



Chairman Jason Chaffetz
2236 Rayburn House Office Building
Washington, DC 20515

June 6, 2015

Dear Congressman Chaffetz,

I am the 3rd generation owner of Mrs. G TV, Appliances & Sleep Center celebrating 80 years in business in Lawrence Twp, NJ. Mrs. G Inc currently has 25 full time employees including a few 2nd generation.

For over 4 years I have been very vocal, both locally and nationally, about the loss of business of long standing brick & mortar retailers like Mrs. G because of the unfair disadvantage due to the "internet sales tax loophole". I would like to point out that in my business "internet sale" is misleading because there are so many parts and installation questions that more than 80% of so called "internet sales" are actually completed over the phone. This is just an order that was placed thru a retailer that is "out of state".

Because Mrs. G Sales Associates are the best in the business, many of those local consumers who want to cheat the system will come to our store because of the large selection and expert advice and these consumers will "showroom". The appliance business has very tight margins and is very competitive. Mrs. G is a member of one of the largest buying groups in the country, Nationwide Marketing Group, with over 3000 independent retailers and \$15 Billion Dollars in buying power. We can compete successfully with all local, regional and internet dealers on price however margins are very tight and absorbing the sales tax cuts significantly into profit and sometimes even creates a loss.

I estimate approximately 5-10% of my business is lost to the sales tax loophole. Most consumer do not even think they have to pay the use tax when purchasing from an out of state retailer. Many internet retailers website are so misleading saying "PLUS NO SALES TAX*" *except (State)

Our Volume of Sales is over 10 Million, the loss \$500,000-\$1,000,000. If Mrs. G could reclaim that business, it would result in adding 2-3 jobs and sales tax back to the state of NJ. A Rutgers University study has estimated that NJ is losing approximately \$300 Million a year in uncollected sales tax due to on line shopping.

This loophole has put many wonderful brick and mortar retailers out of business especially those with high ticket items. As long as the consumer can continue to "cheat the system" everyone will lose including local communities.

If you have time, I would like you to watch my recent TEDx presentation " How to Revive Local Business" <https://www.youtube.com/watch?v=hquP-444jU>

Life. Better.



Mrs. G Inc. 2720 US 1 Business Lawrence, NJ 08648 609 882 1444 www.mrsgs.com

**mrs
G**

Feel free to reach out for any information that I can assist you with to close this loophole as soon as possible. Our local communities depend on it.

Sincerely,

Debbie Schaeffer

Mrs. G Inc

debbie@mrsgs.com

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