

1 S.54

2 Introduced by Senators Westman and Ashe

3 Referred to Committee on

4 Date:

5 Subject: Taxation; sales and use tax; Internet sales

6 Statement of purpose: This bill proposes to extend the sales tax to Internet
7 sales.

8 An act relating to extending the sales tax to Internet sales

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. 32 V.S.A. § 9701(9)(I) is added to read:

11 (I) For purposes of subdivision (C) of this subdivision (9), a person
12 making sales that are taxable under this chapter shall be presumed to be
13 soliciting business through an independent contractor, agent, or other
14 representative if the person enters into an agreement with a resident of this
15 state under which the resident, for a commission or other consideration,
16 directly or indirectly refers potential customers, whether by a link on an
17 Internet website or otherwise, to the person if the cumulative gross receipts
18 from sales by the person to customers in the state who are referred to the
19 person by all residents with this type of an agreement with the person are in
20 excess of \$10,000.00 during the preceding tax year. For purposes of

1 subdivision (C) of this subdivision (9), the presumption may be rebutted by
2 proof that the resident with whom the person has an agreement did not engage
3 in any solicitation in the state on behalf of the person that would satisfy the
4 nexus requirements of the United States Constitution during the tax year in
5 question.

6 Sec. 2. EFFECTIVE DATE

7 This act shall take effect on July 1, 2011, and shall apply to all sales subject
8 to the tax imposed by chapter 233 of Title 32 occurring on and after that date.