

That's the Way the Cookies Crumble

Pros and Cons of Computer Technology

A lot has been said and written in recent years about computer "cookies." Much of it is misleading or confusing. In actuality, the ramifications of cookie technology can be positive, negative or neutral.

Cookies are either temporary (sometimes called "session" cookies) or permanent ("persistent"). It is important to know the difference.

Temporary Cookies

Temporary cookies are stored in your Internet browser's memory, but are deleted once you finish your browsing session. In contrast, permanent cookies reside on your computer's hard drive and will remain there unless you delete them. Even if you delete these cookies, they will be recreated if you visit the same website again.

For example, when you visit a website, the information you submit – perhaps an order form – is retained as you move from page to page. If this did not occur, you would have to make the same or similar entries over and over again as you navigated through the website.

With a temporary cookie, a small amount of browser memory is set aside to retain the required information. But then you must reenter the same information the next time you visit the website.

Permanent Cookies

A permanent cookie enables the website to recognize you by



Computer "cookies" can be an Internet friend or foe. This article clearly explains the differences.

transferring a text file with a unique ID tag to your computer's hard drive. The browser automatically presents the cookie whenever you visit the site.

This can be a benefit in a myriad of ways. For instance, the cookies (either temporary or permanent) can trigger automatic logons, preserve preferences, and save items to a "shopping cart," just to name a few of the possible uses. Most cookies are not harmful.

However, cookies are also used to create profiles of consumers, essentially without asking their permission. The cookie tracks the websites you have visited, what pages were viewed, how long you stayed there, and whether you returned. If you provide personal data, it may be stored with the unique ID tag.

Eventually, your profile could be passed to others for marketing purposes and possibly devious means. Sophisticated programs enable others to sort the

information provided by computer cookies, categorizing targets in areas such as gender, race, age, income, political and religious affiliations, physical location, marital status, and so on. Thus, the profile is available for the entire world to see.

In one of the worst forms, cookies from one website might track your visits to a different website. For example, most of the ads that you see on websites do not actually come from the site that you are viewing, but from sites that provide ads to other sites. When the advertising site displays the ad, it can place cookies on your computer. This lets the advertising company track your web surfing habits over a range of sites to build a profile.

Due to recent technological advances, cookie controls allow you to turn off cookies or use lists for exceptions. For example, you might turn off the cookies from a suspect site and maintain them for another when you think the purpose is useful.

Cookie contents are encrypted, so they can be distinguished only by the site that placed them. This enables you to maximize the positive aspects of cookies while minimizing the negative ones. ■



CALIBRE
CPA GROUP
PLLC
A member of KS International

1850 K Street NW, Suite 1050 • Washington, DC 20006 • (202) 331-9880 phone • (202) 331-9890 fax
20 North Wacker Drive, Suite 900 • Chicago, IL 60606 • (312) 920-9400 phone • (312) 920-9494 fax

The information within this document is distributed with the understanding that the author(s), publisher, and distributor are not rendering legal, accounting or other professional advice or opinions on specific facts or matters, as each individual circumstance is unique. All articles are for the exclusive and private use of our clients, prospects, and business associates. In accordance with IRS Circular 230, any tax advice contained in the body of this material was not intended or written to be used, and cannot be used, by the recipient for the purpose of 1) avoiding penalties that may be imposed under the Internal Revenue Service Code or applicable state or local tax law provisions, or 2) promoting, marketing or recommending to another party any transaction or matter addressed herein. PRIVACY NOTICE: Calibre CPA Group, PLLC does not sell, distribute or solicit any information provided to us from our newsletters, mailings or website to any third parties. We value our relationships with our clients, associates, and friends, and treat this information as highly confidential. © Calibre CPA Group, PLLC