



### **Orders Subject to Sales Tax**

The amount of tax charged depends upon many factors, including the identity of the seller, the type of item purchased, and the destination of the shipment.

Items sold by F+W Media, Inc. or its subsidiaries, and shipped to destinations in the states of Alabama, Arkansas, Arizona, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, New Mexico, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin and Wyoming are subject to tax. Orders shipped to addresses in Canada are subject to GST tax.

For sales tax purposes, electronically delivered products (e-books, e-documents, and electronically delivered software) ship to your credit card billing address.

No sales tax incurs when purchasing gift certificates; however, purchases paid for with gift certificates may be subject to tax.

### **How Tax Is Calculated**

If an item is subject to sales tax in the state to which the order ships, the tax is generally calculated on the total selling price of each individual item. In accordance with state tax laws, the total selling price of an item will generally include item-level shipping and handling charges, item-level discounts, gift-wrap charges, and an allocation of order-level shipping and handling charges and order-level discounts.

The tax rate applied to your order will generally be the combined state and local rate for the address where your order ships. Therefore, the sales tax rate applied to your order may be different for an order shipped to your home address than it is for an order for the very same items shipped to your work address. F+W Media obtains sales tax rates from a third party service provider.

Note that many factors can change between the time you place an order and the time of credit card charge authorization, which could affect the calculation of sales taxes. The amount appearing on your order as Estimated Tax may differ from the sales taxes ultimately charged.

For example, tax law changes may occur between order placement and credit card charge authorization that could result in an increase or decrease in taxes charged. We also offer a number of flexible shipping options that could change the calculation of sales tax. Thus, we cannot know with certainty how allocations of shipping charges and promotional discounts apply to individual items when we quote estimated taxes at the time your order is placed.

### **Effect of the Internet Tax Freedom Act**

Companies selling over the Internet are subject to the same sales tax collection requirements as any other retailers. Remote sellers (including Internet retailers and catalog companies) are generally required to collect taxes where they have a physical selling presence. If they do not have any such presence, they are not required to collect sales taxes.

The Internet Tax Freedom Act (ITFA) expires on November 1, 2014.

Please note, the ITFA is intended to prevent state and local governments from imposing new or discriminatory taxes on Internet transactions and on Internet access. Despite the name of the Act, ITFA does not preclude state and local governments from imposing existing sales tax collection requirements on companies selling over the Internet.

*12/2009*