

Good morning Chair Oelslager, Vice Chair Scherer, Ranking Member Cera, and the rest of the House Finance Committee members. My name is David Supelak, CPA, MT, Tax Signing Director for CliftonLarsonAllen LLP, the eighth largest firm in the nation. **I testify in front of you today to urge you not to support the proposed changes to the business income deduction to avoid directly raise taxes on many of Ohio's job creators.**

As a Certified Public Accountant in Ohio together with a Master in Tax Degree, 29 years of experience in practice and a second generation CPA and Tax Director in a National Firm of small to medium businesses, I was disappointed to learn of the proposed changes to the small business tax deduction. **In a challenging economic climate, our clients have benefitted greatly from this pro-business tax incentive and have even been upfront to say this has helped them sustain their continued existence, in Ohio, at a time when other pressures are suggesting they sell to a larger enterprise, move to another state or dissolve completely.**

As I meet with small-mid size business clients and **share the impact to their business from a cash flow perspective from this incentive, many go on to say that they are encouraged to continue to operate their business in Ohio, maintaining jobs and tax revenues.** In my experience, it is encouraging to see these businesses reinvest the dollars they save from this incentive. **In the Akron/Canton region, one out of five individual taxpayers and a vast majority of those small businesses that are S-corps, partnerships and LLCs, in our client base, with an average net profit of about \$250,000, will lose substantial benefit if the proposed changes are made.**

Because of this, I, and others in my field, believe that **good tax policies like these create a pro-business environment in Ohio, and the proposed changes work against that.** I submit the incentive should be continued in its current form and amount, so that they many businesses currently utilizing this deduction at its current levels may continue to do so. Otherwise, they will surely feel these changes as a direct rise in taxes they pay.

Please let me know if there is anything I can do to reiterate how important maintaining this incentive in its current form is. Thank you for your time, and I'm open to taking any questions you may have.