



Since 1951

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The Honorable Matt Dolan
Finance Chairman, The Ohio Senate
Ohio Statehouse, First Floor
Columbus, OH 43215

Dear Chairman Dolan,

As a long time Ohio small business owner I have been listening with interest to the debate concerning Ohio's biennial budget. You are certainly keenly aware of the impact which these proceedings have on all Ohioans, but I am writing to remind you of the lasting effect which this budget may have on the state job engine, Ohio's small business community.

Rhiel Supply is a firm which has been in business for nearly 70 years and we are proud of our record of providing employment and supporting our community over this time. We work tirelessly to navigate the challenges we face each day and frequently find it difficult to deal with shrinking margins due to continually increasing competition. Doing business primarily in border counties the competition from neighboring states is fierce along with national firms also having a significant presence. The business income deduction which has been in place for the past several years has helped to level the playing field in dealing with the competition especially relating to national firms who are almost always "C" corporations. The potential of facing a reduction in this deduction of 60% will cause significant pressure especially as an "S" corporation facing the double taxation of individual income tax on "flow through" income along with the commercial activity tax which all firms pay.

Chairman Dolan as a businessman you are well aware that small business drives the economy not just in Ohio, but nationwide and it is important that our silent partners in Columbus and Washington recognize the sacrifices which small business owners make and enact sound public policy to assist in their success. Also, the budget provisions for the reduction of the business income deduction provide for this tax increase to be retroactive to January 1, 2019. Having a tax increase made retroactively does not seem like smart or fair policy.

I appreciate your kind attention and consideration for this significant issue facing the small business community in Ohio. Also, I am a fraternity brother of your cousin, Mike, and manage to get together with him occasionally despite our years at BGSU having been long ago. I hope to get the opportunity of meeting you at the NFIB Small Business Day at the Capitol on Wednesday June 5.

Very truly yours,

Toby Mirto