



**Before Ohio Senate Finance Committee  
Testimony of Joseph Butts, Just Vape Ohio  
Am. Sub. House Bill 166  
June 17, 2019**

Chairman Dolan, Vice Chair Burke, Ranking Member Sykes, thank you for allowing me to testify today on the ruinous tax on vapor products that the Senate included in their version of HB 166. My name is Joseph Butts, I am the District Manager of Just Vape Ohio and a former cigarette smoker.

As a small Ohio based business, Just Vape Ohio deals with multiple vendors, distributors, and manufacturing companies across the country and in some cases the world. We have had extensive conversations with the companies we work with and many of them have already expressed that they would stop selling to Ohio business unless the business agreed to take on the financial and clerical burden, should this new tax be enacted. Should this happen, our business, among many other small businesses in Ohio, may find themselves unable to afford to continue to do business in Ohio.

Some may see that as a positive, however, with the research that has been done by The Royal College of Physicians, that states there is a significant risk reduction in vapor products compared to traditional combustible tobacco products, it would take away a less harmful form of nicotine delivery. People smoke for the nicotine; they end up suffering from incurable cancers and lung damage due to the heat, tar, and other chemicals in conventional cigarettes, adding to the burden for the cost healthcare. Removing an alternative form of nicotine delivery, that does not contain the tar and many other chemicals, from the market, as this tax will undoubtedly do, will cost Ohio more than it stands to gain from this tax. If stores and companies are unable to continue to operate and help adults using combustible tobacco transition to an alternative form of nicotine delivery and then transition even further to being nicotine free, more Ohioans may return to the same deadly habit they have already quit.

Furthermore, including devices and accessories in the language deeming them as tobacco products and including them in the 17% wholesale tax, is unfair to businesses that aim to provide a way for adult smokers to reduce risk and nicotine use. OTP does not include items used for combustible tobacco such as lighters, rolling papers, or machines used to roll cigarettes at home (RYO). Atomizers, tanks, batteries, and devices are the equivalent of the aforementioned items that are not currently considered OTP, therefore should not be considered OTP. This is unfair for open system vapor products, as Juul, Blu, and other closed systems will only be subjected to the wholesale tax once, whereas open systems will be taxed twice.

As a responsible retailer, we do not support the marketing, nicotine content, nor the business practices of some products that are considered part of our industry. Increasing the amount of nicotine intake or easing the concealment and access by underage consumers is not something that we support. Helping adult smokers move away from nicotine and combustible tobacco use, has been and will continue to be, our primary focus. Blanket taxation will only hurt businesses and residents of Ohio.

Just Vape Ohio and MANY other small businesses in Ohio implore this committee to remove tax and the inclusion of accessories into OTP from this bill, until a more reasonable and responsible solution can be drafted and then enacted, so that we may continue to help the general public in Ohio move away from a habit that will cause them pain, suffering, and possibly death.

Thank you for your time and consideration.

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