

April 26, 2017

The Honorable Ryan Smith
Ohio House of Representatives
77 S. High St., 13th Floor
Columbus, OH 43215

Dear Chairman Smith,

On behalf of the Ohio Cable Telecommunications Association, our members and their 8,300 employees and, most importantly, their more than two million video customers in Ohio, I wish to extend our gratitude to you and the members of the House Finance Committee for removing the proposed sales tax on cable service from House Bill 49.

This proposed tax would have more than doubled our customers' tax burden for video service and upended the level playing field for competing providers of multi-channel video programming such as cable TV and direct broadcast satellite (DBS).

Ohio cable TV customers already pay a tax on their service at the local level, often referred to as a franchise or video service provider fee. DBS is not subject to this tax, or any local taxes, as that is prohibited by federal law. If this provision of HB 49 had been imposed, it would have put cable operators at a disadvantage in the highly competitive Ohio video marketplace.

We greatly appreciate your recognition that taxing cable service at both the local and state level, when satellite service can only be taxed at the state level, would be inequitable and ultimately burdensome to Ohio cable customers. Thank you again for removing the proposed sales tax.

Very truly yours,



Jonathon L. McGee
Executive Director

cc: House Finance Committee, Speaker Rosenberger, Min. Leader Strahorn, Mike Dittoe, Shawn Kasych, Dan Baker, Heather Blessing, Andy DiPalma, Ronnie Romito, Nick Muccio