

Bond Case Briefs

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GFOA: U.S. Supreme Court Issues Favorable Decision in Remote Sales Tax Case.

Today, the U.S. Supreme Court [issued a decision](#) in South Dakota v. Wayfair, Inc., overturning the outdated physical presence standard. This long-anticipated decision clears the way for state and local governments to enforce existing sales and use tax laws on remote sales. For well over two decades, GFOA and other state and local government organizations have pursued a simplified framework of sales and use tax administration to address the ever evolving and growing online retail marketplace. Until this year, the focus has primarily been on Congress where organizations like GFOA have advocated for legislation such as the Marketplace Fairness Act. Without the authority to impose current sales and use tax laws on many remote and online purchases, states and local governments have lost billions of vital revenue for public services every year.

Upon release of the decision, GFOA joined others in the state and local government community and issued a statement. “State and local organizations applaud the U.S. Supreme Court’s decision recognizing that the 1992 Quill ruling put Main Street retailers at a competitive disadvantage to remote sellers and the efforts by states to simplify the sales tax collection process and giving those states remote sales tax collection authority. For 26 years Congress has failed to act and through the efforts of Justice Anthony Kennedy, the federal government has finally recognized the changing nature of commerce and state efforts to simplify the collection process.”

[View the Press Release](#)

GFOA remains committed to finding a solution that simplifies and streamlines the collection of sales taxes that makes sense for all stakeholders involved and finally provides a level playing field that treats all businesses alike, whether selling from a brick-and-mortar store or completely online.