



AMERICAN CATALOG  
MAILERS ASSOCIATION

*Your Catalog Advocate!*

October 23, 2018

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

The Honorable Paul Ryan  
Speaker of the House  
U. S. House of Representatives  
Washington, DC 20515

The Honorable Nancy Pelosi  
Minority Leader  
U. S. House of Representatives  
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Ryan, and Leader Pelosi,

On behalf of the undersigned organizations, including 116 companies aligned with the American Catalog Mailers Association (ACMA) and representing 38,000 employees across 44 states, part of an estimated 7,000 companies engaged in cataloging generating some \$300 billion in annual commerce nationwide. We respectfully and urgently request legislation be enacted before the end of this year that allows small businesses to fully and accurately comply with the U.S. Supreme Court's June 21, 2018 decision in *South Dakota v. Wayfair Inc., et al.* Such a piece of legislation would include the following components:

1. Establish a realistic and orderly phase-in date for the implementation of the new *Wayfair* standards of April 1, 2019
2. Prohibit retroactive enforcement of any legislation or regulations seeking to require remote sellers (sellers without physical presence) to collect and remit sales taxes on sales made before the new *Wayfair* standards are fully implemented

States such as Massachusetts are presently pursuing companies for the payment of sales tax, interest, and penalties with respect to periods going back to October 2017, nearly nine months retroactive to the date of the Supreme Court's decision in *Wayfair*. Expecting companies to retroactively collect tax from its customers months after the time of sale is unrealistic and not feasible. This leaves companies no choice but to pay these post-sale tax assessments out of their own pockets. It is an expenditure most small businesses not only cannot afford, but also were not legally obligated to collect in the first place.

The *Wayfair* decision has thrust the catalog and e-commerce industries into an uncertain situation regarding the collection and remittance of tax from remote sales. As states and local authorities pass new laws to increase their revenues, small businesses across the country are left scrambling to integrate complicated and costly software into their existing systems in order to satisfy each taxing body's unique requirements as well as to add the necessary personnel resources to manage these efforts. Due to the complexities of integration and the limited

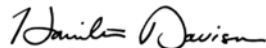
number of providers for this software, successful implementation can take many months to accomplish.

Importantly, no practical method has yet been devised for remote sellers to provide their mail order customers paying by check with the correct tax remittance for their specific location (city, county, state...) for the merchandise categories purchased (there are over 10,000 permutations). This remains a material unresolved implementation gap, impacting millions of often older and lower-income mail order shoppers who do not own or use credit cards.

If left unaddressed, the current situation will have a devastating effect on the catalog and e-commerce industries, historically a bright spot in the national economy even in downturns. It will lead to a significant decrease in profitability for remote sellers across the country due to increased costs and mail order customer confusion impacting sales, which could then lead to job losses and, potentially, bankruptcies at companies that are unable to comply with these unfair state taxation requirements.

Though ACMA has other concerns regarding remote taxation policy in the United States, including the need for increased simplification and a reasonable small seller exemption, the two aforementioned changes are vital to the health of the catalog and remote selling industries and present the most urgent challenges. We ask for your help in keeping the American remote retail industry a vibrant, job-creating force going forward. This urgent matter requires immediate attention to avoid significant harm. Thank you for your consideration.

Sincerely,



Hamilton Davison  
President & Executive Director  
American Catalog Mailers Association

*The states listed in parenthesis represent each co-signing company's headquarters location.*

Abbeon Cal Inc. (CA)	Coldwater Direct LLC (MA)
Abbott Cards (MA)	Collectible Brands (GA)
Alexander & Company, LLC (VA)	Colony Brands, Inc. (WI)
American Dental Accessories (MN)	Continuum Management Co., LLC (CT)
American Meadows, Inc. (VT)	Country Door, Inc. (WI)
American Seed Trade Association (DC)	Country Store (MA)
Ashro, Inc. (WI)	Crafty Formations, LLC (ND)
Back In The Saddle (MA)	Cuddledown (ME)
Baudville Inc. (MI)	Dakin Farm (VT)
BestCigarPrices.com (PA)	Deseret Book Company (UT)
Bluestone Perennials, Inc. (OH)	Design Toscano (IL)
Boardroom Inc. (d/b/a Bottom Line Inc. (CT)	Direct Gardening Association (IL)
Bronner's CHRISTmas Wonderland (MI)	Edmund Optics (NJ)
Catalog Favorites (MA)	Expressions (MA)
Charleston Gardens (NY)	Faherty Brand (NY)
Cigar.com (PA)	Fairytale Brownies (AZ)
Cigarbid.com (PA)	Famous Smoke Shop (PA)
Cigars International (PA)	Fitness Finders, Inc. (MI)
Circa Lighting (GA)	FPH Communications (NY)

Fresh Finds (PA)  
Fuller's Sugarhouse (NH)  
Gardener's Supply Company (VT)  
Gardens Alive! (OH)  
Garrett Wade Co. (NY)  
Gift Services Incorporated (WA)  
Ginny's, Inc. (WI)  
Great American Business Products (TX)  
Harriet Carter (PA)  
Harrington's of Vermont (VT)  
Healy List Marketing (MA)  
Holt's Cigar Company Inc. (PA)  
Imagine Beauty LLC (OR)  
Infogroup Media Solutions (NE)  
In The Company of Dogs (MA)  
J. Schmid Assoc. (KS)  
Johnson Smith Company (FL)  
K-Log, Inc. (IL)  
Koeze Company (MI)  
Lake Champlain Chocolates (VT)  
LettDirect (DE)  
Littleton Coin Company, Inc. (NH)  
LSC Communications, Inc. (IL)  
Luxury Brand Holdings (RI)  
Magellan's (MA)  
McIntyre Direct Group LLC (OR)  
Midnight Velvet, Inc. (WI)  
Midwest Catalog Brands, LLC (WI)  
Mike's Cigars (FL)  
Monastery Icons (NM)  
Monroe & Main, Inc. (WI)  
Montgomery Ward, Inc. (WI)  
Nature's Jewelry  
NaviStone (OH)  
NLC Products, Inc. (AR)  
NorthStyle (MA)  
Path2Response (CO)  
Phoenix Direct (GA)  
PipesandCigars.com (PA)  
Plow & Hearth (VA)

Potpourri (MA)  
Port Hawkesbury Paper (FL)  
The Pyramid Collection (MA)  
Raymond Geddes Co., Inc (PA)  
Recreation Supply Co., Inc. (ND)  
Ripon Printers (WI)  
Scottish Gourmet USA LLC (NC)  
Serengeti (MA)  
Seventh Avenue, Inc. (WI)  
Shades of Light, LLC (VA)  
Silver Star Brands (WI)  
South Meadow Ventures (VT)  
St. Frank (CA)  
Stark Bros. (MO)  
Starship Modeler (IL)  
The Stitchery (MA)  
Sun Precautions (WA)  
Sundance Holdings Group, LLC (UT)  
The Swiss Colony, LLC (WI)  
TD Associates (d/b/a TackleDirect) (NJ)  
The Bradford Exchange, Ltd. (IL)  
The Critical Thinking Co. (OR)  
The Mail Group (IN)  
The Teaching Company (VA)  
Thompson Cigar Co. (FL)  
Touch of Class (IN)  
United States Plastic Corp. (OH)  
Uno Alla Volta (CT)  
US Toy Company (MO)  
Velrose Lingerie (PA)  
Venus (FL)  
Vermont Teddy Bear Company (VT)  
W. Atlee Burpee Company (PA)  
Whatever Works (MA)  
WiredResponse, Inc. (d/b/a Wherewithal Marketing) (CA)  
Wise & Well (PA)  
Young Explorers (MA)  
Zip Products, Inc. (VA)

cc: All Members of the United States Senate  
All Members of the U.S. House of Representatives