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World Floor Covering Association Members
Mobilize to Push Marketplace Fairness Act Through
United States Senate

***Industry Efforts Have Undeniable
Impact on Decision***

May 7, 2013 – Anaheim, CA – Scott Humphrey, Chief Executive Officer, World Floor Covering Association, announced that the U.S. Senate passed the Marketplace Fairness Act late in the afternoon on Monday, May 6, 2013. WFCOA members reached out to their respective Senators for weeks prior to passage, reminding them of how important the bill would be in restoring fairness and leveling the playing field for retailers nationwide. The ensuing legislative victory was a 69-to-29-vote landslide with broad bipartisan support.

The Marketplace Fairness Act addresses a critical loophole that allowed out-of-state Internet and mail order companies to avoid collecting and remitting state and local sales taxes that local brick and mortar stores always have been obliged to collect. Over time, storefronts found their businesses profoundly affected by this imbalance. Multitudes of consumers across the country used brick and mortar locations to narrow their flooring choices, then took their business to virtual companies and catalog sellers who claimed their prices were lower in part because they did not collect sales taxes.

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The Marketplace Fairness Act does not create a new tax. Rather, a state sales tax is owed by consumers for goods they purchase regardless of whether the purchase is made online, from a catalog, or in a retail store. Brick and mortar stores have been collecting these taxes on behalf of the state in which they reside since the 1800's. The Marketplace Fairness Act requires Internet sellers to compete fairly with brick and mortar stores. The new legislation allows states to require Internet and mail order retailers to collect and remit sales taxes for goods sold to consumers in the state.

“There was no question on Monday afternoon that WFCA members played a vital role in passing this initial measure,” said Humphrey. “WFCA members responded to a call-to-action to contact their Senators, ensure they understood the importance of the Act to traditional brick and mortar stores, the backbone of America’s economy, and request their support for the measure. There is no doubt that WFCA members’ response impressed the Senate staff and provided an important and loud voice that will be respected in the future. The bill will now go to the House of Representatives where WFCA members will again work to ensure that this important legislation becomes law.”

ABOUT WFCA:

The WFCA, official sponsor of Surfaces®, is the floor covering industry’s largest advocacy organization representing floor covering retailers, contractors, cleaners, inspectors, installers, manufacturers, distributors and allied service providers throughout North America and the world.

The association is a recognized leader in marketing research and industry certification programs and operates the premier consumer flooring website, wfca.org, providing unbiased information about every type of floor covering and connecting customers to member retail stores. The WFCA also influences public policy affecting the floor covering industry and consumers. For more information about the WFCA, visit WFCA.org and WFCA-PRO.org.