



**Representatives West and Roemer  
Sponsor Testimony, House Bill 45  
Senate Finance Committee**

**[Rep. West]**

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to provide sponsor testimony on House Bill 45.

HB 45 would create a temporary amnesty program, which would waive any interest or penalties that have accrued on delinquent taxes and fees so long as individuals and businesses pay the original amount of those taxes and fees while the program is in effect.

The goals of this legislation are twofold: to generate some extra revenue for the state; and to provide economic relief for individual Ohioans and for businesses that have lost revenue since the onset of this pandemic. In other words, the legislation provides a carrot, so to speak, for individuals and businesses to pay up on these taxes and fees, which will in turn bolster our state's revenues at a time when we could use an extra boost.

We know this concept has worked in the past – in fact, Ohio has conducted four amnesty programs since 2000, with success. According to a Department of Taxation report on the most recent program, the state collected \$14.3 million in unpaid taxes, and prior to that, the 2012

program collected \$30.5 million. I personally saw this type of program work at the local level when I was a member of Canton City Council, as well.

**[Rep. Roemer]**

Under the bill, the Tax Commissioner would develop and administer a two month tax amnesty program, from July 1<sup>st</sup> to August 31<sup>st</sup> of this year. Taxes and fees that were delinquent as of the bill's effective date would qualify for the program, but those for which a notice of assessment or audit has been issued would not qualify.

The bill covers 19 different taxes, including income tax, sales and use tax, CAT, financial institutions tax, and several excise taxes, to name a few. HB 45 also contains a \$250,000 appropriation to support the Department of Taxation's administration and advertisement of the program. The bill contains an emergency clause, as well.

We believe that in light of the pandemic and the many financial hardships it has caused, House Bill 45 represents a timely relief measure that would be mutually beneficial for taxpayers and the state. With this in mind, we hope the committee will move swiftly to advance this legislation ahead of the new fiscal year.

Thank you again for the opportunity to provide sponsor testimony on HB 45, and we would be happy to answer any questions at this time.