



Senate Bill 9 – Incorporating Internal Revenue Code changes into Ohio law

Proponent Testimony

Ohio House Ways and Means Committee

February 11th, 2026

Chair Roemer, Vice Chair Thomas, Ranking Member Troy, and members of the House Ways and Means Committee, my name is Jacob Flowers, and I have the pleasure of serving as the Assistant State Director for NFIB in Ohio. I am here today on behalf of our nearly 21,000 members to express support for Senate Bill 9, Ohio's 2026 tax conformity bill.

For reference, NFIB is a small business trade association founded over 80 years ago that is dedicated to representing the interests of small and independent businesses across our state and nation. NFIB's mission is to promote the right of our members to own, operate, and grow their businesses. NFIB members come from all industry sectors and from each of the 88 counties across Ohio. Our average member has 20 or fewer employees and has less than \$2 million in annual gross receipts.

If enacted, Senate Bill 9 will incorporate H.R. 1, or the One Big Beautiful Bill Act into Ohio's tax code. NFIB has continued to advocate for a simplified and predictable tax structure in the state of Ohio, and that includes conforming with federal changes. We are also supportive of the emergency clause included in this legislation, as many individuals and businesses have already begun filing for the 2025 tax year.

Conforming Ohio's tax code with the federal tax structure is a practical operating issue for small businesses. Our members do not have in-house tax departments and are unable to absorb additional compliance burdens if the state does not conform in a timely manner. Small business owners consistently report that the complexity of tax compliance and frequent changes in policy drain valuable resources, including time. Additional tax complexity only compounds these challenges and diverts attention away from growing their business.

Simply put, small business owners need predictability to thrive. Without conformity, a small business owner may choose to cancel or delay future investment due to the uncertainty it creates.

On the national level NFIB advocated successfully for the 20% small business deduction to be made permanent, which will allow pass-through entities to deduct up to 20% of their qualified business income. This will allow businesses in Ohio and around the country to invest in their future, and to create more opportunities in their community. We are also supportive of the conformity provisions related to full expensing and depreciation, research and development



deductions, and business interest deductibility. These immediate deductions will encourage growth and assist small employers with cash flow.

Tax conformity has typically been a bipartisan issue over the years, and we hope that it can be the same this year. Small Business owners need predictability to thrive, and conforming with H.R. 1 is key for doing so. NFIB may consider a floor vote on Senate Bill 9 a Key Small Business Vote for the 136th General Assembly.

We respectfully ask the committee for favorable consideration, and I am happy to try and address any questions at this time.