



PRESS RELEASE
FEBRUARY 11, 2020

Contact: Zach Schiller
zschiller@policymattersohio.org
216.361.9801

Income-tax amendment would hurt Ohio

Senate Joint Resolution 3 could weaken state's bond rating

Policy Matters Ohio today called on members of the Senate Ways & Means Committee to reject Senate Joint Resolution 3, a proposed amendment to the state constitution. The amendment would require a two-thirds vote of both houses of the General Assembly to approve an increase in the state income tax.

"Senate Joint Resolution 3 could weaken Ohio's bond rating," Policy Matters Research Director Zach Schiller told the committee. "It would constrain the state's ability to fund critical programs, limit policymakers' options during recessions and undermine the democratic process."

The Legislative Service Commission found in its fiscal note on the resolution that "the impairment of legislative ability to enact increases in state funding from this source of revenue could be a factor in a reduction in the state's bond rating."

Schiller said, "That warning alone should be enough to keep this resolution from moving any further." He also outlined how the proposed amendment likely would make it hard to repeal or tighten unproductive tax breaks such as the \$1 billion business income deduction, also known as the LLC loophole.

"SJR 3 safeguards an upside-down tax system under which low-income Ohioans pay nearly twice as much of their income in state and local taxes as the top 1% do," Schiller testified.

"A supermajority rule blocks the will of the majority to meet the needs of communities and the demand for public services. It is fundamentally undemocratic," he said.

###

Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.