

American Society of Interior Designers 1152 15th St. NW Suite 910 Washington DC 20005

Testimony of American Society of Interior Designers Ohio Senate Finance Committee House Bill 49 June 7, 2017

The American Society of Interior Designers (ASID) and both its Ohio chapters strongly support the Ohio House of Representatives decision to remove the interior design and decoration sales tax from the Governor's budget. A sales tax on our members' services would not only create a competitive disadvantage to interior designers in neighboring states, but would hurt the many female-owned interior design small businesses in Ohio.

ASID is comprised of 47 chapters with over 25,000 members nationwide and represents a full spectrum of interior designers. "Interior design services," as it was included in the Governor's budget proposal, is an overly broad term and can include anything from an associate at a home improvement store helping a homeowner select finishes to designing the interiors for a major hotel chain. This broad definition would no doubt result in the "back door" taxation of interior design services provided by our members.

While further reduction of the state personal income tax might be a laudable objective, we question the benefit of doing it if it results in a significant increase in the business community's tax burden, specifically the interior design profession. Especially when we are still struggling to work our way out of the devastating recession only a few years ago. The way to make sure interior design companies grow and add well-paying jobs, is to help us remain competitive, especially along our state's borders, not by adding to our tax burden and the tax burden of all those other enterprises we serve.

To date, 27 U.S. states, the District of Columbia, and Puerto Rico, have enacted laws regulating the profession and have creating minimum standards for the industry. The Governor's sales tax budget proposal picks winners and losers. Unfortunately, the interior design profession has been selected to be taxed by the administration even while the State of Ohio chooses not to certify, register, or license the industry like in most states. Because of the lack of regulation there remains no state standard to determine how many or who in, or around, the profession would be required to remit a sales tax for services.

We respectfully encourage you to prevent the taxation of interior design and decoration services.

Thank you,



Jim Brewer Vice President of Government Affairs American Society for Interior Designers