



Serving Your Needs.
Supporting Our Economy.

April 28, 2017

The Honorable Ryan Smith
Chairman, House Finance Committee
Ohio House of Representatives
77 S. High Street, 13th Floor
Columbus, OH 43215

Dear Chairman Smith:

Formed in 2013, the Ohio Service Industry Coalition includes businesses, trade associations, and professional organizations in industries having a profound impact on the daily economic lives of Ohioans.

In 2016, the industries represented by Coalition members collectively had an estimated 1.1 million jobs at 77,000 establishments, with a total payroll of nearly \$46.5 billion.

We are writing to extend our sincere thanks for the leadership shown by you and your colleagues by removing the harmful sales tax rate increase and expansion to services included in HB 49, as introduced.

Our Coalition opposes raising the state sales tax rate and extending state and local sales taxes to services not already taxed under Ohio law. Higher sales tax rates and new taxes on targeted services will slow sales, hurt the state's competitiveness, and raise costs for individual and business consumers.

As our Coalition underscores its support for your removal of the executive proposals to raise the sales tax rate and apply new sales taxes to a list of services, the Coalition must object to a new provision in Substitute HB 49 that applies the sales tax to online travel agent services.

Expanding the state sales tax to fees charged by online travel agents will hurt Ohio's tourism industry. Moreover, it opens the door for the future possibility of other industries being taxed for the services they provide.

We appreciate the opportunity to share our thoughts with you, and, once again, we want to thank you and the members of the Ohio House of Representatives for your continued dedication to promoting sound tax policies in the State of Ohio.

Sincerely,

The Ohio Service Industry Coalition

cc: Speaker Rosenberger
All Members of the Ohio House of Representatives

Ohio Association of Broadcasters
Ohio Automobile Dealers Association
Ohio Society of CPAs
Ohio State Bar Association
Ohio Trucking Association
Ohio Association of Realtors
Ohio Insurance Institute
Nationwide Insurance
Ohio Association for Justice
AIA Ohio – a Component of the
American Institute of Architects
American Council of Engineering
Companies–Ohio
American Society of Travel Agents
Associated General Contractors of Ohio
Cox Automotive
Delphi
General Motors
International Interior Design Association
Motion Picture Association of America
Ohio Association of Movers
Ohio Cable Telecommunications
Association
Ohio Contractors Association
Ohio Council of Retail Merchants
Ohio Lobbying Association
Ohio News Media Association
Ohio Parking Association
Ohio Petroleum Marketers &
Convenience Store Association
Ohio Veterinary Medical Association
Outdoor Advertising Association of Ohio
Travel Technology Association