State Representatives Tom E. Brinkman
HCR 41 Sponsor Testimony
House Ways and Means Committee

Chairman Merrin, Vice Chair Riedel, Ranking Member Sobecki, and members of the House Ways and Means Committee, thank you for the opportunity to present sponsor testimony on House Concurrent Resolution No. 41. This is a companion resolution to Senate Concurrent Resolution No. 13, sponsored by Senator Lang.

This resolution is to the point—so I will keep my testimony short. The intention of this resolution is to commemorate all the ills that the existence of the state income tax has bestowed upon Ohio and its residents. Ultimately, my colleague and I would like the General Assembly to repeal the state individual income tax altogether within ten years.

The individual income tax was enacted in 1972. At the time, Ohio contributed 5.31% of the US Gross Domestic Product. It has consistently declined decade after decade. In 2020, Ohio's contribution to the US GDP was 3.24%.

There are nine states that do not have a state income tax–Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming. Six of those nine states are within the top ten best states for business, according to the 2021 State Business Tax Climate Index. Florida ranks 4th and Texas ranks 14th on the index.

Since 1970, the Texas GDP grew from 5.17% to 8.5% in 2020. The same goes for Florida, where in 1970, the GDP was 3.03% which it is now 5.29%. Other states with no individual income tax also have seen net gains in GDP growth.

Another good data point is population. Ohio's population has grown 10.8% since 1970. In contrast, Florida's population grew from 217% and Texas has grown by 160%.

The Governor and his team have done a great job working to attract new businesses to the state. Think about how much easier his job it would be if Ohio's business environment was able to compete on a level playing field with other states by eliminating the individual income tax. Thank you again for your time today and I am happy to answer any questions you may have.