

The Editors
Review of Economics and Statistics
Harvard Kennedy School
79 JFK Street, Box 142
Cambridge, MA 02138

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Dear Editors:

I am writing to submit my manuscript entitled, "A World Without Borders Revisited: The Impact of Online Sales Tax Collection on Shopping and Search" for consideration as a Short Paper for *The Review of Economics and Statistics*. In this paper, I examine how online sales tax collection affects online spending and browsing behavior. I find that consumers are highly sensitive to sales tax collection by Amazon, with an estimated elasticity of -1.9 and they tend to shift their spending from Amazon to its taxed competitors.

Given the intense competition between online and offline retailers, I believe that my findings show that consumers still strongly consider price when making online purchases, even in light of other online retail innovations, such as free 2-day shipping. Furthermore, I provide a more comprehensive view of how consumers shop and spend online as well as whether they shift spending offline in response to online price changes.

I confirm that this manuscript has not been previously published and is not currently under consideration by any other journal. Additionally, I agree to *The Review of Economics and Statistics* submission policies. This paper uses proprietary data, but external researchers can request access through Wharton Research Data Services (for comScore) and through the Kilts Center for Marketing (for Nielsen). These organizations offer data access for a subscription fee. I will provide all necessary information, including replication code, necessary to generate the results of the paper from the raw data. To qualify for submission as a Short Paper, this manuscript contains 5 exhibits and 3,965 words based on the count provided by <http://countwordsfree.com>.

To the best of my knowledge, I have no conflict of interest, financial or otherwise.

Sincerely,
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