

Representative Derek Merrin
Chair, House Ways & Means Committee
Ohio Senate Building
77 South High Street, 13th Floor
Columbus, Ohio 43215
Delivered via email: James.Kennedy@ohiosenate.gov



June 14, 2021

The Honorable Chair Merrin,

The OBL is the foremost trade association for Ohio's banking industry – and is Ohio's only organization focused on meeting the needs of *all banks and thrifts* in the Buckeye State. The non-profit association is comprised of 173 FDIC-insured financial institutions including commercial banks, savings banks, and savings and loan associations ranging in size from just over \$13 million in assets to over \$3 trillion and employing over 60,000 Ohioans. For more than 125 years, the OBL has been the voice of the Ohio banking industry, fostering a cooperation that has made it one of the strongest and most reputable financial trade associations in the country.

On behalf of OBL members, I write to you in support of House Bill 186. This legislation would enact the "First-Time Home Buyer Savings Act" which would create certain tax incentives for individuals saving for the purchase of a first home. The bill would allow an individual to open a savings account at a financial institution and then claim a tax deduction of up to certain limits annually based on whether filing individually or jointly. If the money in the account is used for the purchase of a first home or allowable closing costs, there is no penalty for withdrawal. However, if the funds are withdrawn for any reason besides home purchase, there is 10% penalty.

Importantly for OBL members, the legislation does not create any additional reporting or compliance requirements on Ohio's banks. The obligation to track, report, and claim the deduction is on the account holder. Saving, especially for the purchase of a first home, is an important part of any individual's financial security and independence. Simply put, HB 186 creates additional incentive and makes it easier to save. Ohio's banks stand ready to assist customers throughout the state in the saving for and purchasing their first home and thus support this legislation.

For these reasons, we urge you to support HB 186. Please feel free to contact me if you have any questions regarding our position at dboyd@ohiobankersleague.com or (614) 340-7608.

Sincerely,

Don Boyd
VP, State Government Relations & General Counsel