

STATE OF OHIO
Executive Department

OFFICE OF THE GOVERNOR

Columbus

VETO MESSAGE

**STATEMENT OF THE REASONS FOR THE VETO OF ITEMS IN
AMENDED SUBSTITUTE HOUSE BILL 483**

JUNE 16, 2014

Pursuant to Article II, Section 16 of the Ohio Constitution, which states that the Governor may disapprove any items in a bill making an appropriation of money, I hereby disapprove the following items contained in Amended Substitute House Bill 483 and set forth below the reasons for so doing. The text I am disapproving is identified in this message by reference to the corresponding page and boxed text of the bill.

ITEM NUMBER 1

- On page 1, delete the following boxed text, "3318.36".
- On page 3, delete the following boxed text, "3318.36".
- On page 262, delete the boxed text, beginning with "Sec. 3318.36....".
- On page 263, delete the boxed text.
- On page 264, delete the boxed text.
- On page 265, delete the boxed text.
- On page 266, delete the boxed text.
- On page 267, delete the boxed text.
- On page 268, delete the boxed text.
- On page 706, delete the following boxed text "3318.36".

Changes to Certain School Districts' Local Share Agreements for Building Projects

Under current law, school districts can sign a construction project agreement with the School Facilities Commission through the Expedited Local Partnership Program. By signing this agreement, schools lock in their local percentage share of construction costs in exchange for the

ability to build facilities before they otherwise would be eligible for funding through the Commission's Classroom Facilities Assistance Program. Under this item, schools would now be able to unilaterally change the project agreements they reached with the state in order to reduce their costs. This would substantially increase state spending and reduce funds that the state has available to assist other school districts that are waiting to participate in the program. This item's changes to this program, while beneficial to select districts, increase costs to taxpayers and adversely impact other school districts. Therefore, this veto is in the public interest.

ITEM NUMBER 2

On page 2, delete the boxed text "5727.111".

On page 4, delete the boxed text "5727.111".

On pages 678, delete the boxed text beginning with "Sec. 5727.111..."

On page 679, delete the boxed text.

On page 707, delete the boxed text "5727.111".

Water-Works Tangible Personal Property Tax Listing Percentages

This provision would provide a special tax break to private water corporations by significantly reducing the taxes they pay on new tangible personal property. Taxes on tangible personal property owned by other private utilities would remain unchanged at the original higher levels. The result would not only be a special tax break for a particular class of taxpayer without valid justification, but it would also mean an unmerited reduction in future tax revenues to local entities. Therefore, this veto is in the public interest.

ITEM NUMBER 3

On page 2, delete the boxed text "5703.21".

On page 4, delete the boxed text "5703.21"

On page 656, delete the boxed text beginning with "Sec. 5703.21."

On page 657, delete the boxed text.

On page 658, delete the boxed text.

On page 659, delete the boxed text.

On page 707, delete the boxed text "5703.21".

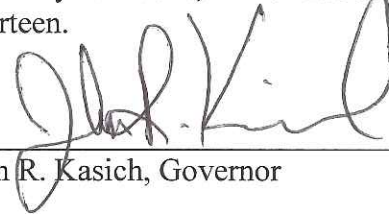
Disclosure of Sales and Use Tax Information to Counties

This provision would essentially create 88 new tax departments in each of Ohio's 88 counties, all duplicating the tax collection and enforcement activities currently done for sales and use taxes on

a statewide basis by the Ohio Department of Taxation. Not only does this represent a costly and unjustified expansion of government—the cost of which would be imposed on local taxpayers—the resulting duplicative compliance requirements that would be imposed on businesses would bring significant new costs without any additional benefits to taxpayers or government entities. Additionally, the provision contains no protections for taxpayers' confidential tax information similar to the protections that currently apply to confidential tax information handled by the Ohio Department of Taxation. Therefore, this veto is in the public interest.




IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed at Columbus this 16th day of June, Two Thousand Fourteen.



John R. Kasich, Governor

This will acknowledge the receipt of a copy of this veto Message of Amended Substitute House Bill 483 that was disapproved in part by Governor John R. Kasich on June 16, 2014.



Name and Title of Officer

6/16/14 7:03 p.m.

Date and Time of Receipt