



HB 424 PROPONENT TESTIMONY, AFP-OHIO, HOUSE WAYS AND MEANS COMMITTEE, 4.23.24

Chair Roemer, Vice Chair Lorenz, Ranking Member Troy, and members of the House Ways and Means Committee, thank you for the opportunity to submit written proponent testimony for HB 424. My name is Hannah Kubbins and I am the Legislative Director for Americans for Prosperity – Ohio (AFP). AFP supports a wide array of pro-growth economic policy solutions, including the simple fix that is proposed in HB 424.

HB 424 proposes a solution to modernize Ohio’s marketplace facilitator law by clearly defining “delivery network company” and updates provisions that reflect this business model. These provisions were not considered when the current marketplace law was adopted in 2019.

Current Ohio law allows marketplaces that meet certain provisions to apply for a waiver through the Tax Commissioner to exempt them from a tax collection obligation. HB 424 expands this allowance to delivery network companies like Instacart. Without the changes in HB 424, the impact of double taxation and increased tax compliance is ultimately passed down to the consumer.

AFP-Ohio believes government efficiency is mutually beneficial for the state and the taxpayer. HB 424 allows for a cleaner, single tax for both the consumer and retailer by relieving qualified delivery network companies from collecting sales tax on the purchase of goods.

AFP-Ohio urges a “yes” vote on the simple fix proposed in HB 424. Thank you again for the opportunity to provide written proponent testimony. I can be reached via email at [hkubbins@afphq.org](mailto:hkubbins@afphq.org) or by phone at 614-905-2551 for any questions.