



Serving Your Needs.
Supporting Our Economy.

Ohio Association of Broadcasters
Ohio Automobile Dealers Association
Ohio Society of CPAs
Ohio State Bar Association
Ohio Trucking Association
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
Motion Picture Association of
America
Ohio Association of Movers
Ohio Association of Realtors
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

March 6, 2017

The Honorable [NAME]
Ohio House of Representatives
77 S. High Street
Columbus, OH 43215

Dear [GREETING]:

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 approximately 1 million employees at an estimated 60,000 establishments with a total compensation of nearly \$40 billion.

Members of our coalition strongly agree with legislative leaders who have expressed opposition to elements of tax shifting in HB 49, the state biennial budget bill, as introduced.

Reducing and simplifying Ohio's state income tax is a worthy goal, but we oppose 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.

Only three states have a broad sales/gross receipts tax base that includes many professional services – Hawaii, New Mexico, and South Dakota. None of Ohio's bordering states impose a sales tax on professional services. Of the four additional states that have enacted a sales tax on professional services, *all four quickly repealed the law* before or soon after it went into effect.

Our coalition is grateful to the General Assembly for resisting similar proposals in recent budget cycles. We urge legislators to do so again in the best interests of Ohio's businesses, consumers and overall economy.

We stand ready to support the General Assembly in efforts to provide income tax relief without imposing new and higher taxes on Ohio's job creators.

Sincerely,

The Ohio Service Industry Coalition

cc: All Members of the Ohio House of Representatives