
December 28, 2007

Avin Mark Domnitz, CEO
American Booksellers Association
200 White Plains Road
Tarrytown, NY 10591

Re: Your Correspondence to Governor Sebelius Dated December 15, 2007

Dear Mr. Domnitz:

I am responding to your correspondence to Governor Sebelius, in which you raise concerns about the loss of uncollected sales tax revenue on remote retail sales conducted over the Internet and the unlevel playing field this creates for local "brick and mortar" retailers who are properly collecting sales tax.

Please be advised that Kansas has been very proactive on this issue and is one of the charter Member States in the Streamlined Sales Tax and Use Tax Agreement. Secretary of Revenue Joan Wagon is currently serving as the President of the Executive Committee of the Streamlined Sales Tax Governing Board, Inc. This Project is a combined effort of several state revenue departments and the business community to promote uniformity in the administration of sales tax laws and encourage voluntary registration by remote retailers to collect sales tax, with the goal of ultimately persuading the United States Congress to enact legislation that will authorize the States to require remote retailers to collect sales tax. Earlier this month, Secretary Wagon testified to Congress in support of legislation introduced to accomplish that, H.R. 3396. More information on the Streamlined Sales Tax Project can be found at the following website: www.streamlinedsalestax.org.

Kansas has also enacted an "affiliate nexus" statute, found at K.S.A. 2006 Supp. 79-3702(h). The Department pursues any leads concerning retailers making remote sales to Kansas customers where there is a legal basis to claim that those retailers have nexus. You letter mentioned Amazon.com. This company has been a strong supporter of the Streamlined Sales Tax Project. An Amazon.com representative appeared before the Kansas legislature, testified in support of Kansas' adoption of Streamlined Sales Tax legislation and advised that Amazon.com has registered as a Kansas retailer.

If your organization has information concerning the identity of any remote retailers with physical presence in Kansas, making sales to Kansas customers and not collecting Kansas sales tax, we would appreciate receiving that information, and we will follow up on it.

Please let me know if you have additional questions or need further information.

Sincerely,

A handwritten signature in cursive script that reads "Richard Cram".

Richard Cram

Cc: Governor Sebelius
Joan Wagon