

Walmarts excessive taxation critical thinking example

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Business

In the article of Datko, it was reported that Mary Bach, who was shopper from Walmart filed a case against the company after she discovered that she was being charged for an additional two cents, which is more than the actual listed price for one box of sausages (Datko, "Customer sues Wal-Mart over 2 cents"). This happened in one of the Walmart stores located in Delmont, Pennsylvania after the cashier asked her to pay \$1 for one box of Brown 'N Serve sausages that was manufactured by Banquet and bears an original priced of 98 cents. The defense of Walmart is that the new packaging of the product resulted to a confusion in the price but Bach alleged that the overcharging was done intentionally by the company. The District Judge Charles Conway ruled in favor of Bach and awarded her \$100 for damages and \$80 for legal expenses.

The act of the District Judge in siding with Bach is commendable because the excessive taxes and overcharging of Walmart should be corrected. The few cents that may be charged for purchase transactions of every customer for products in Walmart means that the company is making additional profits through overcharging. The few cents taken from every customer when collected together may produce a significant value for the benefit of the company and to the detriment of unsuspecting Walmart customers.

This article is relevant because it serves as a warning to other retail companies which may have plans of earning additional millions in excessive sales tax dollars collected for each customer. Hence, Walmart is liable for acting in bad faith by imposing undue taxes to the consumers.

References

Datko, Karen. "Customer sues Wal-Mart over 2 cents". MSN. com. Website.

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20, 2013, from <http://money.msn.com/saving-money-tips/post.aspx?post=52be2cae-65eb-419e-a979-0e6ee43c91f8>.