

Written Testimony

S.B. 293

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On behalf of The Ohio Society of CPAs

May 23, 2018

Chair LaRose, Vice Chair Kunze, Ranking Member Schiavoni and members of the Transportation, Commerce and Workforce Committee, thank you for this opportunity to share the views of The Ohio Society of CPAs' 27,000 members regarding S.B. 293. OSCPA supports Senators Peterson and McColley in their efforts to cull out unnecessary red tape that is bogging down the ability of Ohio employers to fully compete with neighboring states and beyond.

OSCPA has long advocated that five elements are widely accepted as key tenets of a quality tax system: competitiveness, simplicity, stability, equity/fairness and neutrality.* While Ohio regulations being considered under S.B. 293 cover all areas of government, we believe that each of these factors could be broadly applied to any aspect of government regulation when looking to make Ohio's business climate better.

The impact of government regulations consistently has been mentioned as a top concern of Ohio CPAs who work to help businesses of all sizes and types succeed. They work closely with business owners – and often are business owners themselves – so see firsthand the negative ripple effect excessive regulations and related reporting mandates can have on a company's bottom line. Clearly there is a need for regulations that protects the health, safety and/or welfare of Ohioans. However, complying with burdensome rules costs employers time and money – resources that are much better spent growing their business, creating jobs and, ultimately, generating tax revenue for all levels of government. Eliminating rules that don't serve a good public purpose makes good sense.

One note of caution we want to express, however, is to consider that a one-size-fits-all approach may be challenging. During the past several years, Ohio's Common Sense Initiative program has been working to eliminate renewal of rules that are problematic, and to stop new rules that would fall into the same category. While OSCPA isn't aware of any specific examples, it's possible that some state agencies already may have been aggressive about limiting the regulatory burden in the area they oversee, making the 30% threshold, or possibly even the "eliminate two rules for every new one" approach difficult to attain.

Again, I appreciate this opportunity to share our support for S.B. 293.

**Improving Ohio Tax Climate* by OSCPA's Ohio Tax Reform Task Force, June 2016

https://www.ohiocpa.com/docs/default-source/advocacy/ohio-tax-task-force-report_final_8-3-2016b.pdf?sfvrsn=133d1766_0