

Senator Lou Terhar
Chair, Senate Ways & Means
Ohio Senate Building
1 Capitol Square, 1st Floor
Columbus, Ohio 43215

Delivered via email: Brianna.Miller@OhioSenate.gov



June 3, 2019

The Honorable Senator Terhar,

The OBL is the foremost trade association for Ohio's banking industry – and is Ohio's only organization focused on meeting the needs of *all banks and thrifts* in the Buckeye State. The non-profit association is comprised of 190 FDIC-insured financial institutions including commercial banks, savings banks, and savings and loan associations ranging in size from just over \$13 million in assets to over \$2.5 trillion. For more than 125 years, the OBL has been the voice of the Ohio banking industry, fostering a cooperation that has made it one of the strongest and most reputable financial trade associations in the country.

On behalf of OBL members, I write to you in support of Senate Bill 139. This legislation would enact the "First-Time Home Buyer Savings Act" which would create certain tax incentives for individuals saving for the purchase of a first home. The bill would allow an individual to open a savings account at a financial institution and then claim a tax deduction of up to \$5,000 for single filers and \$10,000 for joint filers annually. If the money in the account is used for the purchase of a first home or allowable closing costs, there is no penalty for withdrawal. However, if the funds are withdrawn for any reason besides home purchase, there is 10% penalty.

Importantly for OBL members, the legislation does not create any additional reporting or compliance requirements on Ohio's banks. The obligation to track, report, and claim the deduction is on the account holder. Saving, especially for the purchase of a first home, is an important part of any individual's financial security and independence. Simply put, SB 139 creates additional incentive and makes it easier to save. Ohio's banks stand ready to assist customers throughout the state in the saving for and purchasing their first home and thus support this legislation.

For these reasons, we urge you to support SB 139. Please feel free to contact me if you have any questions regarding our position at dboyd@ohiobankersleague.com or (614) 340-7608.

Sincerely,

Don Boyd
State Government Relations Director
& Legislative Counsel