



For Immediate Release
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George Runner Responds to Amazon Deal

George Runner today responded in support of a new measure that would retroactively repeal the “Amazon Tax” for a year or longer, allowing time for impacted parties to seek a federal solution to the dispute.

“Politics is the art of compromise,” said Senator Runner. “This is far from a perfect plan, but it’s a good thing when competing interests are able to come together on a contentious issue.”

“This deal provides at least a one year reprieve for affiliate businesses whose livelihoods have been disrupted by the dispute,” said Runner. “It allows time for impacted parties to seek a federal solution to this issue. Congress has always been the right venue for this conversation.”

“However, I’m disappointed that this deal provides no certainty for thousands of affiliates who partner with out-of-state online retailers other than Amazon,” continued Runner. “The uncertainty will discourage these companies from creating new jobs and investing in our state.”

“Furthermore, the Legislature refused to include a pathway to immediately bring Amazon jobs to California,” continued Runner. “I’ll be working with Amazon and legislators to find a way to expedite their presence in order to bring thousands of new jobs to our state as soon as possible.”

Throughout the year Runner has warned that the “Amazon Tax” (AB 28X) would cost California both jobs and income. Since its enactment in June, the measure has proven a failure: hundreds of out-of-state companies have chosen to terminate their relationships with California affiliates rather than be forced to abide by the bill’s onerous and likely unconstitutional provisions.

AB 155, as proposed to be amended, would retroactively repeal the provisions of AB 28X. However, California would have the option of reinstating those provisions in September 2012 or adopting a federal solution should one materialize.

According to Runner, the affiliate nexus, commonly controlled group and long-arm provisions of AB 155 will prove a continued challenge for the State Board of Equalization to implement.

Elected in November 2010, George Runner represents more than nine million Californians as a member of the State Board of Equalization. For more information, visit www.boe.ca.gov/Runner.

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