

**Hot Topics:**

# Overturning Quill v. North Dakota's Tax Rules Would Hurt Online Sellers – South Dakota V. Wayfair



One of the best parts of being an online seller is the ability to sell things all over the country or the world, dramatically increasing your audience. While this is a tremendous advantage over brick & mortar only businesses, one of the reasons sellers have been able to do this is a still standing Supreme Court case from 1992, *Quill Corp v. North Dakota*. This allows sellers to sell anywhere in the United States but only collect sales tax from states in which they have a physical presence, such as an office or a warehouse. This makes paying taxes very simple for the majority of small businesses and individual sellers.

On April 17th, The Supreme Court will hear a case that could change everything for smaller sellers. *South Dakota v. Wayfair Inc, Overstock Inc. and Newegg Inc* challenges this

and if successful, effectively overturns the Quill case. What does this mean for you? eBay's brief to the supreme court sums it up well. *"Online sellers would have to (1) themselves master the tax laws of these myriad jurisdictions or (2) purchase expensive tax assistance."* Just to properly put this in perspective, there are 45 states as well as the District of Columbia that collect sales taxes and 38 states also have some form of local sales tax. As of 2016, there are over 12,000 taxing jurisdictions in the United States! It's not hard to see how crushing of a blow this would be to small business and individuals who sell online.

In addition to the brief filed by eBay, Etsy has also come out as a vocal opponent of overturning *Quill* and makes entrepreneurs a key focal point in their statement. *"Platforms like Etsy lower the barriers to entrepreneurship, and have allowed for anyone with an idea and an internet connection to turn their creative passions into thriving businesses. In filing this brief, we're standing with Etsy's community of 1.9 million sellers – and all microentrepreneurs – and asking the U.S. Supreme Court to support small businesses and leave Quill intact."*

For more information and background on the court case, check out this [\*\*Wikipedia Article\*\*](https://en.wikipedia.org/wiki/South_Dakota_v._Wayfair,_Inc.) ([https://en.wikipedia.org/wiki/South\\_Dakota\\_v.\\_Wayfair,\\_Inc.](https://en.wikipedia.org/wiki/South_Dakota_v._Wayfair,_Inc.)). Also, continue to follow along with us, as we'll continue to report on this court case and discuss the fallout of the decision, regardless of which way it goes.

Thanks for reading!