

## **What is next for Ohio Municipal Tax**

The lame duck session at the Ohio Statehouse is underway. House Bill 5 Municipal Tax Reform and Uniformity is in the Senate Ways and Means Committee. Ohio's current municipal tax system is known as one of the most complicated in the country. There are nearly 600 municipalities that impose a municipal income tax, each with its own rules and requirements. This lack of uniformity creates confusion and can be a burden on the administrative and financial processes for many Ohio businesses trying to comply with the various municipal tax codes.

This is a bill the Government Relations Committee has been researching and following all year. Ohio is the only state that allows municipalities this amount of leeway to levy their own taxes. When it comes to retaining and attracting businesses Ohio is known to be at a competitive economic disadvantage. As a result businesses looking to start up or expand may pass over Ohio for other states that have fewer and simpler tax regulations.

In November 2013, the Ohio House of Representatives passed House Bill 5-legislation that will create uniformity among Ohio's municipalities and make it easier to do business in Ohio. Today the Ohio Senate is close to taking action on House Bill 5.

We invite you to reach out to your state senator (likely to be Kris Jordan or Kevin Bacon) to support HB 5.

You can find information about the Municipal Tax Reform Coalition here:

<http://munitaxreform.org/>