



OHIO HOUSE WAYS & MEANS COMMITTEE
June 6, 2023

Written Proponent Testimony
House Bill 166

Chair Roemer, Vice Chair Lorenz, Ranking Member Troy, and members of the Ohio House Ways and Means Committee:

Thank you for the opportunity to provide written proponent testimony regarding House Bill 166, legislation that would subject temporary agricultural workers to the municipal income tax and require employers to withhold the tax.

The municipal income tax is a primary source of funding for roughly 650 cities and villages in Ohio. The tax provides revenue for public safety, capital projects, infrastructure maintenance/road improvements, parks and recreation, debt service and more. Keeping police officers and firefighters on the streets would not be possible without the revenue generated through the municipal income tax. The same can be said for maintaining safe streets, snow plowing, and trash collection -- all frontline services that businesses and residents depend upon.

The municipal income tax is levied by cities and villages at both a person's principal place of work and where they live -- the places they benefit from the services and infrastructure provided by the locality.

In the case of House Bill 166, the bill would ensure that temporary agricultural workers working in Ohio under H2A visas would be subject to the municipal income tax and their employer would withhold the municipal income tax for the municipality where the employee resides, in addition to where they work (if it is in a municipality).

Put simply, when someone is regularly benefiting from the services provided by a municipality, that person should be contributing to the tax revenue that pays for those services. HB166 would make this the case for temporary agricultural workers while also helping to ensure revenue that should be collected is not lost due to lack of an enforcement mechanism once a worker is no longer in the state.

The Ohio Municipal League urges for passage of this bill, and we thank you for the opportunity to share our views on behalf of the members of the league.

Kent Scarrett
Executive Director
Ohio Municipal League