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CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES

November 30, 2017

The Honorable John Eklund, Chairman
Ohio Senate Ways & Means Committee
Statehouse, Room 143
Columbus, OH 43215

Dear Chairman Eklund,

I write in support of Senate Bill 226, introduced by Senator Kevin Bacon, to make the three-day sales tax holiday for back to school purchases permanent. It is my understanding that your committee will soon consider SB 226, and as you do so, I urge you and your colleagues to support this legislation as it will allow Ohio consumers to keep more of their hard-earned money, create and retain retail jobs in Ohio, while increasing economic growth for Ohio governments and businesses.

In 2009, before I was elected to Congress, I led a coalition that advocated for an Ohio sales tax holiday. I did so because at the start of every school year and during holiday shopping seasons, I saw my neighbors leave Ohio to purchase school clothes and supplies in Pennsylvania - because Pennsylvania has no tax on clothing year round. Having directly witnessed Ohio's retail revenue go to a neighboring state, and watching the ensuing success of Ohio's tax holiday over the past three years, I remain an advocate of this policy and now support efforts to make it permanent.

A study from Focus on Ohio's Future and the University of Cincinnati's Economic Center confirms that Ohio's tax holiday has benefited consumers, the State of Ohio, and businesses alike. According to the study, Ohio consumers saved approximately \$3.3 million over the 2015 three-day tax holiday. Nonetheless, the State of Ohio saw an \$8 million tax revenue increase as consumers purchased non-tax exempt goods while school shopping, resulting in a net revenue increase of approximately \$4.7 million for Ohio governments. Furthermore, our Ohio businesses benefited from the sales tax holiday, experiencing a 6.48% increase in sales, totaling \$46.75 million of goods purchased. Given these results, a continuation of the tax holiday would benefit Ohio consumers, state and local governments, and businesses.

I appreciate your leadership and your willingness to consider this important issue in your committee, and I again urge you and your colleagues to support Senate Bill 226.

Sincerely,

Bill Johnson
Member of Congress

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