

Amazon to collect sales tax from Mass. residents

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Online retailer Amazon.com has reached a deal with Massachusetts to start collecting the state's 6.25 percent sales tax from Bay State residents.

The deal that kicks in next Nov. 1 was announced by Gov. Deval Patrick on Tuesday.

Secretary of Administration and Finance Jay Gonzalez is telling <u>lawmakers</u> that he expected the agreement to bring increased revenue to the state in "the lower tens of millions of dollars."

Gonzalez says the deal will help level the playing field for traditional "brick and mortar" stores in Massachusetts that are competing with <u>Internet retailers</u>.

The announcement says the state and Amazon will work together toward enactment of <u>federal legislation</u> to resolve the issue of taxes for online sales, and added that Amazon plans to add hundreds of jobs in Massachusetts.

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