

# Mall giant sues Indiana to tax Amazon.com sales

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(AP) -- Shopping mall giant Simon Property Group sued the Indiana Department of Revenue on Thursday to try to force it to collect taxes from Amazon.com Inc. for all sales made in the state.

The nation's biggest mall operator, whose Indianapolis headquarters are across the street from the Statehouse, said it was not seeking [monetary damages](#) in the lawsuit filed in Marion County courts.

"This action is being filed to benefit all of Indiana's taxpayers and the state's bricks-and-mortar [retailers](#)," Simon said in a statement.

Simon, which operates 27 Indiana shopping centers, said it requested the Revenue Department begin collecting sales taxes on sales made by Amazon.com within the state's borders as required by state law.

Amazon operates three distribution warehouses in Indiana and announced in July it plans to open a fourth in the state.

"Amazon.com is required by Indiana law to collect and remit sales and use taxes to the state, for sales made over the Internet, but has consistently refused to do so even though it is required by current Indiana laws ..." Simon said. "Main Street retailers are being harmed by this unequal playing field in Indiana and their existence is being jeopardized and threatens the employment of hundreds of thousands of retail employees in our state."

The state levies a 7 percent [sales tax](#) on most goods, giving online retailers a sizable advantage.

Revenue Department spokesman Bob Dittmer said the agency had not seen the lawsuit and had no immediate comment.

An influential lawmaker, state Sen. Luke Kenley, R-Noblesville, said last month he would approach other members of the General Assembly on the need to apply the state sales tax to online retailers. He estimated taxing online sales could net the state up to \$400 million annually and would put online retailers on the same playing field as traditional merchants.

A 1992 Supreme Court ruling effectively bars [states](#) from collecting taxes from most online operations. Kenley is president of the national group lobbying Congress to change the law.

A message seeking comment was left Thursday on a media telephone line at Seattle-based Amazon.com. Amazon spokeswoman Mary Osako said last month the company believed "the [sales](#) tax issue needs to be solved at the federal level."

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