

LIMA PALLET COMPANY, INC.
1470 NEUBRECHT ROAD
LIMA, OH 45801
419-229-5736
FAX 419-229-6038
WWW.LIMAPALLET.COM

May 23, 2019

Senator Matt Dolan
Chairman, Ohio Senate Finance Committee
1 Capitol Square, 1st Floor
Columbus, OH 43215

Dear Chairman Dolan,

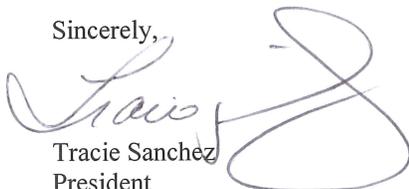
I am writing to urge you and your colleagues to undo the action taken by the Ohio House of Representatives to significantly reduce the business investor deduction (BID) in House Bill 166, the state operating budget. This massive tax shift will negatively impact my business, my employees, and small businesses across Ohio.

My company, Lima Pallet, is a family run business employing 60 individuals. As a second-chance employer, we provide opportunities to individuals having difficulty finding employment elsewhere. Knowing the BID was in place, and the strong message Ohio was sending to small business owners about their importance to the economic vibrancy of our communities and state, Lima Pallet made substantial operational investments over the past few years. We purchased two new semi-tractors, purchased several new trailers, remodeled our employee breakroom, remodeled our offices, upgraded our restrooms and purchased a new high-tech saw. These investments benefited not only my employees and business, but also the vendors whom I purchased the semi-trailers-tractors and saw, as well as the contractors and their employees that remodeled our facilities. We understand the importance of investing in our people and our community.

Unfortunately, the state budget as it is lies before you institutes a 60 percent reduction in the BID. In addition, it also eliminates the 3 percent cap on business income. I question why Ohio is seeking such a dramatic turn in tax policy on small businesses after only a few short years of the full implementation of the BID. As Ohio seeks to attract, and retain, and locate businesses in our state, we need to continue and expand upon policies that differentiate us from our neighboring competitor states. The BID is just such a policy. Additionally, it helps level the playing field for pass-through entities paying not only the commercial activity tax but also state income tax.

This dramatic change seems to have been done quickly and with little understanding of what impact this would have on small businesses, and subsequently Ohio's economy. I urge the Ohio Senate to restore the BID and flat tax rate to ensure small business owners can continue to invest in this great state.

Sincerely,


Tracie Sanchez
President