



State Board of Equalization

News Release

Chairman Jerome E. Horton

4th District – Los Angeles

Kristine Cazadd
Interim Executive Director
www.boe.ca.gov

For Immediate Release
July 18, 2011

Contact: NR 83-11-H
Francis Taylor
310-600-8604

Jerome E. Horton Statement on Title and Summary for Online Tax Collection Law Referendum

Jerome E. Horton, Chairman of the California Board of Equalization, today made the following statement regarding Attorney General Kamala D. Harris' granting of Title and Summary to the proposed referendum against ABx1 28 submitted by Amazon. ABx1 28 requires out-of-state online retailers who meet the criteria of the law to register with the BOE and collect and remit the use tax. ABx1 28 creates a use tax reporting requirement for out-of-state companies whether they collect the tax from their customers or not and mandates the Board to enforce the law.

"Today the battle begins between out-of-state retailers who prefer to skirt the law rather than abide by California's use tax laws, and those businesses who comply with the tax laws, employ Californians and contribute to the well being of California's essential services provided for our citizens."

"This is a question of equity and fairness; will out-of-state companies have to pay their fair share and contribute to the essential services of California or can they exploit California's consumer market without contributing to California's infrastructure?" Horton said.

"Non-California companies that currently fail to comply with our tax laws cost California approximately \$12.5 billion in sales, \$1.1 billion in use taxes, and hundreds of millions in related taxes. This equates to a loss of tens of thousands of jobs for Californians and millions in needed revenues for public safety, education and transportation. Voters may indeed get to decide this issue, and I believe the side of right will win and Amazon will lose."

Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization Legislative Committee chairman. He is the first to serve on the Board of Equalization with over 21 years of experience at the BOE. Horton previously served as an Assembly Member of the California State Assembly from 2000-2006.

The five-member California State Board of Equalization is a publicly elected tax board. The Board of Equalization 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.

###