



November 5, 2019

The Honorable Matt Dolan, Chairman  
Ohio Senate Finance Committee  
Statehouse  
Columbus, OH 43215

Dear Chairman Dolan and members of the Senate Finance Committee:

On behalf of JCPenney and our Ohio stores and associates, I am writing to respectfully request your support of proposed bill SB188. This bill will provide consistent treatment of bad debt to all retailers with private label credit cards (e.g. a JCPenney card that can be used only at a JCPenney store).

Under current law, a retailer is allowed to seek a refund of the sales tax remitted to the State if a consumer fails to pay his or her debt. The law was enacted because retailers should not be required to remit sales tax on a transaction if the retailer is never paid for the transaction but the law only applies to retailers who own their own credit card accounts.

Retailers who have private label credit cards that are owned and administered by a third party lender are not eligible for the same refund because the law did not contemplate this type of business arrangement. This bill makes a technical clarification that levels the playing field and permits all retailers with private label credit cards to obtain a refund after a consumer defaults on his or her payment.

As you know, JCPenney has had a presence in Ohio since 1918 when we opened store #182 in Mansfield. Currently, we have 35 stores and these support facilities in Ohio and we employ approximately 3,000 associates across the state. Thank you for your consideration of this important bill. If you have any questions regarding this issue, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Arnold Grothues". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Arnold Grothues  
Senior Counsel, Government Relations  
972.431.1763