



May 14, 2019

The Honorable Kris Jordan
Chairman, House Financial Institutions Committee
Ohio House of Representatives
Riffe Center
77 S. High Street, 11th Floor
Columbus, OH 43215

Dear Chairman Jordan:

On behalf of over 8,000 member companies of the Ohio Chamber of Commerce, I am submitting this letter of support for House Bill 112. HB 112 is designed to align bad debt sales tax refunds on private label purchases administered by third parties with sales tax refunds on comparable private label purchases that are handled by the private label retailer. HB 112 eliminates an arbitrary distinction between businesses that administer their own program and those that turn over the administration of private label credit cards to a third party. This distinction in the current sales tax law adds confusion for those individuals in tax departments charged with sales tax compliance. Elimination of this distinction will alleviate confusion for those in tax compliance roles and eliminate any extra work for the Ohio Department of Taxation brought about from the resulting mistakes when a tax professional missed the arbitrary distinction between in-house private label programs and private label programs handled by third parties.

The Ohio Chamber supports this legislative effort to create a better sales tax policy for the state of Ohio. A policy that removes the current arbitrary distinction in private label credit card programs and allows a credit or refund for sales tax on the unpaid portion of credit card debt, regardless of how that debt is financed.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Long", is written over a faint, larger version of the same signature.

Tony Long
Director, Tax & Economic Policy

cc: Members of the House Financial Institutions Committee