Class Action Claims BJ's Overcharges on Sales Tax

by Celia Ampel

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If you like to hunt for sales at BJ's Wholesale Club Inc., a Miami attorney is trying to put more change back in your pocket.

Steve Silverman of Kluger, Kaplan, Silverman, Katzen & Levine filed a class action complaint alleging the Westborough, Massachusetts-based warehouse club overcharged Florida customers on sales tax when they shopped in stores.

His client, Laura Bugliaro, bought a 55-inch Samsung TV last year at a BJ's store in Cutler Bay. The TV was discounted to \$770 from \$1,400, but she was charged sales tax based on the full price, according to her complaint.

"We think that that's clearly wrong," Silverman said of the \$98 sales tax charge.

The Florida Administrative Code states a retailer offering a discount may tax only the discounted price, according to the complaint.

The plaintiff alleges it's a "regular practice" for BJ's to improperly collect sales tax on discounted items at its 31 stores in Florida, and Silverman believes there could be tens of thousands of affected BJ's club members.

The case filed in March and amended in July is proceeding to discovery in the complex business



J. ALBERT DIAZ

Steve Silverman of Kluger, Kaplan, Silverman, Katzen & Levine filed a class action complaint alleging that BJ's Wholesale Club Inc. overcharged Florida customers on sales tax.

litigation division before Miami-Dade Circuit Judge John Thornton Jr.

Silverman said similar problems with BJ's have been reported in other states, and the most manageable course was to file the lawsuit as a state class action.

"We can always broaden it and seek more plaintiffs," he said.

In 2013, two Pennsylvania shoppers sued BJ's in Philadelphia County Court after allegedly overpaying sales tax on items they bought with coupons. That case is on hold while the customers petition the state Department of Revenue.

BJ's Wholesale Club Inc. is represented by Craig Kalil of Aballi Milne Kalil in Miami and Jeffery Dailey and Caroline Gardner of Akin Gump Strauss Hauer & Feld in Philadelphia. Kalil did not respond to a request for comment by deadline.

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