



**Proponent Testimony of Andrew W. Herf
Executive Director, Ohio Association of Convention and Visitor Bureaus
before the Ohio House Development Committee
in support of HB 161**

Chairman Hoops, Vice Chair Lorenz, Ranking Member Abdullahi and members of the House Development Committee, thank you for the opportunity to testify as a proponent of House Bill 161.

I am here today on behalf of the Ohio Association of Convention and Visitor Bureaus, which represents CVBs across the state of Ohio. CVBs are funded by lodging taxes and work closely with municipalities, townships and county governments in an effort to market the region to potential visitors who come to Ohio.

House Bill 161 would establish that short-term rentals in Ohio are required to collect and remit lodging and sales taxes. Those taxes would be at the current rate of the jurisdiction that they are in and in the same manner that hotel and lodging members also currently pay. House Bill 161 does not change the distribution of those funds, so if a convention and visitors bureau in a particular jurisdiction gets 33% of the lodging tax, they would receive 33% of the lodging taxes collected by short-term rentals. Additionally, House Bill 161 would require the collection and remittance of sales taxes. One hundred percent of the sales taxes would go to the counties directly. It is our position that if a hotel in a county or a city pays lodging and sales taxes, then short-term rentals should be required to make the same payment at the same rate as others doing the exact same business for the nights that the short-term rentals have visitors who stay overnight.

The Ohio sales tax was originally enacted in 1933, municipal lodging taxes in 1967 and county lodging taxes in 1980. These taxes are not new, but the business model--investors purchasing property and marketing them on huge online platforms--is new. HB 161 seeks to modernize the tax code in the same way the Ohio legislature applies local sales taxes to online purchases or accepts cryptocurrency to pay taxes.

House Bill 161 does not make changes to local regulations and in no way eviscerates home rule. It is the position of the OACVB that regulations regarding lodging, whether they are hotels or short-term rentals are best handled at the local level and that local control should not be taken away for one specific business model in our state.

House Bill 161 accomplishes the goal of collecting and remitting local taxes without eviscerating local authority's ability to regulate short-term rentals.