



JESSIE RODRIGUEZ

STATE REPRESENTATIVE ★ 21ST ASSEMBLY DISTRICT

FOR IMMEDIATE RELEASE

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Rodriguez Marketplace Provider – Tax Cut Bill Passes Assembly

MADISON – With unanimous support, the Wisconsin State Assembly approved Assembly Bill 251, authored by Rep. Jessie Rodriguez (R-Oak Creek), on Thursday afternoon. The legislation updates state statute to allow marketplace providers to collect sales tax on behalf of online out-of-state-retailers and reduce the state’s income tax rate.

“This legislation was important to make sure that online retailers are following the same set of rules as retailers with a physical presence and provides a unique opportunity to use additional revenue generated by this law to provide a tax cut to middle class families across our state,” said Rodriguez.

The legislation stems from the United States Supreme Court ruling in *South Dakota v. Wayfair* in 2018 that paved the way for states to collect and remit sales tax on out-of-state retailers. The bill updates state law by defining marketplace providers such as Amazon, eBay and other third party intermediaries that allow small online businesses to use their platform to sell products, and permits marketplace providers to collect sales tax on behalf of the businesses.

The state expects the new law will generate approximately \$60 million in revenue in 2019 and 2020. That revenue will be used to reduce income tax rates for the two lowest tax brackets resulting in nearly \$140 million in tax relief according to the non-partisan Legislative Fiscal Bureau.

The bill now moves to the Senate where it is expected to get a vote next week before going to the governor.

“I’m really proud of what we were able to accomplish with this bill and I look forward to it becoming law in the near future,” concluded Rodriguez.

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