

**TESTIMONY OF FRANK G. JULIAN
IN SUPPORT OF H.B. 135**

Good afternoon Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers and members of the House Ways and Means Committee.

My name is Frank Julian. I am here today on behalf of the Ohio Council of Retail Merchants and its 7,000 members across the state to speak in support of H.B. 135, which would expand the exemptions allowed under Ohio's annual sales tax holiday.

Since 2015, Ohio has had a sales tax holiday on the first Friday, Saturday and Sunday of August each year. The holiday exempts from sales tax sales of clothing priced at \$75 or less per item, and school supplies priced at \$25 or less per item.

The holiday enables Ohioans to save money when purchasing clothing and school supplies during the critical back-to-school period. Since none of the states surrounding Ohio have a sales tax holiday, many residents of these states come to Ohio every year to make their back-to-school purchases. Moreover, studies have shown that consumers significantly increase their incremental purchases of other, taxable, items while shopping during the sales tax holiday, which provides additional sales tax revenue for the State. Thus, sales tax holidays are a win for consumers, a win for Ohio businesses, and a win for the State.

H.B. 135 would increase the exemption threshold to items of clothing and school supplies proceed at \$100 or less, and would expand the holiday to exempt laptops, notebooks and tablets priced at \$2,000 or less.

Increasing the clothing threshold to \$100 would put Ohio on par with 15 of the other 18 states that have a sales tax holiday. Increasing the school supply threshold would exempt critical items such as graphing and scientific calculators that are standard for high school students. Expanding the holiday to include laptops, notebooks and tablets would benefit students at Ohio's higher education institutions, including community colleges and trade schools.

For these reasons, I encourage you to vote in favor of H.B. 135.

I appreciate the opportunity to testify before you today, and I am happy to answer your questions.