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Ehler Quoted in Columbus Dispatch and Dayton Daily News Stories on Proposed State Sales Tax Expansion/Reduction

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Anthony L. Ehler, a partner in the Vorys Columbus office and the leader of the firm's state and local tax group, was quoted in two Ohio newspaper stories about Governor Kasich's proposed sales tax expansion and reduction. According to the stories, the governor has proposed lowering the state sales tax rate by half a percentage point and expanding the goods and services that the sales tax applies to generate an estimated \$3 billion in revenue over three years.

The *Dayton Daily News* story, which was entitled "Gov. Kasich in town today to discuss tax plan," states:

"Kasich said on Monday that cutting sales tax rates while expanding their application to fees for lawyers and architects would hit wealthier Ohioans hardest. But early critics of the plan aren't sure poor Ohioans won't feel the expansion more because they already pay a higher share of their income on sales tax.

And some of these professionals say the tax would also hurt banks and other businesses headquartered in Ohio that hire attorneys, accountants, architects and other professionals. Tony Ehler, a state and local tax attorney in the Columbus office of Vorys, Sater, Seymour and Pease LLP, said taxing services makes sense but could drive those businesses to use professionals in other states.

'There's a reason our tax code is complicated — it's a reflection of our society and our business,' Ehler said. 'They put together a tax code to reflect a very sophisticated set of circumstances in our economy.'"

Ehler was also quoted in a *Columbus Dispatch* story entitled "Kasich's Ohio tax plan might hurt small business." The story states:

"The tax might also motivate some companies to move their businesses elsewhere, said Tony Ehler, a partner who supervises state

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and local taxes for the law firm Vorys, Sater, Seymour and Pease.

'I guarantee other states will immediately start campaigns saying, 'Don't do business there, do business here,'' Ehler said. 'This will make people (in service-based businesses) in Ohio less competitive.'

Ohio would be one of only a handful of states with broad sales taxes, meaning companies in the region could move to nearby states easily, especially because they rarely have significant investments in things such as machinery.

'It's not going to have the effect in my view that economists are saying because the practical world is different,' Ehler said. 'If competition drives businesses to other states, Ohio misses out on all their taxes.'''

To read the *Dayton Daily News* story, click here. To read the *Columbus Dispatch* story, click here. (Subscription may be required).