

Internet Sales Tax Bill Faces Tough Sell In House

BY STEPHEN OHLEMACHER
Associated Press

WASHINGTON — Traditional retailers and cash-strapped states face a tough sell in the House as they lobby Congress to limit tax-free shopping on the Internet.

The Senate voted 69 to 27 Monday to pass a bill that empowers states to collect sales taxes from Internet purchases. Under the bill, states could require out-of-state retailers to collect sales taxes when they sell products over the Internet, in catalogs, and through radio and TV ads. The sales taxes would be sent to the states where a shopper lives.

Current law says states can only require retailers to collect sales taxes if the merchant has a physical presence in the state.

That means big retailers with stores all over the country like Wal-Mart, Best Buy and Target collect sales taxes when they sell goods over the Internet. But online retailers like eBay and Amazon don't have to collect sales taxes, except in states where they have offices or distribution centers.

"This bill is about fairness," said Sen. Mike Enzi, R-Wyo., the bill's main sponsor in the Senate. "It's about leveling the

playing field between the brick and mortar and online companies and it's about collecting a tax that's already due. It's not about raising taxes."

The bill got bipartisan support in the Senate but faces opposition in the House, where some lawmakers regard it as a tax increase. Grover Norquist, the anti-tax advocate, and the conservative Heritage Foundation oppose the bill, and many Republicans have been wary of crossing them.

Supporters say the bill is not a tax increase. In many states, shoppers are required to pay unpaid sales tax when they file their state tax returns. However, states complain that few taxpayers comply.

"Obviously there's a lot of consumers out there that have been accustomed to not having to pay any taxes, believing that they don't have to pay any taxes," said Rep. Steve Womack, R-Ark., the bill's main sponsor in the House. "I totally understand that, and I think a lot of our members understand that. There's a lot of political difficulty getting through the fog of it looking like a tax increase."

On Tuesday morning, House Speaker John Boehner, R-Ohio, declined to say whether the House would take up the

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BOB GOODLATTE

bill. Later, he told Bloomberg Television in an interview that he would "probably not" support the bill. But he said he would refer it to the House Judiciary Committee and "we'll see what they think."

Rep. Bob Goodlatte, R-Va., chairman of the Judiciary Committee, said there are problems with the bill, but he did not reject it outright.

"While it attempts to make tax collection simpler, it still has a long way to go," Goodlatte said in a statement. Without more uniformity in the bill, he said, "businesses would still be forced to wade through potentially hundreds of tax rates and a host of different tax codes and definitions."

Goodlatte said he's "open to considering legislation concerning this topic but these issues, along with others, would certainly have to be addressed." Internet giant eBay led the fight

against the bill in the Senate, along with lawmakers from states with no sales tax and several prominent anti-tax groups. The bill's opponents say it would put an expensive obligation on small businesses because they are not as equipped as national merchandisers to collect and remit sales taxes at the multitude of state rates.

Businesses with less than \$1 million in online sales would be exempt. eBay wants to exempt businesses with up to \$10 million in sales or fewer than 50 employees.

"The contentious debate in the Senate shows that a lot more work needs to be done to get the Internet sales tax issue right, including ensuring that small businesses using the Internet are protected from new burdens that harm their ability to compete and grow," said Brian Bieron, eBay's senior director of global public policy.

Some states have sales taxes as high as 7 percent, plus city and county taxes that can push the combined rate even higher.

Many governors — Republicans and Democrats — have been lobbying the federal government for years for the authority to collect sales taxes from online sales.

The issue is getting bigger for states as more people make purchases online. Last year, Internet sales in the U.S. totaled \$226 billion, up nearly 16 percent from the previous year, according to government estimates.

States lost a total of \$23 billion last year because they couldn't collect taxes on out-of-state sales, according to a study done for the National Conference of State Legislatures, which has lobbied for the bill. About half of that was lost from Internet sales; half from purchases made through catalogs, mail orders and telephone orders, the study said.

Supporters say the bill makes it relatively easy for Internet retailers to comply. States must provide free computer software to help retailers calculate sales taxes, based on where shoppers live. States must also establish a single entity to receive Internet sales tax revenue, so retailers don't have to send it to individual counties or cities.

Opponents worry the bill would give states too much power to reach across state lines to enforce their tax laws. States could audit out-of-state businesses, impose liens on their property and, ultimately, sue them in state court.

Johnke

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tenure, led by the consolidation of the Irene and Wakonda school districts. He has worked with five building projects at the Irene and Wakonda attendance centers. He has sought the expansion of distance learning, offering more courses for students along with the opportunity for dual credit with Mount Marty College in Yankton.

Two years ago, he oversaw Irene-Wakonda's implementation of a four-day school week. "It's been successful for us. It remains a work in progress, but it's been beneficial," he said.

Johnke has enjoyed highlights, ranging from state athletic championships to seeing a student with Down syndrome selected homecoming king.

But he has also dealt with students' deaths, challenging him to provide strength for staff and

students amidst his own feelings of sorrow.

"There have been some tough times, but we have overcome tragedy," he said. "We have allowed our students to talk with counselors during those moments. We want our students to know we are here for them."

Johnke has served as a superintendent for 36 of his 43 years in education. But his role has changed greatly in the last decade, reflecting the many challenges facing small schools across South Dakota.

He moved to Irene in 1990, serving the Irene district as superintendent and later in a shared capacity with Irene and neighboring Wakonda starting in 2002.

He then became the first — and so far, only — superintendent since the two districts merged in 2007 to become Irene-Wakonda.

That distinction changes when he retires next month, but the Irene-Wakonda district hasn't needed to go far in hiring his re-

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placement. After a regional search, the school board hired secondary principal Dave Hutchison as superintendent. His selection created a domino effect, as Bruce Bailey and Deb Lyle — the current elementary co-principals — were hired as the respective secondary and elementary principals.

Hutchison has worked with Johnke during the past 12 years and credits him as a great mentor and highly respected educator across South Dakota.

"During the time I have spent with Mr. Johnke — traveling to ball games and meetings and on hunting trips together — I asked a lot of questions. He gave me

valuable answers, and I listened," Hutchison said.

Johnke's presence has been felt not only locally but also on the state level. He has served on a number of education task forces and has testified before legislative committees on school-related issues. He has also worked with a statewide pool making health insurance affordable for school districts, particularly smaller ones.

In addition, Johnke has received national recognition for his work. He was chosen as the South Dakota Superintendent of the Year for 2007-08 and attended the national convention in Tampa, Fla.

Corn

From Page 1

their biggest corn crops ever.

The current situation frustrates farmers such as Reifsteck. Many of his acres are standing pools of water, and others are green with weeds that have thrived during recent weeks of rainfall and will require the fields to be re-worked to ready them for planting, provided his tractors don't get stuck.

Reifsteck knows that if he has to wait much longer, he may have to scale back on the amount of corn he'll plant this year and go instead with more soybeans, which can be planted later, have a shorter growing season and proved more resilient last year to the punishing drought. Or he could take the risk of sowing the corn when the ground is still mucky and hope that using heavy machinery on the saturated soil doesn't compress the ground so badly that it prevents the plants from developing strong root systems.

The later the planting, the greater the likelihood that yields will suffer from the time lost in the growing season. There are corn varieties that mature faster, nearly 30 days in some cases, but the shorter the time to maturity again means a lesser yield.

"We're just waiting for it to dry out," Reifsteck said from his farm in Champaign County, Ill. "For corn, the odds of diminishing the yield get greater the farther you go in May (before planting the crop). You're basically squeezing it into a shorter season, and the odds of everything going well are pretty low. Once you get to June 1, you have to decide if you want to plant a lot of acres of corn" or devote more acreage to soybeans.

"This will be a difficult crop to assess, and yeah, it's discouraging," he said. "We're just playing the odds. We just have to get something planted."

The USDA recently estimated that U.S. farmers would plant 97 million acres of corn this year, which would be 100,000 more acres than last year, and that this year's crop could produce a record harvest if yields are close to the trend line or above. But that's if farmers can just get the crop planted: Mirroring Iowa's issues, just 14 percent of Nebraska's corn has been sown, 7 percent of Illinois' and 22 percent of Missouri's.

Given that early May typically is ideal for planting corn, farmers in water-logged areas may have to

wait a week or more for their fields to dry enough to be planted. There's incentive to make it happen: Farmers broadly already have fertilized the fields, making it difficult to let that cost go for naught.

If the planting gets delayed into June, growers could turn to the shorter-season corn varieties,

switch some of the acreage to soybeans or declare the land unplantable and collect the crop insurance for that lost opportunity, said Christopher Hurt, a Purdue University agricultural economist.

"This is just something they now are thinking about — what are my alternatives?" Hurt said. He

added that the recent rainfall would help the Corn Belt better withstand another drought, if one occurs this summer, by restoring its subsoil moisture.


"We keep saying, 'Don't panic,'" Hurt added. "But how many more weeks can we go and not panic? Not many."



With
Fondest Memories

We remember those who have passed away and are especially dear to us.

On Saturday, May 25th we will publish in print and online at Yankton.net a Memorial Day section devoted to those who are gone but not forgotten.



Aneta Burrows
Dec. 30, 1960-Nov. 8, 2002

Your courage and bravery still inspire us all, and the memory of your smile fills us with joy and laughter.

Dan, Ann & Sarah

Select one of the verses below to accompany your tribute.

- We hold you in our thoughts and memories forever.
- May God cradle you in his arms, now and forever.
- Forever missed, never forgotten. May God hold you in the palm of His hand.
- Thank you for the wonderful days we shared together. My prayers will be with you until we meet again.
- The days we shared were sweet. I long to see you again in Gods heavenly glory.
- Your courage and bravery still inspire us all, and the memory of your smile fills us with joy and laughter.
- Though out of sight, you'll forever be in my heart and mind.
- May the light of peace shine on your face for eternity.
- May God's angels guide you and protect you throughout time.
- You were a light in our life that burns forever in our hearts.
- May God's graces shine over you for all time.
- You are in our thoughts and prayers from morning to night and from year to year.
- We send this message with a loving kiss for eternal rest and happiness.
- May the Lord bless you with His graces and warm, loving heart.
- I have written my own message and it is included.

To remember your loved one in this special way, send \$12.00 per listing, up to 25 word verse and \$5 for photo.

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319 Walnut Street, Yankton, SD 57078

Deadline: Tuesday, May 21, 2013

Name of deceased _____

Date of birth _____ Date of passing _____

Number of selected verse _____ OR Personal message (25 word limit) _____

Print your name here _____

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CROSSWORD

By THOMAS JOSEPH

ACROSS 45Hard

1 White journey

House power

5 Pollux's twin

11 Swear

12 Onto the beach

13 Pride member

14 Pointed a finger at

15 Caribou's cousin

16 Competed

17 Queeg's ship

19 Naughty

22 Plant life

24 Stand-in

26 Valentine word

27 Golf goal

28 Exemplary

30 Flat-nosed dogs

31 According to

32 Violinist Stern

34 Russian ruler

35 Switch setting

38 Financially solvent

41 Track shape

42 Dakota city

43 Goat cheese

44 Market movements

DOWN

1 Dell

2 Diabolical

3 Ducked down

4 Hold title to

5 Plane part

6 Out

7 Herring's kin

8 Huck's pal

9 Bonanza stuff

10 Roulette bet

16 Through

18 Geometry calculation

19 Title for one

30 Golf goal

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Yesterday's answer

20 Car bar	33 Fills up
21 Salon jobs	34 Hokey stuff
22 Overturn	36 Destiny
23 Bonanza	37 Severe criticism
25 Perl-	38 Fitting
29 Gecko, man of	39 Tall tree
30 Golf goal	40 Antietam general
	41 Many a time

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A X Y D L B A A X R
is L O N G F E L L O W

One letter stands for another. In this sample, A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

5-8 CRYPTOQUOTE

R Q M U I O R H E K I U T A M Q M E O H F N M
R Q H E X Z F I P R R Q M S I A N C H O
R Q Z R H R H O Z R Z N N
K I U T A M Q M E O H F N M .

— Z N F M A R M H E O R M H E
Yesterday's Cryptoquote: REALITY IS THAT WHICH, WHEN YOU STOP BELIEVING IN IT, DOESN'T GO AWAY. — PHILIP K. DICK