

# Legal Connections



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AUGUST 16, 2019

"Meet with an experienced attorney to ensure that your business complies with cybersecurity regulations: [directory.cbalaw.org](http://directory.cbalaw.org)"

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## EVERYDAY BEST PRACTICES FOR MANAGING DATA SECURITY RISKS

Most businesses have begun to realize that privacy and data security are business issues, not just technical issues. While IT departments may do much of the heavy lifting, every employee is involved in keeping your business secure. There are plenty of laws, regulations and requirements your business might have to comply with, such as Ohio laws, the California Consumer Privacy Act, and requirements buried in contracts that your business has with its vendors and customers. While your compliance with those are discussions to have with experienced counsel, there are a number of general best practices that are generally applicable to every business and relatively easy to follow.

**Spear Phishing.** One of the most common threats to data security includes a practice commonly referred to as spear phishing. This tactic includes the use of emails that look normal and ask you to open attachments, click on links or reply with information. To combat this tactic, it is advisable to think twice and pay attention before clicking on links or opening attachments. When in doubt, call the person who reached out to you and verify their request – do not use the phone number included in the email, look up the phone number



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through a genuine source. **Ransomware.** Ransomware is a program that holds your computers and data hostage. To combat this tactic, keep your computers' operating system and software up to date. Most updates involve improving security and closing back doors that bad actors may potentially use to deploy ransomware on your system. It is also advisable to utilize traditional antivirus software for reactive protection. One of the most helpful tools to combat ransomware is the use of regular backups. If your system is regularly backed up, and a bad actor attempts to hold your system hostage through the use of ransomware, you may be able to restore your system without negotiating with the bad actor.

**Mobile Devices.** Speaking of accessing information outside the office, mobile access carries all the same phishing concerns, along with additional dangers of laptops and other devices being forgotten at the coffee shop, devices being stolen, or simply protected information being read over shoulders. It should go without saying at this point, but avoid doing anything sensitive

over public WiFi – always assume that a third party can see and access the information that you are sending and receiving over public WiFi. And protect your laptops and mobile devices by using the most current operating system and software, and update whenever updates are available.

It is possible for mobile devices to be lost and stolen, so take extra steps to limit others' ability to physically access them. You wouldn't leave your front door wide open when you're not home, so turn on your device's passcode lock/pin. Enable wiping and device tracking to help find your missing device, or ensure your data won't be accessed. In addition, it is generally advisable to log out of programs and webpages when you're done with them and not to store usernames or passwords in your devices.

Larger data protection decisions, like bringing your operations into compliance with applicable laws and contractual requirements, require deeper evaluations of your policies and practices and need the participation of experienced counsel. However, protecting your business also involves ensuring that everyone within your organization understands and follows the requirements and general best practices, such as those outlined above. ■

## NEW OHIO BUDGET BILL GIVES TO MANY & TAKES FROM OHIO LAWYERS & LOBBYISTS

On July 18, the Ohio Legislature just passed and Governor DeWine signed its Budget Bill (H.B. 166) and left out Ohio's self-employed lawyers and lobbyists from the popular business income deduction. This Budget Bill included many significant changes to Ohio's taxes, including an expansion of the nexus standards for Ohio's sales and use taxes, a reduction of individual income tax rates and changes to Ohio's business tax credits/deductions. Most surprising, however, was the targeted exclusion of the very popular business tax deduction for Ohio's lawyers and lobbyists.

Prior to the new Budget Bill, Ohio's self-employed lawyers and lobbyists could potentially exclude up to \$250,000 of their income arising from their business pursuant to Ohio's business tax deduction. With the passage of H.B. 166, however, and beginning in tax year 2020, these same Ohio lawyers and lobbyists will be left in the cold and no longer able to utilize this popular deduction. This change arises through the revisions to Ohio Revised Code Section 5747.01, which adds a new limitation to the business income deduction for only "eligible business income." The Bill specifically excludes income arising from businesses that perform specified legal services and/or lobbying services.

In its infancy, this new Budget Bill challenges our protections under the Equal Protection Clause of the U.S. Constitution and calls for a very careful review of the Ohio Legislature's basis for excluding lawyers and lobbyists from the Ohio business income deduction. Fortunately, this new tax does not take effect until tax year 2020. Accordingly, there is still time to review and potentially challenge the constitutionality of this new provision. ■



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NOT JUST FOR LAWYERS: JOIN US SEPT. 10 TO LEARN ALL ABOUT HOUSE BILL 166, WHICH WILL AFFECT ATTORNEYS, CPAS, ADMINISTRATORS, BANKERS AND OTHER BUSINESS ENTITIES. REGISTER NOW: [CBALAW.ORG](http://CBALAW.ORG)

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