

February 8, 2021



The Honorable Louis W. Blessing  
Chairman, Senate Ways and Means Committee  
Ohio Senate  
1 Capitol Square  
Columbus, OH 43215

Dear Chairman Blessing:

On behalf of the members of the Ohio Chamber of Commerce, I am submitting this letter of support for Senate Bill 24; legislation that creates a first-time home buyer program. This will allow an individual to open a first-time home buyer savings account. The individual must also designate an individual as the beneficiary of the account. The qualified beneficiary must be an Ohio resident who has not owned or purchased a single-family home in the three years before the year in which the money is withdrawn for the purchase of a home.

The individual that opens the account can receive an Ohio income tax deduction of up to \$5,000 (\$10,000 for joint returns) each year, and a total deduction of \$50,000 (\$100,000 for joint returns) for all years. Withdrawals must be used for down payments and/or closing costs on either a standalone single-family residence, a unit in a multiple unit building or manufactured or mobile home. Withdrawals for any other purpose will be subject to a 10% penalty.

We would like to thank Senators Gavarone and Peterson for introducing this bill to encourage home ownership. In central Ohio alone, the population is expected to rise another 1,000,000 in population by 2050. For Ohio to realize that growth and resulting economic activity it needs to find housing for that future population. We may need other legislation to address the lack of housing stock to meet the future, but this bill addresses the how of getting someone into a home. Buyers can put aside savings and build money toward a down payment. These first-time buyers will then put down roots, build a sense of community, and accumulate wealth through the purchase of the home. All of this activity builds a stable population and steady workforce that will fill current workforce needs as well as attract future employers looking to invest in the Ohio economy. This bill is a positive step for the economic future of Ohio.

We urge passage of SB 24.

Sincerely,

A handwritten signature in blue ink that reads "Tony Long". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Tony Long  
Director, Tax & Economic Policy