



TO: MEMBERS OF THE OHIO HOUSE OF REPRESENTATIVES

- On behalf of the nearly 22,000 members of the Ohio chapter of the National Federation of Independent Business (NFIB), you are respectfully urged to **VOTE YES on Substitute House Bill 157 (Jordan, Edwards)**
- Substitute House Bill 157 (HB 157) will continue Section 29 of House Bill 197 from the 133rd General Assembly which, in effect, temporarily suspended the 20-day casual entrant rule, requiring employers to withhold employee municipal income tax to the principal place of work through December 31, 2021. This much needed law change ensures employers have enough time to adjust their payroll withholding systems to revert back to previous Chapter 718 law in calendar year 2022.
- HB 157 also clarifies that net profit situsing or apportioning is to be considered at the principal place of work for purposes of tax obligation. This important clarification ensures our small business members will continue to remit their municipal net profit obligations as they did per House Bill 197 from the 133rd General Assembly.
- Further, we support the waiving of penalties and interest for employers who withheld municipal income tax on employees' qualifying wages and sitused net profits per House Bill 197 from the 133rd General Assembly and to be continued under HB 157.
- Finally, HB 157 also clarifies a municipal tax administrator may not require "any statement or other documentation from the employer other than a statement verifying the number of days the employee worked at the employee's principal place of work during the taxable year and that the employer did not refund any withheld taxes to the employee." The addition of this language removes the employer from identifying where, specifically an employee may have been working, simply requiring an employer to state whether an employee was or was not earning qualifying wages at the principal place of work.
- NFIB may consider the vote on Substitute House Bill 157 a **Key Small Business Vote** of the 134th General Assembly.

**On behalf of Ohio's small-business community, NFIB respectfully urges you to
VOTE YES on Substitute House Bill 157.**