



November 1, 2019

The Honorable Matt Dolan  
Chairman, Senate Finance Committee  
Ohio Senate  
Ohio Senate Building  
1 Capitol Square, 2<sup>nd</sup> Floor  
Columbus, OH 43215

Dear Chairman Dolan:

On behalf of over 8,000 member companies of the Ohio Chamber of Commerce, I am submitting this letter of support for Senate Bill 188. SB 188 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. SB 188 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 blue ink, appearing to read "Tony Long", is written over a light blue horizontal line.

Tony Long  
Director, Tax & Economic Policy

cc: Members of the Senate Finance Committee