

Business Leadership to Build a Better Ohio

Chairman Roemer, Vice Chair Merrin, Ranking Member Troy and members of the House Ways and Means Committee, thank you for the opportunity to present proponent testimony on House Bill 121.

My name is Alexandra Denney and I am the Vice President of Government Relations and Communications for the Ohio Business Roundtable, a statewide business association of CEOs and Presidents of the top companies in the state. We currently have just over 100 members and the companies collectively employ over half a million Ohioans and generate a revenue of more than \$1.5 trillion, which helps support Ohio's economy.

Our membership is inclusive of industry leading companies representing over 20 Ohio industries which includes—but is not limited to—companies such as KeyBank and Huntington representing the banking sector; Cincinnati Financial and Nationwide in the insurance sector; Kokosing representing construction; CareSource, Cleveland Clinic, and many of Ohio's children's hospitals representing healthcare; Bowling Green and Miami University in the higher education space; Owens Corning, RPM International, Inc, and Cleveland Cliffs in the manufacturing sector; AEP and Marathon in energy and utilities; and many more.

Ohio Business Roundtable is a proponent of House Bill 121 because it reduces complexity for employers when it comes to reporting the net profits earned by a business within a municipality.

Given the new work from home realities, businesses face a greater burden in tracking and filing net profit returns in every taxing jurisdiction where their employees are working from home. Prior to the pandemic, many Ohio Business Roundtable members would file one municipal net profit return in Ohio to the city of its physical office. With many employees now working from home, this could subject these companies to track and file new net profit returns to dozens of additional municipalities.

House Bill 121 allows businesses to opt-in to an approach that permits the remote work profits of an employee to be assigned to a reporting location designated by the

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employer based on reasonable facts and circumstances. It is important to note that the bill is optional, so businesses can continue using current law if it would rather maintain status quo and track apportionment where its employees work.

Ohio has one of the most complex taxing systems, ranking second in the nation for the greatest number of taxing jurisdictions. As the Ohio Business Roundtable works to advance economic development within the state, reducing the tax burden of doing business in state will help attract and retain business invest in Ohio. While we believe there is still much more to be done to simplify our tax code, House Bill 121 is a positive step toward reducing the burden for businesses.

Thank you for the opportunity to provide proponent testimony on House Bill 121. The Ohio Business Roundtable urges your support.