



**Representatives West and Roemer
Sponsor Testimony, House Bill 45
House Ways and Means Committee**

[Rep. West]

Chairman Merrin, Vice Chair Riedel, Ranking Member Sobecki, and members of the House Ways and Means 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 the amnesty program. 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.

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 do recognize the need for the dates of administration to be changed now that we are in May – the bill initially called for a timeline of April 1 to May 31. We plan to get feedback from the department on what timeline would work best for them at this stage.

As the state's vaccine rollout continues and as emergency funding continues to come from the federal level, we feel that HB 45 is another way in which we can generate some extra relief for both individuals and businesses at a time they could certainly use it.

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.