



LETTERS

NTU Opposes Legislation that Distorts Ohio's Tax Code

by Brandon Arnold | June 03, 2020

[View as PDF](#)

The Honorable Derek Merrin
Chair, Ways and Means Committee
Room 313 Ohio State Capital
Columbus, OH 43215
Dear Chairman Merrin:

On behalf of the National Taxpayers Union, the nation's oldest taxpayer advocacy organization, I write to express our concerns with legislation that is slated for a hearing before your committee this afternoon. After our review of HB 400, we believe it will unnecessarily distort Ohio's tax code and energy market, all the while offering minimal benefits to taxpayers. For these reasons, we hope you join NTU and oppose passage of HB 400.

Since our founding in 1969, NTU has worked tirelessly to advance sound tax policy at the federal and state level. Every one of our fifty years of existence has prioritized policies to lessen burdensome taxation, simplify tax codes, expand taxpayer rights, and so much more. NTU has a consistent track record of opposing policies that would add complexity to tax codes through the unnecessary expansion of tax credits and deductions. A core principle of sound tax policy requires the tax code to be as neutral as possible so that decisions are made on their economic

merits, not with the government's thumb on the scale. Unfortunately, HB 400 would violate this principle by authorizing a nonrefundable income tax credit for the retail sale of high-ethanol blend motor fuel. This legislation would distort the market by giving certain producers a competitive edge over their competitors who cannot offer a similar tax benefit.

Additionally, increased usage of high-ethanol fuel blends poses a number of fiscal and environmental problems including: damage to smaller and older engines, higher costs of feed stock, increased greenhouse gas emissions, higher crop insurance costs to taxpayers, and poorer air quality.

NTU appreciates the opportunity to submit these concerns regarding HB 400. We hope to work with you on future tax matters as you examine additional ways to deliver tax relief to the people of the Buckeye State.

Sincerely,

Brandon Arnold
Executive Vice President

