

IFI Bulletin

March 2018 [www.incentivefederation.org](http://www.incentivefederation.org)

**Please Re-New Your IFI Membership Today!**

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| **Who are the Incentive Federation’s members? e**  The Incentive Federation is the only organization whose membership and leadership includes all the industry’s national trade associations, as well as individual industry companies. It is under The Incentive Federation umbrella that the collective interests of the Incentive Marketing Association (IMA), the Promotional Products Association International (PPAI), The Incentive Research Foundation (IRF), the Recognition Professionals International (RPI) and Society for Incentive Travel Excellence (SITE) are discussed, nurtured and advanced. |
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| **IFI Mission Statement**  **The Incentive Federation is dedicated to promote, protect and research the incentive field, including corporate gifts, rewards, recognition, promotional products and related**    **promotions.** |

promotions.

If you haven’t re-newed your 2018 Incentive Federation membership yet, please do so today. If you misplaced your 2018 pledge invoice emailed to you in January or want to upgrade your membership to a new level, contact Steve Slagle at [steves3309@gmail.com](mailto:steves3309@gmail.com).

**Supreme Court Agrees to Hear State Case Requiring Out-of-State Vendors to Collect Use and Sales Taxes**

The Supreme Court has held in two separate cases decided in 1967 and 1992 that the interstate commerce clause of the U.S. Constitution prohibits a state from requiring an out-of-state vendor who solicits sales by mail-order catalogues to collect use tax for sales made to customers in that state when the vendor lacked outlets, sales representatives, or other significant property in the state.

Those two cases were Quill Corp. v. North Dakota, 504 U.S. 298 (1992) and National Bellas Hess, Inc. v. Department of Revenue, 386 U.S. 753 (1967). In so doing, the Supreme Court established a ‘‘bright line’’ physical presence test. Without physical presence, the seller does not have ‘‘substantial nexus’’ with a state and cannot be required to collect its use tax.

Two states, Alabama and South Dakota, passed new sales tax regulations within the past two years with the strategy to have the Supreme Court eventually rule on the legitimacy of the regulations.

The strategy of the states has finally paid off because on January 12, 2018 the Supreme Court agreed to hear *South Dakota v. Wayfair, Inc*., a case challenging the constitutionality of South Dakota’s newly enacted sales and use tax law. Now we shall see if the Supreme Court is willing to acknowledge the changed and ever-changing nature of retail sales.

Within a few months, the Supreme Court can decide once and for all the circumstances under which states may impose sales and use tax collection obligations on remote sellers.  While the outcome of the *South Dakota v.* *Wayfair, Inc.* case is far from certain, the Supreme Court may be prepared to modernize its state sales and use tax jurisprudence and do away with the outmoded physical presence requirement.  As a result, remote sellers may soon find themselves treated the same way as brick and mortar retailers when it comes to collecting sales and use taxes. The implications for incentive industry companies is obvious. For background on this issue read George Delta’s latest [**Washington Update**](http://www.incentivefederation.org/wp-content/uploads/2018/02/IF-Wash-Update-02.22.18.pdf) prepared exclusively for the Incentive Federation.

**The Incentive Research Foundation Offers an Upcoming Webinar Focusing on Gift Cards**

A Closer Look at Gift Cards: U.S. Spend, Support, Sourcing, and Services for Gift Card Programs in Corporate Organizations

As the most prevalent award type across all incentive and recognition program audiences—employees, sales, customers, and channel partners—gift cards deserve special attention. Truly a booming business, in 2015 alone, U.S. businesses spent $24 billion on B2B gift cards. 

To understand their prevalence deeper, the Incentive Gift Card Council partnered with the Incentive Research Foundation (IRF) to research how gift cards are sourced for incentive and recognition programs, how much money is budgeted toward them, what types are being purchased, and where opportunities lie for stakeholders.

**Wednesday, March 28, 2:00PM EST**         
**Register Now:**<https://attendee.gotowebinar.com/register/2494096281794989059>

***Incentive* Offers The Power of Branded Merchandise Webcast**

Incentive Magazine will present a webcast on **April 5, 2018 at 2:00 pm EDT** focusing on the value that brand merchandise brings to customer and employees year after year. The products that incentive recipients enjoy may change from one year to the next, depending on the state of the economy, the evolving taste of the public or even fads.

But making sure those rewards are from popular brand name manufacturers never changes. In this webcast you will learn how brands drive trophy value, and trophy value drives motivation and motivation drives behavior.

**Moderator: Leo Jakobson, Executive Editor, *Incentive***

**Presenters: Mike Donnelly, CPIM, President, Hinda Incentives**

**Paul Gordon, Senior Vice President of Sales, Rymax Marketing Services, Inc.**

Go to the ***Incentive*** [website](http://www.incentivemag.com/Incentive-Events/The-Power-of-Branded-Merchandise/) to register.

**Incentive Federation Welcomes New Members**

We’re very pleased to have some new members joining the Federation since the first of the year. The companies, their website links and the principal contacts for the Federation are:

[**bookyourdata.com**](https://www.bookyourdata.com/)  – Mark Giz

[**Inspirus**](https://www.inspirus.com/) – Theresa Harkins

[**Recognition Professionals International**](http://www.recognition.org/) – Carl Anderson

[**Samsonite**](http://www.samsonitespecialmarkets.com/s.php)– Scott Whitehead

[**Tumi, Inc**](http://tumispecialmarkets.com/)**.** – Mike Landry

[**Zane’s**](http://www.ezanes.com/) – Warren Weaver

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If you have questions, advice for the Board, or want to raise issues for the Board to think about, please contact Steve Slagle at [steves3309@gmail.com](mailto:steves3309@gmail.com) or 864-710-6739.