



State Board of Equalization

News Release

George Runner, Member

2nd District – Lancaster

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Runner Says Online Tax Would Backfire, Hurt Jobs

Board of Equalization Member Senator George Runner today issued the following statement in response to Assemblywoman Nancy Skinner's proposed legislation that would force out-of-state online retailers to collect sales tax on purchases made by Californians.

"California lawmakers keep trying to squeeze more money out of our overtaxed, overregulated economy. Instead of helping private sector jobs survive they are chasing them out of the state.

"This ill-conceived measure would backfire by killing jobs and making our state's budget problem worse.

"If this law passes, 25,000 California small businesses called "affiliates" could lose their business relationships with out-of-state online retailers as has already happened in other states. Many California affiliates would simply have to move their businesses to another state.

"As Forrest Gump's mama said, 'Stupid is as stupid does.' It would be just plain stupid to pass a law aimed at increasing state revenues that does the exact opposite, especially when this same law is currently tied up in federal court and is likely unconstitutional.

"It's time to stop treating symptoms and start treating the disease. California's core problem is that people aren't working. They need jobs, not more laws and taxes.

"We already have a law. People who buy things from out-of-state retailers should pay their use tax. As a member of the Board of Equalization, I want to make it as easy as possible for people to do."

Elected in November 2010, taxpayer advocate George Runner represents the 2nd District of the Board of Equalization. Runner was sworn in as Second District Board Member on January 3, 2011. Prior to his election to the Board, Runner served twelve years in the State Legislature. As a thoughtful conservative, his legislative priorities included improving the economy, business growth, education excellence, and family preservation for all Californians. As a member of the Senate Revenue and Taxation Committee, Runner consistently led the fight against tax increases and supported tax relief for families and businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$48 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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