

STATE OF OHIO  
**Executive Department**

OFFICE OF THE GOVERNOR

*Columbus*

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JAN 04 2017

SECRETARY OF STATE

VETO MESSAGE

STATEMENT OF THE REASONS FOR THE VETO OF ITEM IN  
AMENDED SUBSTITUTE HOUSE BILL 384

JANUARY 4, 2017

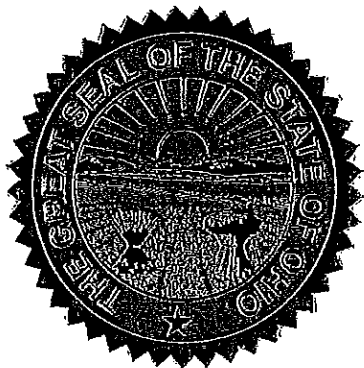
Pursuant to Article II, Section 16 of the Ohio Constitution, which states that the Governor may disapprove any items in a bill making an appropriation of money, I hereby disapprove the following item contained in Amended Substitute House Bill 384 and set forth below the reasons for so doing. The text I am disapproving is identified in this message by reference to the corresponding page and boxed text of the bill.

ITEM NUMBER 1

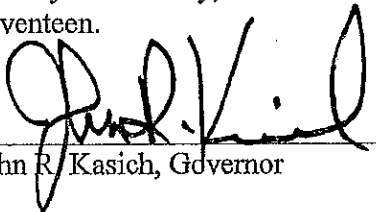
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On page 29, delete the boxed text.  
On page 30, delete the boxed text.  
On page 62, delete the boxed text.

## Tax Exemptions on Digital Audio Works

Vending is a valued industry in Ohio, but there is no justification for granting a narrow subset of this industry—digital jukeboxes—a tax exemption. Adequate ability exists for the vending industry to collect and remit its required sales tax. Further, this broadly drafted exemption could potentially have the unintended consequence of negating the state's tax on all digital audio products (i.e., downloaded books, movies, and music). Therefore, this veto is 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 4th day of January, Two Thousand Seventeen.

  
John R. Kasich, Governor

This will acknowledge the receipt of a copy of this veto message of Amended Substitute House Bill 384 that was disapproved in part by Governor John R. Kasich on January 4, 2017.

\_\_\_\_\_  
Name and Title of Officer

\_\_\_\_\_  
Date and Time of Receipt