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Chair Merrin, Ranking Member Sobecki and members of the committee:

My Name is Larry Bresler. I am a member of Northern Ohioans for Budget Legislation Equality (NOBLE). I am speaking on behalf of our co-chairs, Diana King and Diane Howard, who were not available to come to Columbus today. We are a coalition of groups and individuals whose purpose is to bring the voice of low-income Ohioans to the state biennium budget process. In addition to health and human services, public education and transportation, we have focused for nearly 20 years on making sure the state has equitable taxes and enough revenue. We oppose repeal of the Commercial Activity Tax.

The CAT tax contributes more than \$2 billion a year to Ohio tax revenues. We can ill afford to lose these funds when Ohio has so many unmet needs. These include unaffordable child care to underfunded public transit, adult protective services and community-based senior programs. In addition, the state has yet to equalize payments to kinship care providers with those of traditional foster care providers. Ohio businesses should contribute to meeting these needs.

It is not fiscally responsible to cut taxes on a permanent basis on this large scale because of a temporary improvement in the State's finances. It would mean that the next time the economy turns down, you would face difficulty in balancing the budget. As the United States appears to be entering an inflationary period, that time could be coming very quickly.

The biggest winners from repealing the CAT tax will be big corporations. If the General Assembly is going to cut taxes, it should start by making the Earned Income Tax Credit refundable, not providing new tax cuts for businesses. As you are aware the EITC is a benefit for low to moderate income working people that reduces the tax that they owe. Unlike the federal government and most states it is not refundable. By making it refundable in Ohio it would help get a little more money into the pockets of low-paid working Ohioans. Making the EITC refundable would cost a fraction of CAT tax repeal and would restore more fairness to state and local taxes, which fall the most heavily on poor Ohioans.

As a matter of equity the CAT tax should be maintained.

We urge you not to repeal the Commercial Activity Tax.