  
[www.ioppololawgroup.com](http://www.ioppololawgroup.com)

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