

# NFIB

## The Voice of Small Business.®

January 17, 2018

The Honorable John Eklund  
Chairman, Ohio Senate Ways and Means Committee  
1 Capitol Square, 1<sup>st</sup> Floor  
Columbus, OH 43215

Dear Chairman Eklund:

On behalf of the 24,000 members of the National Federation of Independent Business/Ohio (NFIB/Ohio), I am submitting this letter to express our support for Senate Bill 226. This bill would make permanent a three-day sales tax holiday in August for back-to-school items such as clothing, school supplies, and instructional materials. During this period, these items will be exempt from Ohio sales and use tax.

By all accounts, the sales tax holidays in 2015, 2016 and 2017 were resounding successes not just for the “big box” retailers, but also for the small retailers on “Main Street” in Ohio. According to a study conducted by the University of Cincinnati (UC), the 2015 sales tax holiday created a net gain of \$4.7 million for the State of Ohio. This is because other purchases were made during the holiday that were not exempted under the law, contributing to this total amount. These extra purchases may not have occurred if families were not out shopping in Ohio due to the sales tax holiday, and instead spending money out of state or on-line.

Another illustration of the sales tax holiday’s success was the impact in Ohio’s border communities. Per the UC study, border counties in Ohio recognized a 15.48% increase in sales tax collections during the 2015 sales tax holiday. There is currently no state bordering Ohio that has adopted a sales tax holiday and this bill will allow us to maintain the momentum for 2018 and beyond.

It is time that the Ohio legislature finally make the holiday permanent because consumers and small business owners need and desire predictability. What more proof does the legislature need than the increased sales *and* increased taxes during the weekend? It is a clear win for all parties involved.

We respectfully ask for favorable consideration of this legislation. NFIB/Ohio may consider a vote on Senate Bill 226 a Key Small Business Vote of the 132<sup>nd</sup> Ohio General Assembly.

Sincerely,



Jared K. Weiser  
Member Benefits Program Manager

cc: Members of the Ohio Senate Ways and Means Committee  
Ohio Senate President Larry Obhof  
Ohio Senate Minority Leader Kenny Yuko