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May 14, 2019

The Honorable Kris Jordan, Chairman
Ohio House Financial Institutions Committee
Statehouse
Columbus, OH 43215

Re: HB 112
Private Label Credit Card (PLCC) Bad Debt

Dear Chairman Jordan and members of the House Financial Institutions Committee:

Synchrony Financial is writing to indicate its support of House Bill 112. Synchrony Financial (SYF) is one of the nation's premier consumer financial services companies. Our roots trace back to 1932, and today we are the largest provider of private label credit cards in the United States based on purchase volume and receivables (source: The Nilson Report -April, 2015, Issue #1062). With locations in Kettering and Canton, SYF has over 2,500 employees working in Ohio.

Under current Ohio law, a retailer that makes a sale to consumers through a store credit card, known as a private label credit card (hereinafter "PLCC"), is entitled to a deduction or refund of sales tax remitted by the retailer to the state of Ohio in those instances where the retailer is unable to collect the amounts due from the consumer and writes off the sale as a bad debt on its books. The existing law does not allow retailers who use a third party to administer their PLCC program to take the deduction or refund.

House Bill 112 modifies existing law to clarify that this deduction or refund of sales tax in the event of default by the consumer is available to both retailers who issue and administer their own credit program, and retailers who use a third party to issue the PLCCs and administer their PLCC program. House Bill 104 eliminates an arbitrary distinction between those retailers who administer their own PLCC programs and those who rely on a third party to manage that activity on their behalf.

For these reasons, we respectfully request your support for House Bill 112. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Michele Johnson".

Michele Johnson
Senior Vice President – Government Affairs