

NY top court OKs tax on online sellers like Amazon

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New York's highest court has ruled the state can collect sales tax from out-of-state retailers, rejecting claims by Amazon.com and Overstock.com that the tax violates the U.S. Constitution's Commerce Clause.

The [Court of Appeals](#) says in a 4-1 ruling that the 2008 amendment meets the U.S. Supreme Court test that the sellers have "a substantial nexus" with the taxing state.

Taxes apply when the online retailers generate at least \$10,000 in annual sales to New Yorkers from in-state websites that earn commissions by bringing in potential customers.

Amazon.com, with corporate offices in Washington state, has an "Associates Program" where others put such links on their websites.

Overstock.com, based in Utah, suspended its similar "Affiliates" program in New York after the state statute was enacted.

Calls to their lawyers were not immediately returned.

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