



OHIO
OPTOMETRIC
ASSOCIATION

House Bill 116
Proponent Testimony of Keith Kerns
Executive Director of the Ohio Optometric Association

Chairman Schaffer, Vice Chairman Scherer, Ranking Member Rogers and members of the House Ways and Means Committee, thank you for the opportunity to testify in support of House Bill 116. My name is Keith Kerns and I am the Executive Director of the Ohio Optometric Association (OOA). The OOA represents nearly 70% of optometrists statewide. The OOA and its members strongly support House Bill 116 and the elimination of state sales tax on prescriptive eyewear for several reasons.

First, the application of sales tax on prescriptive eyewear makes Ohio inconsistent with the vast majority of other states. Most states exempt prescriptive eyewear from sales tax, including our neighboring states of Indiana, West Virginia and Pennsylvania. This factor, combined with the increase in online sales of prescriptive eyewear and inconsistent payment of the use tax, places Ohio's eyewear retailers at a significant competitive disadvantage in the marketplace. HB 116 will help level the playing field for Ohio-based doctors, retailers, federally qualified health centers, clinics and other dispensers of optical aids.

Second, House Bill 116 will bring consistency to Ohio's own tax code. The application of sales tax on prescriptive eyewear is inconsistent with Ohio's own taxation principles on prescriptive materials and products. According to the 2013 Streamlined Sales Tax Governing Board Taxability Matrix completed by the Ohio Department of Taxation, the following prescriptive medical products and materials are exempt from sales tax:

- Drugs with a prescription
- Insulin with a prescription
- Medical oxygen with a prescription
- Durable medical equipment for home use with a prescription
- Oxygen delivery equipment for home use with a prescription
- Kidney dialysis equipment for home use with a prescription
- Enteral feeding systems for home use with a prescription
- Repair and replacement parts for durable medical equipment
- Mobility enhancing equipment with a prescription
- Prosthetic devices with a prescription
- Hearing aids with a prescription

In fact, the only prescription medical product sold in a traditional retail fashion that is subject to state sales tax is prescriptive eyewear.

Finally, and most importantly, HB 116 will make a significant difference to Ohio residents. It is estimated that as many as 75% of Ohio residents require vision correction at some point in their lives. Economic barriers, such as the imposition of a sales tax, make it less likely for these patients to obtain the care and medical products they need.

Prescriptive eyewear is an essential item. Without glasses or corrective contact lenses, many students have difficulty learning, Ohioans have difficulty holding employment and our senior population loses mobility. All of these consequences have an impact on the quality of life of Ohio residents and have a residual impact on Ohio's economy. And, because eyewear is an essential item, the imposition of sales tax is regressive and has a disproportionate impact on low-income Ohioans.

Thank you again for the opportunity to testify in support of House Bill 116, and I would be happy to answer any questions.