

Ohio

Department of
Taxation

Annual Report

Fiscal Year 2022



Mike DeWine
Governor

Jeff McClain
Tax Commissioner

2022
Annual Report

Prepared by the
Communications Office, Chief Counsel's Office and the Tax Analysis
Division with the assistance of numerous operating divisions.

Jeff McClain
Ohio Tax Commissioner

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From the Tax Commissioner



Dear Governor, Senators, and Representatives,

It is my responsibility and privilege to provide you the fiscal year 2021 Annual Report of the Ohio Department of Taxation. This report highlights the department's activities during the year in compliance with Ohio Revised Code 5703.42.

The report provides a complete description of the tax base, rates, and provisions of each of the state taxes administered by the department, three revenue sharing funds administered by the department and 13 local taxes. It also provides detailed statistical data concerning each tax and an accounting of department activities during the fiscal year.

My hope is that the contents of this report will be of value and interest to you, the General Assembly, and the people of Ohio.

Respectfully,

A handwritten signature in black ink that reads "Jeffrey A. McClain". The signature is written in a cursive, flowing style.

Jeffrey A. McClain
Tax Commissioner

Year in Review

From pipeline valuation to new personnel structures, to launching a major overhaul of the personal income tax management infrastructure, the Ohio Department of Taxation had no shortage of significant initiatives and achievements in Fiscal Year 2022 (FY22).

All of that and more was the product of a department guided by Tax Commissioner Jeff McClain that operated with a staffing level of about 725 full-time employees.

This summary of FY22 will primarily focus on the larger scale, more transformative efforts of the department. It will omit, with no intent to diminish the importance of, the many smaller scale successes that contributed to the perpetual goal of providing efficient and effective services to the taxpayers of Ohio.

- **Project NextGen** – As FY22 came to a close, the Department of Taxation opened the door to the future of how the Ohio individual income and school district income taxes will be managed and operated. The NextGen project will replace a fragmented technology infrastructure initially adopted more than 30 years ago with an integrated software solution that performs multiple functions related to administering the income taxes.

The software package, called GenTax, has been successfully implemented as the system of record for personal income tax in 25 U.S. states and territories. It will simplify and enhance the taxpayer experience with electronic tax filing, tax payment and refund processes. It will, for the first time, allow tax preparers with appropriate authorization to directly access the tax information of their clients. It will increase efficiencies within the department through an automated and streamlined workflow system. Currently, taxpayer information and other income tax related functions are scattered across multiple computer and database systems. This new software will also ensure that the system can be maintained and updated for many years into the future. The NextGen initiative is expected to take about 14 months at a projected cost of \$21.6 million. Post-implementation there will be annual subscription, software licensing, and support costs.

- **Call Center and Organizational Change** – A centralized call center and desk telephones, the historic and primary means of interacting with taxpayers, have been phased out and replaced with a new, flexible telephone system that offers additional features designed to improve the caller experience. Eventually this will include a call-back feature so taxpayers don't have to remain on hold. The project took approximately 14 months to complete.

The decentralized call center and more flexible phone system made possible a major structural and staffing change at the Department. Underscored by a primary commitment to maintaining a "Taxpayer First" focus, work began in FY22 on reconfiguring both the Taxpayer Services Division (TPS) which operated the call center, and the Compliance Division, which conducted compliance programs for multiple tax types.

The Department now handles calls and billing programs within individual tax divisions which provides for expeditious and thorough responses to questions about specific taxes. The move is intended to enhance the expertise of staff responding to taxpayer and tax preparer inquiries.

- **Retiring the Mainframe Computer** – A mainframe computer, which has for decades provided the Department its principal computer capabilities, is on the glidepath to retirement.

It'll take a couple years but there's no escaping a shutdown for this primary piece of technology.

This mainframe computer, which is stored at the State of Ohio Computer Center and maintained by the Department of Administration's Office of Information Technology has become increasingly costly and challenging to operate.

That's largely because the mainframe is governed by a computer language – COBOL – has been supplanted by newer coding disciplines. It's increasingly difficult and expensive to find enough computer technicians proficient in COBOL to support the mainframe.

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The Department is one of many state agencies working on and from this mainframe. All share in the expense of running the computer. As agencies move off the mainframe, the cost-sharing bills get bigger for those who continue to use this service.

Taxation is now engaged in a formal, seven phase project, to sunset the mainframe. The current timeline projects an end-date of December 2023.

- **New Tax on Sports Gaming Receipts** – With the passage of H.B. 29, Ohio will soon be joining a community of 30 other states -- including all neighboring states but Kentucky – that allow gambling on various sports.

The Department is expecting a taxpayer base of approximately 65 businesses, which may include Ohio's four casinos, seven racinos, 10 professional sports teams/events and various web-based sports wagering entities. All must first be licensed with the Ohio Casino Control Commission before registering with the Department to file and pay the gaming tax.

The sports gaming receipts tax is 10% of all gaming receipts, minus some expenses, and is anticipated to raise tax revenues in the 'mid-tens of millions of dollars.'

Tax payments will be distributed into three funds: an administrative fund that will cover the Department's expenses, a problem sports gaming fund, and an education fund. The education fund will receive 98% of all sports gaming tax collections to be used for K-12 education, athletics, and extracurricular activities.

After 'go live' on Jan. 1, 2023, the Department will continue working to fine-tune the various collection functions worked in coordination with the Attorney General's office.

- **Correspondence Processing Simplified** – The Department mailroom will never be the same. Incoming mail has long been scanned, entered into the appropriate file, and ultimately uploaded into a database for record keeping purposes. The scanning alone consumed about 15% of the workday of the agent's assigned responsibility for working the mail/correspondence. Now the mail is being routed to a designated team that scans the mail, steers it into the appropriate electronic folder and is then picked up and handled by the appropriate agent. Staff are now able to process and respond to more correspondence daily.
- **Sales Tax Vendor Education** – To ensure compliance with the sales tax, and to reduce the issuance of unnecessary bills, the Department conducted an email outreach campaign to contact vendors that had registered but had not filed/paid a return for more than three months after registering. The emails conveyed general information on sales tax filing requirements, where and how to file, and how to cancel a sales tax vendor's license account.
- **Legal Internship Program** – The Department launched its first-ever legal internship program this summer to introduce law students to the inner-workings of the Department's legal work. The Department welcomed eight law students from various law schools to join the Department for the summer. The students rotated through the Department's legal teams to learn about the important work the teams perform, including drafting final determinations for review, attending hearings, researching taxpayer questions and request for legal opinions, and reviewing and compiling transcripts for appeal.
- **Legal Efficiencies Lead to Increased Production and Decreased Cycle Times** - The Legal Division issued 777 final determinations during the year and reduced the number of pending cases to below 1,700, which is the lowest tally for several years. The reduction in pending cases is due to a new system put in place to review cases coming to the Division for quick resolution when a final determination is not necessary. The Division's average time for processing pending cases continues to be less than 18 months.

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Table 1: Department of Taxation Expenditures, FY 2022

Department	Personal Services - Payroll	Contract Services	Supplies and Maintenance	Equipment	Total
Administration	\$1,180,976.67	\$41,454.00	\$241,723.14	\$ -	\$1,464,153.81
Audit Division	21,018,140.23	-	116,254.47	-	21,134,394.70
Business & Excise Taxes	11,530,488.46	91,238.21	276,374.24	5,348.78	11,903,449.69
Communications	174,145.87	-	3,872.88	-	178,018.75
Compliance – Income	5,217,775.46	96,518.07	3,438.80	-	5,317,732.33
Compliance – Business	5,804,872.87	-	23,042.04	-	5,827,914.91
Employment Tax	4,179,547.32	-	8,750.74	-	4,188,298.06
Facilities Management	1,014,416.20	-	4,083,406.31	1,227.90	5,099,050.41
Fiscal Services	2,400,336.16	-	403,809.32	-	2,804,145.48
Information Services	10,321,421.37	2,730,658.13	11,730,308.86	1,120,464.39	25,902,852.75
Legislation	410,635.57	-	40,494.92	-	451,130.49
Office of Agency Performance	2,864,697.29	44,499.86	350,191.27	-	3,259,388.42
Office of Chief Counsel	5,231,991.14	64,082.89	26,621.62	-	5,322,695.65
PIT/SD & Employment Taxes	6,180,505.38	730.00	613,509.44	-	6,794,744.82
Revenue Processing	2,855,562.88	17.85	6,151,043.99	-	9,006,624.72
Tax Analysis	696,141.18	-	27,261.93	-	723,403.11
Tax Criminal Investigations	3,355,395.92	6,755.00	278,347.14	-	3,640,498.06
Tax Equalization	1,769,470.59	-	9,070.74	-	1,778,541.33
Total Expenditures	\$86,206,520.56	\$3,075,954.01	\$24,387,521.85	\$1,127,041.07	\$114,797,037.49

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Table 2: Taxes & Fees Collected by the Ohio Department of Taxation

This table shows both gross and net tax collections for state-collected and locally-collected taxes. For state collected taxes, "gross tax collections" are equal to total taxes collected, including taxes which were later refunded. "Net tax collections" are equal to gross collections, less all refunds. Note: because the data for state-collected taxes is from the state accounting system, the figures will differ slightly from data shown elsewhere in the report. Other tables in this report frequently represent taxes reported as shown on the tax returns filed during the fiscal year, rather than actual collections during the fiscal year or for specific funds (e.g, the state's General Revenue Fund).

	Gross Tax Collections		Net Tax Collections		% Change (2021-2022)
State-Collected Taxes	FY 2021	FY 2022	FY 2021	FY 2022	
State Sales and Use	\$12,551,123,287	\$13,413,369,847	\$12,419,159,143	\$13,276,971,077	6.9%
State Individual Income	12,860,064,887	13,604,843,206	10,663,261,426	11,247,776,418	5.5%
Local Sales and Use	2,954,120,868	3,380,134,575	2,954,120,868	3,380,134,575	14.4%
Motor Vehicle Fuel	2,464,456,153	2,619,367,366	2,437,643,264	2,596,862,880	6.5%
Commercial Activity Tax	2,133,691,050	2,464,525,022	1,972,553,083	2,366,927,582	20.0%
Cigarette & Other Tobacco Products	927,734,442	886,233,398	926,883,242	884,582,251	-4.6%
School District Income	625,203,160	683,936,056	594,245,709	652,086,705	9.7%
Kilowatt-Hour Excise	526,811,158	539,426,688	526,742,980	538,846,836	2.3%
Casino Gross Revenue Tax	302,535,209	333,154,488	302,535,209	333,154,488	10.1%
Financial Institutions Tax	275,588,850	288,714,433	226,374,803	202,769,541	-10.4%
Municipal Net Profit Tax	137,188,779	187,203,927	130,803,291	181,088,361	38.4%
Public Utility Excise	135,635,362	156,850,169	124,663,824	156,310,804	25.4%
Natural Gas Consumption	70,055,127	69,019,285	70,055,127	69,019,255	-1.5%
Alcoholic Beverage Excise ²	63,703,748	59,748,896	63,703,748	59,748,896	-6.2%
Severance	62,984,511	61,001,458	62,984,511	61,001,458	-3.1%
Petroleum Activity Tax	47,729,076	84,743,451	42,775,095	84,168,778	96.8%
Motor Fuel Use ⁴	34,675,504	0	33,155,141	0	Not Yet Avail
Wireless 9-1-1 Charge	27,582,081	28,307,833	27,571,597	28,297,646	2.6%
Municipal Income Tax for Electric Light Companies	19,206,410	4,694,136	19,206,410	4,694,136	-75.6%
Local Cigarette Excise ³	14,676,034	13,425,892	14,676,034	13,425,892	-8.5%
Replacement Tire Fee	8,075,584	8,166,698	8,052,276	8,129,202	1.0%
Corporation Franchise ¹	6,004,226	745,357	5,954,855	721,374	-87.9%
Local Alcoholic Beverage ³	5,216,093	5,210,212	5,216,093	5,210,212	-0.1%
Horse Racing	4,175,567	3,874,869	4,175,567	3,874,869	-7.2%
Resort Area Excise	1,110,096	2,024,302	1,110,096	2,024,302	82.4%
Estate Tax ^{1,5}	62,431	58,227	62,431	58,227	-6.7%
Total State-Collected Taxes	\$36,259,409,693	\$38,898,779,792	\$33,637,685,822	\$36,157,885,768	7.5%
Tax Collections					
					% Change (2021-2022)
Locally-Collected Taxes	CY 2021	CY 2022			
Public Utility Property	\$2,092,507,023	\$2,166,455,153			3.5%
Estate ^{1,5}	263,195	307,074			16.7%
Total Locally-Collected Taxes	\$2,092,770,218	\$2,166,762,227			3.5%

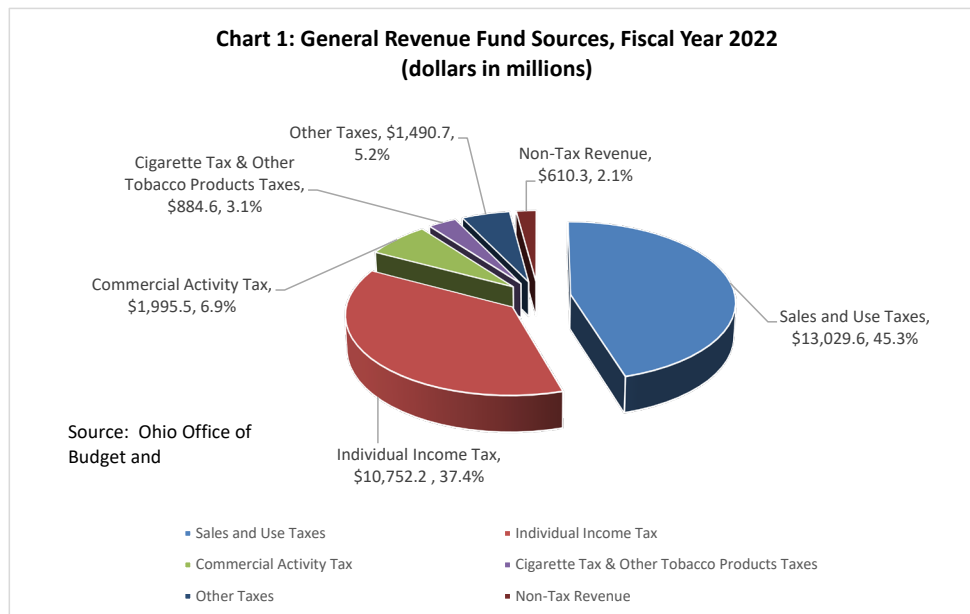
¹These taxes are no longer in effect. Only residual revenues and refunds are applicable going forward. ²Excludes tax on liquor since it is administered by the Ohio Department of Commerce, Division of Liquor Control. ³Collected for Cuyahoga County. ⁴Gross collections include refunds and payments made to other states and Canadian provinces participating in the International Fuel Tax Agreement (IFTA). Data for FY 2022 are not yet available. ⁵Data are from County Auditor estate tax settlements for the February 2021 and 2022 periods (**FY 2021 is updated for late filing Stark Co. and FY 2022 is missing eight counties**). Source: FY 2021 & 2022 data on state-collected taxes was extracted from the state accounting system and are as of July 18, 2022. Data on locally-collected taxes are based on the Department of Taxation's own data sources.

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Table 3: General Revenue Fund Sources, Fiscal Year 2022 (dollars in millions, excluding federal aid)

Major Taxes:	Collections	Percent of Total
Sales and Use Taxes	\$13,029.6	45.3%
Individual Income Tax	\$10,752.2	37.4%
Commercial Activity Tax	\$1,995.5	6.9%
Cigarette Tax & Other Tobacco Products Taxes	\$884.6	3.1%
Total	\$26,661.9	92.7%
Other Taxes:		
Kilowatt-Hour Excise Tax	\$291.4	
Domestic Insurance Tax	\$312.6	
Foreign Insurance Tax	\$328.4	
Financial Institutions Tax	\$202.8	
Public Utility Excise Tax	\$156.3	
Alcoholic Beverage Taxes (including liquor gallonage)	\$119.7	
Natural Gas Distribution Tax	\$69.0	
Petroleum Activity Tax	\$9.3	
Corporation Franchise Tax	\$0.7	
Estate Tax	\$0.1	
Other Business and Property	\$0.4	
Total	\$1,490.7	5.2%
Total Tax Revenue	\$28,152.6	97.9%
Non-Tax Revenue:		
Earnings on Investment	\$52.8	
Miscellaneous ¹	\$557.5	
Total Non-Tax Revenue	\$610.3	2.1%
	\$28,762.9	100.0%

Source: Ohio Office of Budget and Management.

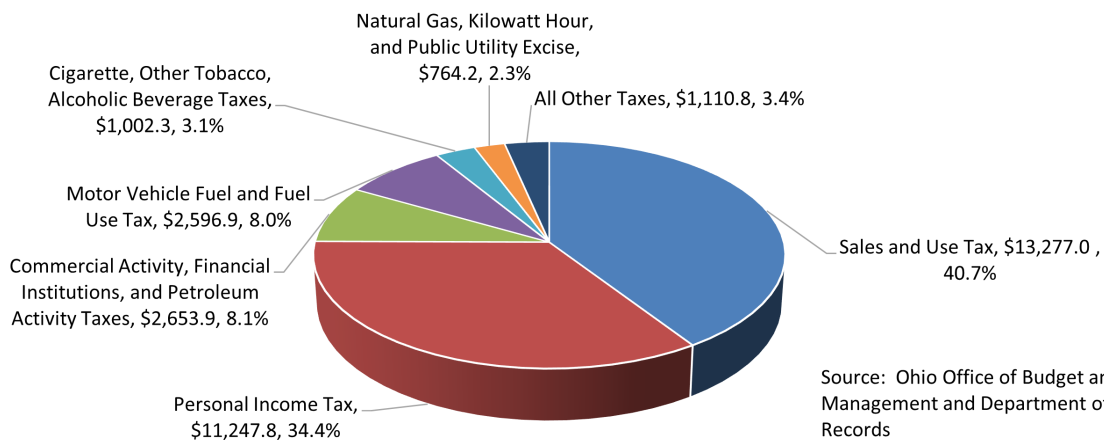
¹Includes certain transfers into the general revenue fund, licenses and fees, and other income.

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Table 4: All State Tax Sources, Fiscal Year 2022 (dollars in millions, excluding federal aid)

Major Taxes:	Collections	Percent of Total
Sales and Use Tax	\$13,277.0	40.6%
Personal Income Tax	\$11,247.8	34.8%
Motor Vehicle Fuel and Fuel Use Tax ¹	\$2,596.9	8.0%
Commercial Activity, Financial Institutions, and Petroleum Activity Taxes	\$2,653.9	7.3%
Cigarette, OTP and Alcoholic Beverages Taxes ²	\$1,048.2	3.4%
Natural Gas, Kilowatt Hour, and Public Utility Excise	\$721.5	2.4%
All Other Taxes	\$1,078.4	3.5%
	\$30,609.4	100.0%
Other Taxes:		
Foreign Insurance Tax	\$351.8	
Casino Gross Revenue Tax	\$302.5	
Domestic Insurance Tax	\$314.9	
Severance	\$63.0	
Corporation Franchise Tax	\$6.0	
Wireless 9-1-1	\$27.6	
Estate Tax	\$0.1	
Other Business and Property	\$0.4	
Horse Racing	\$4.2	
Replacement Tire	\$8.1	
Other Taxes Total	\$1,078.4	
Source: Ohio Office of Budget and Management and Department of Taxation Records		
¹ Revenue figure does not include IFTA as of July 20, 2021.		
² Includes tax collections on liquor; which is administered by the Ohio Department of Commerce		

Chart 2: All State Tax Sources, Fiscal Year 2022 (dollars in millions)



Source: Ohio Office of Budget and Management and Department of Taxation Records

- Sales and Use Tax
- Personal Income Tax
- Commercial Activity, Financial Institutions, and Petroleum Activity Taxes
- Motor Vehicle Fuel and Fuel Use Tax
- Cigarette, Other Tobacco, Alcoholic Beverage Taxes
- Natural Gas, Kilowatt Hour, and Public Utility Excise
- All Other Taxes

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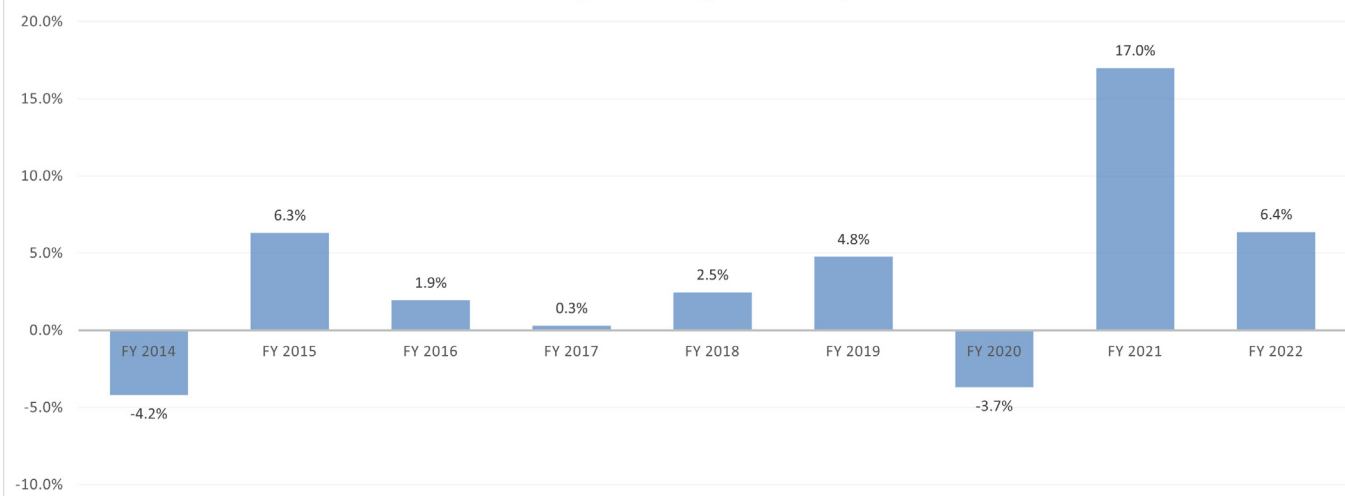
Table 5: General Revenue Fund Tax Revenue, FY 2014-2022 (dollars in millions)

Fiscal Year	Revenue	% Change
2014	\$20,134.4	-4.2%
2015	\$21,405.8	6.3%
2016	\$21,821.6	1.9%
2017	\$21,885.8	0.3%
2018	\$22,423.2	2.5%
2019	\$23,489.5	4.8%
2020	\$22,623.1	-3.7%
2021	\$26,467.0	17.0%
2022	\$28,152.6	6.4%

Source: Ohio Office of Budget and Management and Department of Taxation

Chart 3: Percent Change in General Revenue Fund (GRF) Tax Revenue, FY 2014-FY 2022

Source: Ohio Office of Budget and Management and Department of Taxation

**Table 6: 2019 State & Local Tax Burdens: Ohio and Nine Comparison States**

State	Taxes per Capita		Taxes as % of Personal Income	
	Total	Rank	Percentage	Rank
Georgia	\$4,125	43	8.6%	43
Indiana	\$4,367	37	9.0%	35
Kentucky	\$4,203	42	9.6%	26
Michigan	\$4,463	35	9.1%	33
North Carolina	\$4,259	40	8.9%	39
Ohio	\$4,781	31	9.5%	28
Pennsylvania	\$5,745	17	9.9%	22
Tennessee	\$3,423	51	7.0%	51
Texas	\$4,709	32	8.9%	38
West Virginia	\$4,505	33	10.6%	15

Source: U.S. Bureau of the Census and Bureau of Economic Analysis

Rankings include District of Columbia

Responsibilities

The mission of the Ohio Department of Taxation (ODT) is to provide quality service to Ohio taxpayers by helping them comply with their tax responsibilities and by fairly applying the tax law.

Tax Commissioner. Section 5703.05 of the Ohio Revised Code vests all powers, duties and functions of the Department of Taxation in the Tax Commissioner. The Tax Commissioner is appointed by the Governor, is subject to confirmation by the Ohio Senate, and serves at the pleasure of the Governor.

In general, the Tax Commissioner is responsible for the administration of most state-collected taxes and several locally collected taxes as well as supervision of the real property tax. Broadly speaking, the principal powers and duties of the Tax Commissioner include: making all tax assessments, valuations, findings, determinations, computations and orders; reviewing, re-determining or correcting previous assessments, valuations or findings; promulgating rules and preparing and distributing tax return forms and other reporting tools; auditing returns, levying assessments and penalties, and granting or denying tax refunds; and issuing, revoking or suspending certain licenses and permits.

In addition, the Tax Commissioner has specific duties. These include: the collection of the vast majority of Ohio's taxes; the operation of a central collection and reporting system for municipal income taxes on electric light and local exchange telephone companies; the maintenance of a continuous study of the practical operation of the taxation and revenue laws of the state, the probable revenue effect of legislation introduced to change existing laws, and proposed measures providing for other forms of taxation; revenue distribution to local governments, including shares of motor fuel tax revenue, property tax relief reimbursements, and distributions from the Local Government Fund, the Public Library Fund, and certain other funds.

To perform these duties effectively, the Tax Commissioner is authorized by law to create divisions and sections of employees and organize the work of the department in a manner that, in the Tax Commissioner's judgment, will result in an efficient and economical administration of Ohio's tax laws.

Customer Service. Ohio taxpayers and tax practitioners are among ODT's customers. If they need help complying with tax obligations, they frequently turn to ODT's customer services provided by the various operating divisions. These divisions are the first stop for taxpayers and tax practitioners with questions. The operating divisions serve as a multi-channel contact center that responds to inquiries by letter, phone, email, and fax. These divisions strive for "first call resolution" to inquiries, which include general and technical taxability issues, tax return questions, filing requirements, business registrations, inquiries regarding refunds, billings, and assessments. Some of these divisions also provide help desk support for the Ohio Business Gateway. During fiscal year 2022, these divisions responded to 508,853 phone calls, 69,987 emails, and 34,037 Gateway cases.

The **Problem Resolution Officer** (PRO) is a statutorily required resource for Ohio's taxpayers. The PRO specifically is to "receive and review inquiries and complaints concerning matters that have been pending before the department for an unreasonable length of time or matters to which a taxpayer has been unable to obtain a satisfactory response after several attempts to communicate with the employee of the department assigned to the taxpayer's case or the employee's immediate supervisor." Most Ohio tax situations are reviewable by the PRO except for final determination appeals and collections cases certified to the Ohio Attorney General.

Organizational divisions. Tax divisions administer specific taxes including developing regulatory rules and procedures, prescribing returns and schedules, examining returns that suspend from processing, and articulating laws and policies to help resolve taxpayers' questions and issues. These divisions are:

- Business Tax (Commercial Activity Tax, Municipal Income Tax for Electric Light and Telephone Companies, Municipal Net Profit Tax and Pass-through Entity Tax),
- Excise & Energy Tax (Alcoholic Beverage Tax, Cigarette and Other Tobacco Products Taxes, Horse Racing Tax, Kilowatt-Hour Tax, Motor Fuel Tax, Natural Gas Distribution Tax, Severance Taxes, Public Utility Property and Excise Taxes),
- Individual and School District Income Taxes,
- Tax Equalization.

The forms unit coordinates the creation and maintenance of paper and electronic forms and instructions for ODT, including barcoded forms that can be scanned by computers. The unit distributes forms and instructions and acts as a liaison with third party software vendors and payroll processing companies that create third party versions of Ohio's tax forms and payment coupons.

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The **Revenue Accounting Division** ensures that tax dollars are properly deposited and distributed in accordance with the law. In fiscal year 2022, Revenue Accounting distributed approximately \$7.0 billion of various revenues. For more information on distributions, please see: Revenue Accounting Distributions | Department of Taxation (tax.ohio.gov)

In addition, Revenue Accounting records most of the revenue receipts and refund deposits for the individual income and employer withholding taxes, the sales and use taxes, the financial institutions tax, the school district income tax, the motor fuel and use taxes, the International Fuel Tax Agreement, the commercial activity tax, the municipal income tax on net profits and the municipal income tax for electric light companies and telephone companies. The division is also responsible for exception processing for most of the refunds released by the department. The division handles the accounting and reversals for all tax payment errors.

This includes paper checks, electronic funds transfers (EFTs), payments made through the Ohio Business Gateway (OBG), and Treasurer of State debits and credits. Revenue Accounting also has a Central Payment Unit that is responsible for researching payments that need processing for all taxes. Revenue Accounting reconciles EFT payments, OBG payments, and credit card payments. Revenue Accounting has the additional responsibility of assisting the Office of Budget and Management with the state Comprehensive Annual Financial Report (CAFR).

The **Revenue Processing Division** is the central processing unit for most paper tax returns filed with the Ohio Department of Taxation. The division’s primary function is to timely process all paper tax returns, checks, and to scan all incoming correspondence. This is accomplished through receiving, extracting, scanning, and capturing tax returns, correspondence documents, and remittances; storing and retrieving tax documents and depositing taxpayer payments to the bank so that funds are available for distributing to state and local governments. Each fiscal year, the division extensively tests data capture software and software vendor paper returns for both 1D and 2D barcoding. The division processed over 845,000 paper returns, 1.4 million check payments, and scanned over 14 million pages of combined tax returns, checks and correspondence in fiscal year 2022. See Table 1 for volume of paper forms processed by tax type.

Table 1: Volume of Paper Forms by Tax Type, fiscal year 2022

Tax Type	Volume
Employer Withholding (for both individual income and school district income taxes)	14,128
School District Income	89,423
Individual Income	562,345
Pass-through Entity Withholding	27,888
Sales Tax	20,913
Tax Equalization property tax forms	130,525

Compliance - Business Services. The primary role of the Compliance Business Tax Division is issuing bills and assessments as part of the Department’s major compliance programs. These programs are applied to the following taxes: employer withholding, school district employer withholding, sales and use, commercial activity, petroleum activity, financial institution, and resort area gross receipt taxes. The compliance effort for all other tax types is handled by the operating division that administers the tax.

Examples of major compliance programs run by this division include sending billing notices when taxpayers fail to file a tax return, fail to pay the balance due shown on a filed tax return or make an error in filing their tax return (e.g., fail to report all taxable income, compute tax liability incorrectly, etc.).

When taxpayers do not respond to a billing notice asking them to resolve a tax matter, the Compliance Business Tax Division issues an assessment. Assessments are the Tax Commissioner’s final notice to a taxpayer of a tax deficiency or delinquency. An assessment informs a taxpayer of his or her legal rights to resolve or appeal the assessment. Failure to resolve or timely file an appeal results in the division certifying the debt for collection to the Ohio Attorney General’s office. The Compliance Business Tax Division serves as the department’s liaison to the Ohio Attorney General’s Office regarding the collection of tax deficiencies and delinquencies.

The Compliance Business Tax Division is also responsible for responding to taxpayer billing, assessment and certification correspondence and reviewing appeals of assessments that did not begin with an audit. This enables taxpayers to resolve certain issues in an informal manner that supports the Department’s focus on timely, and quality customer service.

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The **Criminal Investigations Division** (CID) consists of 23 sworn police officers and three civilian employees who enforce the criminal provisions of Ohio's tax laws. CID was created in 1971 primarily to combat organized crime and the smuggling of untaxed cigarettes. Today, CID enforces most taxes administered by the Department, including tobacco, motor fuel, income, employer withholding and sales and use taxes.

Support services. The **Budget and Fiscal Division** performs the internal financial tasks that are necessary for ODT to run its daily operations. Those tasks include preparing and monitoring the operating budget, coordinating centralized purchasing, paying invoices, reimbursing travel expenses, managing department assets, generating financial reports, and managing department contracts.

The **Tax Analysis Division** serves as the research and statistics division of ODT providing data, quantitative analysis, revenue estimates and forecasting to the Tax Commissioner and other customers. The division prepares a tax expenditure report biennially that by state law is submitted to the Governor who submits it to the General Assembly as an appendix to the biennial operating budget. The division performs other functions including assisting with the forecasting and tracking of state tax revenues, estimating and certifying school district income tax rates, and publishing the Tax Data Series for public use.

The **Communications Office** is the Department's first point of contact for the news media, and it provides communications services to assist the Tax Commissioner with the discharge of his statutory duties. These services include issuing news releases, coordinating interviews and media events, managing content on the Department's website and intranet, social media accounts, and publications, and monitoring media for relevant news and criticism.

The **Office of Agency Performance** is responsible for functions related to ODT's human resources, organizational development, internal audit, and facilities management. Human Resources creates, implements, and assesses a range of human resource actions. Organizational Development coordinates and provides practical and applied professional skills and career development opportunities. Internal Audit independently examines and evaluates the ongoing control processes and acts as a liaison with external auditing authorities. Facilities Management maintains ODT's office building and grounds, and provides building security.

The **Information Services Division** (ISD) provides technical services and expertise in the following areas:

- *Application Development* – Development, support, maintenance and administration of computer systems and applications relating to Ohio taxes, including individual income, school district income, and business taxes.
- *Customer Service* – Internal ODT Tier 1 help desk and desktop support, endpoint management, and identity and access management for ODT hardware, software, and applications.
- *Infrastructure & Operations* – Administration and support of products, databases and software running on hardware administered by the Ohio Office of Information Technology.
- *Cybersecurity* – In coordination with the Ohio Office of Information Security & Privacy, helps to identify threats, detect intrusions, and protect data residing in ODT tax systems and applications.
- *Project Management* – Management of projects and tasks associated with the development, enhancement, and upgrade of applications, systems, hardware, and software in support of tax administration.

The **Legislation Division** coordinates ODT's legislative affairs by providing legislative ethics compliance, monitoring state and federal tax legislation, analyzing proposed tax bills and amendments, assisting legislators with constituent inquiries, attending committee hearings and lobbying on behalf of the Tax Commissioner.

Office of the Chief Counsel. The Office of the Chief Counsel is responsible for the supervision of all legal affairs of ODT. The office is divided into three divisions: Tax Appeals and Appeals Management, Bankruptcy and Legal Counsels.

The **Tax Appeals Division** conducts most of the administrative appeal hearings within the Department, issues the Tax Commissioner's final determination in these tax matters, and serves as a liaison with the Attorney General's Office for all litigation that involves the Department of Taxation except personnel actions.

The Division began a legal intern program this year which resulted in the addition of eight interns spread across four separate areas. The interns are assisting ODT attorneys with various legal tasks, including drafting final determinations, researching taxpayer questions and requests for advice, and creating transcripts for the Ohio Board of Tax Appeals.

The Tax Appeals Division issued 777 final determinations during the year and reduced the number of pending cases to below 1,700, which is the lowest tally in several years. The reduction in pending cases is due to a new system put in place to review cases coming to the Division for quick resolution when a final determination is not necessary. The Division's average time for processing pending cases continues to be less than 18 months.

The **Appeals Management Division** serves as a liaison with the Ohio Attorney General’s Office for all litigation that involves the Department of Taxation except personnel actions. The Division manages substantive tax cases at the Ohio Board of Tax Appeals, the Ohio Supreme Court, and various courts throughout the federal and state court systems. As of June 30, 2022, there were 425 cases on appeal at the Board of Tax Appeals, the state appeals court system, and the Ohio Supreme Court. These numbers are lower than fiscal year 2021, when the division had 460 cases on appeal at the various tribunals.

The **Bankruptcy Division** is tasked with protecting the state’s interests in all matters concerning federal bankruptcy cases, researching, filing claims, and coordinating litigation actions with the Ohio Attorney General’s Office. In fiscal year 2022, the division received 3,934 notices of bankruptcy and processed a total of 1,232 proofs of claims. The Ohio Attorney General’s Office collected \$7,556,684 from bankruptcy claims (excluding uncertified amounts collected through the division directly). The total amount of tax debt included in the department’s claims and subject to the jurisdiction of the federal courts for fiscal year 2022 is \$35,739,406. The division also facilitates ‘Offer in Compromise’ matters and certified claim settlements with the Ohio Attorney General’s Office.

Legal Counsels are embedded in other department divisions to provide legal advice on tax law and the administration of taxes as well as drafting legislation, regulatory rules, tax opinions, and information releases.

The **Audit Division** conducts audits of most major state business taxes. During fiscal year 2022, the Audit Division completed the following numbers and types of audits:

Table 2: Completed Audits by Audit Division

Tax Type	Audits Completed
Commercial Activity	769
Employer Withholding	228
Financial Institutions	37
International Fuel Tax Agreement	283
International Registration Plan	320
Master Settlement Agreement	33
Pass-through Entity	96
Individual Income	415
Petroleum Activity	5
Sales and Use	796
School District Withholding	2
Total	2,984

Table 3: Ohio Individual Income & School District Income Tax Return Filing

State Returns	2017	2018	2019	2020	2021
Total Paper	685,994	616,691	546,436	454,346	373,228
Total Electronic	5,033,431	5,157,441	5,345,536	5,446,986	5,482,749
Total State Returns	5,719,425	5,774,132	5,891,972	5,901,332	5,855,977
% Filed on Paper	12.0%	10.7%	9.3%	7.7%	6.4%
% Filed Electronically	88.0%	89.3%	90.7%	92.3%	93.6%
School District Returns					
Total Paper	114,624	97,773	85,035	75,430	63,813
Total Electronic	770,876	789,507	829,057	862,306	894,304
Total State Returns	885,500	887,280	914,092	937,736	958,117
% Filed on Paper	12.9%	11.0%	9.3%	8.0%	6.7%
% Filed Electronically	87.1%	89.0%	90.7%	92.0%	93.3%

Source: Ohio Department of Taxation

Responsibilities

Fiscal Year 2022

Table 4 - Tax Assessments Levied and Unpaid Assessments Certified for Collection: Fiscal Year 21 / 22

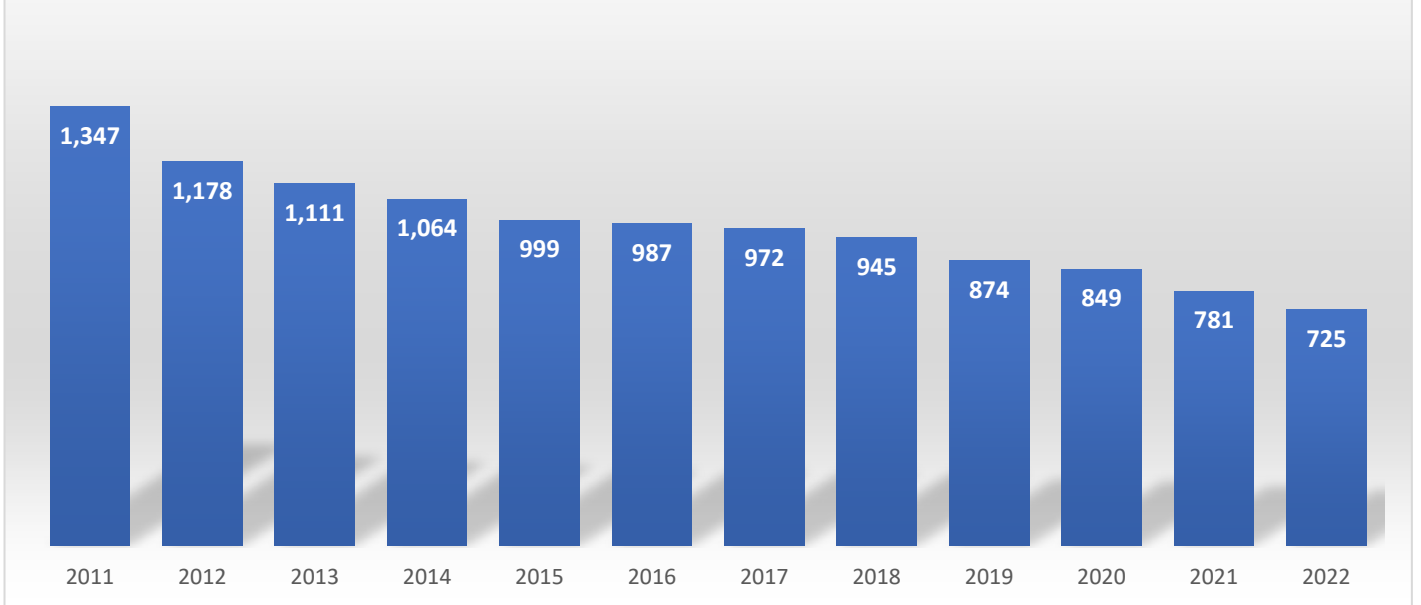
Tax Type	All Assessments Levied				All Unpaid Assessments Certified for Collection			
	FY 2021		FY 2022		FY 2021		FY 2022	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
Alcoholic Beverage	\$ 37,951,225	1,011	\$ 37,433,483	813	\$ 17,302,581	352	\$ 16,781,535	407
Cigarette	\$ 1,139,267	33	\$ 19,776	15	\$ 42,807	15	\$ 948,234	4
Commercial Activity	\$ 5,022,625,704	60,859	\$ 2,040,543,569	67,524	\$ 2,845,238,172	40,197	\$ 4,592,246,812	36,983
Employer and School District Withholding	\$ 68,894,637	24,823	\$ 72,955,761	19,001	\$ 46,665,548	13,136	\$ 57,335,779	18,847
Financial Institutions	\$ 32,610,899	95	\$ 27,005,275	91	\$ 12,918,713	41	\$ 10,827,968	26
IFTA	\$ 653,513	819	\$ 1,090,278	747	\$ 397,378	388	\$ 543,880	377
Individual Income	\$ 167,411,347	76,305	\$ 153,412,622	84,654	\$ 121,712,085	65,815	\$ 132,458,988	79,538
Kilowatt Hour	\$ 2,165,970	86	\$ 2,609,420	106	\$ 204,671	17	\$ 738,158	67
Master Settlement Agreement	\$ 286,750	270	\$ 187,500	250	\$ 187,918	165	\$ 94,978	127
Motor Fuel	\$ 38,649,797	195	\$ 56,149,802	182	\$ 2,987,883	66	\$ 11,045,209	54
Municipal Net Profit	\$ 32,713,874	1,645	\$ 29,347,297	830	\$ 186,553	3	\$ 33,600,801	1,424
Other Tobacco Products	\$ 46,495,160	605	\$ 37,581,712	591	\$ 17,650,591	239	\$ 27,928,642	246
Pass-through Entity/Fiduciary Income	\$ 47,144,781	1,373	\$ 45,686,397	1,174	\$ 6,225,898	139	\$ 55,047,001	978
Petroleum Activity	\$ 2,605,989	84	\$ 1,766,410	59	\$ 551,428	39	\$ 402,368	30
Public Utility Excise	\$ 1,377,367	11	\$ 885,616	7	\$ 786,833	5	\$ 203,039	2
Replacement Tire Fee	\$ 1,477,352	72	\$ 1,425,301	69	\$ 932,988	41	\$ 1,234,001	45
Resort Area	\$ 634,440	104	\$ 555,056	93	\$ 276,920	48	\$ 344,547	60
Sales and Use	\$ 2,381,971,203	283,999	\$ 2,176,362,347	315,119	\$ 1,253,326,243	163,090	\$ 1,778,667,856	218,095
School District Income	\$ 48,101,616	113,029	\$ 50,469,053	122,325	\$ 25,529,646	61,058	\$ 48,809,582	122,325
Severance	\$ 68,942,411	701	\$ 53,950,985	540	\$ 49,556,691	464	\$ 74,407,369	389
Wireless 9-1-1 Charge	\$ 42,307	6	\$ 4,959,556	929	\$ 371,312	80	\$ 3,322,538	673
TOTAL	\$ 8,003,895,608	566,125	\$ 4,794,397,215	615,119	\$ 4,403,052,859	345,398	\$ 6,846,989,286	480,697

Table 5 - Collections from Audit and Compliance Programs: Fiscal Year 2022

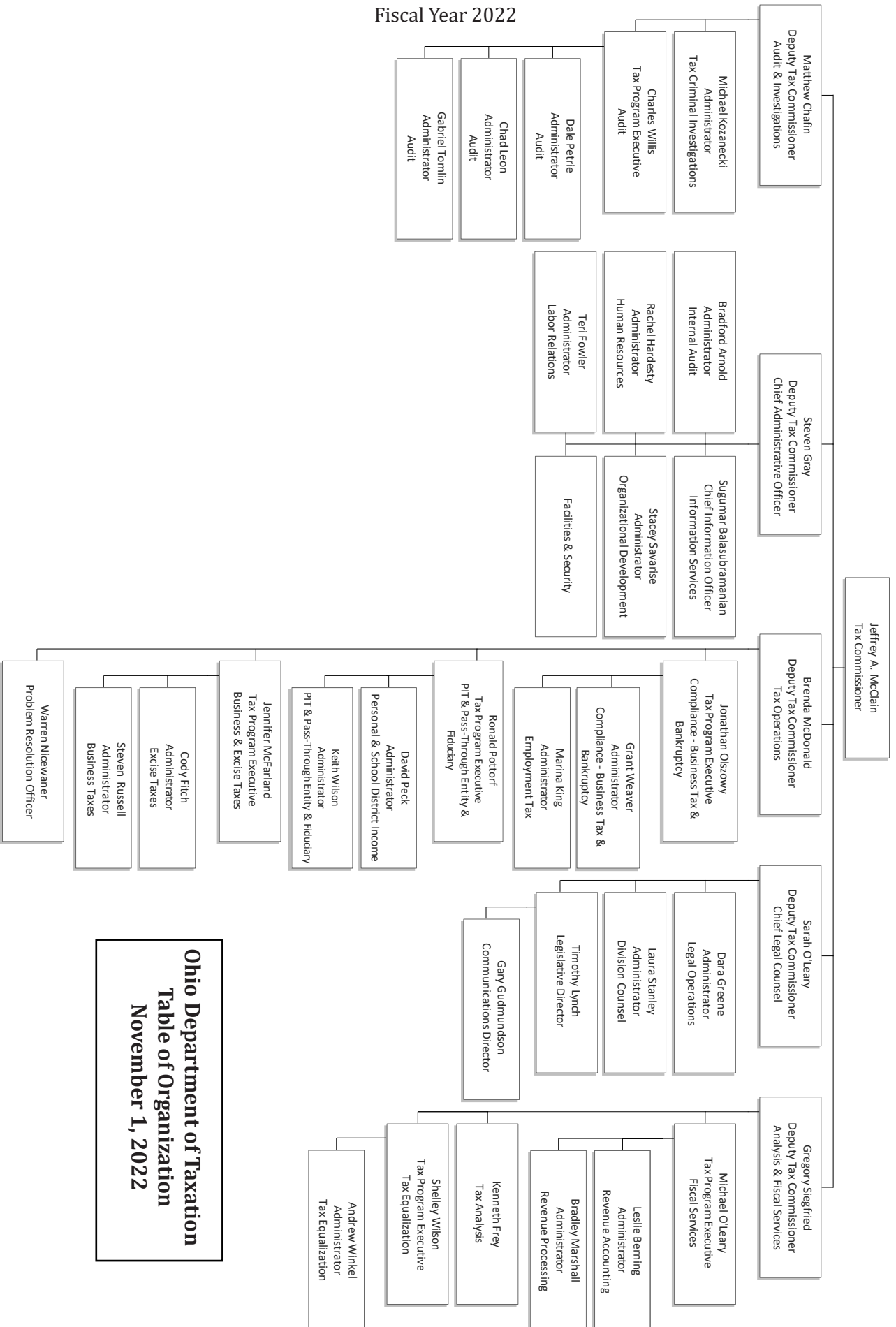
Tax Type	Billing Collections	Assessment Collections	Audit Collections	Voluntary Disclosure Agreement Collections	Total FY 2022	% of Total
Sales and Use	\$ 93,002,350	\$ 150,924,078	\$ 24,294,486	\$ 49,177,995	\$ 317,398,909	38.59%
Commercial Activity	\$ 80,580,284	\$ 68,753,067	\$ 19,345,794	\$ 17,923,927	\$ 186,603,072	22.69%
Individual Income	\$ 52,711,074	\$ 114,482,269	\$ 1,334,991	\$ -	\$ 168,528,334	20.49%
School District Income	\$ 11,340,218	\$ 57,465,352	\$ -	\$ -	\$ 68,805,570	8.37%
Employer and School District Withholding	\$ 6,282,641	\$ 22,895,347	\$ 812,152	\$ 9,861	\$ 30,000,001	3.65%
Pass-through Entity	\$ 10,237,880	\$ 5,759,428	\$ 3,625,552	\$ 4,949,891	\$ 24,572,751	2.99%
Financial Institutions	\$ 1,216,562	\$ 722,432	\$ 4,513,755	\$ 750,260	\$ 7,203,009	0.88%
Municipal Net Profit	\$ 1,488,055	\$ 5,542,488	\$ -	\$ -	\$ 7,030,543	0.85%
Motor Fuel	\$ 1,263,538	\$ 3,295,329	\$ -	\$ -	\$ 4,558,867	0.55%
Other Tobacco Products	\$ 1,263,304	\$ 468,789	\$ -	\$ -	\$ 1,732,093	0.21%
Kilowatt Hour	\$ 467,744	\$ 943,820	\$ -	\$ -	\$ 1,411,564	0.17%
Public Utility Excise	\$ 1,044,430	\$ 318,603	\$ -	\$ -	\$ 1,363,032	0.17%
IFTA	\$ 283,422	\$ 417,062	\$ 76,950	\$ -	\$ 777,433	0.09%
Severance	\$ 229,400	\$ 403,813	\$ -	\$ -	\$ 633,214	0.08%
Alcoholic Beverage	\$ 282,504	\$ 184,050	\$ -	\$ -	\$ 466,554	0.06%
Resort Area	\$ 34,817	\$ 401,891	\$ -	\$ -	\$ 436,708	0.05%
Petroleum Activity	\$ 256,246	\$ 147,805	\$ -	\$ -	\$ 404,051	0.05%
Natural Gas Distribution(MCF)	\$ 293,260	\$ -	\$ -	\$ -	\$ 293,260	0.04%
Wireless 9-1-1 Charge	\$ 12,653	\$ 79,937	\$ -	\$ -	\$ 92,590	0.01%
Replacement Tire Fee	\$ 45,733	\$ 33,871	\$ -	\$ -	\$ 79,604	0.01%
Cigarette	\$ 11,009	\$ 25,230	\$ -	\$ -	\$ 36,239	0.00%
Master Settlement Agreement	\$ -	\$ 34,888	\$ -	\$ -	\$ 34,888	0.00%
TOTAL	\$ 262,347,124	\$ 433,299,551	\$ 54,003,680	\$ 72,811,934	\$ 822,462,289	100.00%

Table 6. Ohio Tax Commissioners (1939 to present)			
Tax Commissioner	Began Service	Ended Service	Appointing Governor
William S. Evatt	June 3, 1939	December 31, 1944	John W. Bricker
C. Emory Glander	January 1, 1945	January 31, 1951	Frank J. Lausche
John W. Peck	February 1, 1951	January 31, 1954	Frank J. Lausche
Stanley J. Bowers	February 1, 1954	April 14, 1963	Frank J. Lausche
Louis J. Schnieder	April 15, 1963	December 29, 1964	James A. Rhodes
Gerald A. Donahue	January 4, 1965	March 12, 1966	James A. Rhodes
Gail W. Porterfield	March 13, 1966	January 10, 1971	James A. Rhodes
Robert J. Kosydar	January 11, 1971	January 12, 1975	John Gilligan
Gerald S. Collins	January 13, 1975	September 10, 1975	James A. Rhodes
Edgar L. Lindley	September 11, 1975	January 9, 1983	James A. Rhodes
Joanne Limbach	January 10, 1983	January 13, 1991	Richard F. Celeste
Roger W. Tracy	January 14, 1991	January 11, 1999	George V. Voinovich
James J. Lawrence	January 11, 1999	June 30, 1999	Bob Taft
Thomas M. Zaino	July 1, 1999	October 31, 2003	Bob Taft
J. Patrick McAndrew	November 1, 2003	January 11, 2004	Bob Taft
William W. Wilkins	January 12, 2004	January 7, 2007	Bob Taft
Richard A. Levin	January 8, 2007	January 9, 2011	Ted Strickland
Joseph W. Testa	January 10, 2011	January 13, 2019	John R. Kasich
Jeffery A. McClain	January 14, 2019		Mike DeWine

Chart 2
Ohio Department of Taxation
Number of Employees FY 2011-2022



Fiscal Year 2022



Ohio Department of Taxation
Table of Organization
November 1, 2022

Alcoholic Beverage Taxes

Overview. Responsibility for administering Ohio's taxes on alcoholic beverages is split between the Ohio Department of Taxation (ODT) and the Ohio Department of Commerce's Division of Liquor Control. This chapter covers only the role of ODT in administering Ohio's excise taxes on beer, wine, cider, and mixed beverages of up to 21 percent alcohol by volume (ABV).

During fiscal year 2022, collections of alcoholic beverages taxes administered by ODT totaled approximately \$59.7 million, including a \$3.1 million draw on the alcoholic beverage holding fund. Of this amount, approximately \$61.7 million was deposited into the General Revenue Fund (GRF) and approximately \$1.2 million in the Ohio Grape Industries Fund.

ODT also administers and collects county permissive taxes on beer, wine, cider, and mixed beverages. Cuyahoga County is the only county in Ohio permitted by state law to levy such taxes. Please see the Local Taxes section for details.

The Division of Liquor Control, administers a separate tax on spirituous liquor containing more than 21 percent ABV. During fiscal year 2022, collections of spirituous liquor tax were approximately \$57.9 million.

Taxpayer (R.C. 4301.42-43, 4303.33, 4305.01). The alcoholic beverage taxes are levied on manufacturers, bottlers and canners, wholesale dealers, distributors, and retail dealers.

Tax Base (R.C. 4301.01). The tax base is comprised of beer, wine, cider, and mixed beverages up to 21 percent of ABV. These beverages are defined in law as follows:

- Beer includes all beverages brewed or fermented wholly or in part from malt products containing at least 0.5 percent ABV.
- Mixed beverages include bottled and prepared cordials, cocktails, highballs, and solids and confections that are obtained by mixing any type of whiskey, neutral spirits, brandy, gin, or other distilled spirits with, or over, carbonated or plain water, pure juices from flowers and plants, and other flavoring materials. They contain at least 0.5 percent and not more than 21 percent ABV.
- Wine, including sparkling wine and vermouth, includes all liquids fit to use for beverage purposes made from the fermented juices of grapes, fruits, or other agricultural products, except it does not include cider. It contains at least 0.5 percent and not more than 21 percent ABV (by law, wine with less than 4 percent ABV is not subject to the tax); and
- Cider means all liquids fit to use for beverage purposes that are made through the normal alcoholic fermentation of the juice of apples including flavored, sparkling, or carbonated cider and cider made from pure condensed apple must. It contains at least 0.5 percent ABV and not more than 6 percent alcohol by weight.

Tax Rates. Excise tax rates on each alcoholic beverage vary by type and alcohol content. The state rates are as follows:

Type of Product	Code Section	Measure	Rate
Beer in bottles or cans (12 ounces or less)	4301.42	per ounce	\$0.14
Beer in bottles or cans (more than 12 ounces)	4301.42	6 oz. or fraction thereof	\$0.84
Wine (containing 4-14% ABV)	4301.43-432	gallon	\$0.32
Wine (containing 14-21% ABV)	4301.43-432	gallon	\$1.00
Vermouth	4301.43-432	gallon	\$1.10
Sparkling wine	4301.43-432	gallon	\$1.50
Cider	4301.43	gallon	\$0.24
Mixed Beverages	4301.43	gallon	\$1.20
Beer in barrels	4305.01	31 gallons	\$5.58

Exempt Products and Sales (R.C. 4301.23, 4301.43, 4307.05, 4307.07). Alcoholic beverage taxes do not apply to sacramental wine used in religious rites, sales to the federal government, or sales for resale outside of Ohio.

Tax Filing and Payment Dates (R.C. 4303.33). The beer and malt beverage monthly advance tax payment is due on or before the 18th day of each month for that month's estimated tax liability. The beer and malt beverages tax return is due monthly on or before the 10th day of the month following the reporting period. The wine and mixed beverages tax return is due on or before the 18th day of the month following the reporting period.

Fiscal Year 2022

Tax Discounts, Credits, and Exemptions (R.C. 4303.33-333). An advance tax payment credit is available to beer permit holders equal to 3 percent of the amount of tax received by the 18th day of the month for which the tax is paid. A discount also is allowed on the balance of the tax due (after the advance payment) when received by the 10th day of the following month. This additional discount is the smaller of the following: 3 percent of 10 percent of the advance payment or 3 percent of the net amount of the tax due after deducting the advance payment. A 3 percent discount is allowed to wine and mixed beverage permit holders on the amount of the monthly payment when the payment is received on or before the 18th day of the month following the reporting period.

Any A-1c permit holder (i.e., a manufacturer of beer with total production not to exceed 31 million gallons in a calendar year) or S-1 permit holder (i.e., a seller of beer or wine of less than 250,000 gallons per year to personal consumers via mail order) is allowed a credit against taxes levied in the following calendar year on beer sold or distributed in Ohio so long as total production of beer, wherever produced, does not exceed 9.3 million gallons. The credit may be claimed monthly as the reports required are due. At the time the report for December is due for a calendar year during which a permit holder claimed an exemption, if the permit holder has paid the tax levied under sections 4301.42 and 4305.01 of the Revised Code, the permit holder may claim a refund of such tax paid or shall remit any additional tax due because the permit holder did not qualify for the exemption on the December report.

Any A-2 or A-2f permit holder (i.e., a manufacturer of wine or an Ohio farm winery), or S permit holder (i.e., a seller of wine to personal consumers via mail order) whose total production of wine, wherever produced, which but for this exemption is taxable in Ohio, does not exceed 500,000 gallons in a calendar year is allowed an exemption from this excise tax. The exemption may be claimed monthly against current taxes levied under such section as the reports are due. At the time the report for December is due for a calendar year during which a permit holder claimed an exemption, if the permit holder has paid the tax levied, the permit holder may claim a refund of such tax paid during the calendar year.

Disposition of Revenue (R.C. 924.51-.55, 4301.423, 4301.43-432, 4301.46, 4305.01). The taxes collected are deposited in the GRF, except 5 cents per gallon of the excise tax on wine, including sparkling wine and vermouth, which is deposited in the Ohio Grape Industries Fund.

Comparisons with Competitor States (as of June 30, 2021).

Unless otherwise noted, the percentages refer to ABV. One barrel equals 31 gallons. Conversions to gallons and barrels have been made for purposes of comparisons including rounding to the nearest cent.

Georgia	Beer: \$10 per barrel Wine (14 percent or less): up to \$1.51 per gallon Wine (14-21 percent): up to \$2.54 per gallon Distilled spirits (less than 190 proof): up to \$3.79 per gallon Distilled spirits (190 proof and greater): up to \$5.30 per gallon (all shown inclusive of import tax)
Indiana	Beer, malt beverages, and cider: \$3.57 per barrel Wine (less than 21 percent): \$0.47 per gallon Mixed beverages (15 percent or less): \$0.47 per gallon Distilled spirits (21 percent and greater): \$2.68 per gallon
Kentucky	Beer, malt beverages, and weak cider: \$2.50 per barrel Wine and cider: \$0.50 per gallon Distilled spirits (less than 6 percent): \$0.25 per gallon Distilled spirits (6 percent and greater): \$1.92 per gallon
Michigan	Beer: \$6.30 per barrel Wine (16 percent or less): \$0.51 per gallon Wine (greater than 16 percent): \$0.76 per gallon Mixed drinks (10 percent or less): \$1.82 per gallon Distilled spirits (including wine 21 percent and greater): 12 percent of selling price
North Carolina	Beer: \$19.13 per barrel Wine (less than 17 percent): \$1.00 per gallon Wine (17-24 percent): \$1.11 per gallon Distilled spirits: 30 percent of selling price

Alcoholic Beverage Taxes

Fiscal Year 2022

Pennsylvania	Beer, malt beverages and cider: \$2.48 per barrel Distilled spirits: 18 percent of selling price
Tennessee	Beer (under 8 percent alcohol by weight): \$39.89 per barrel Wine and beer (over 7 percent alcohol by weight): \$1.21 per gallon ¹ Alcoholic beverages (7 percent alcohol by weight or less): \$1.10 per gallon ¹ Distilled spirits (over 7 percent alcohol by weight): \$4.40 per gallon ¹
Texas	Beer (4 percent alcohol by weight or less): \$6.00 per barrel Ale and malt liquor (over 4 percent alcohol by weight or less): \$6.14 per barrel Wine (14 percent or less): \$0.204 per gallon Wine (greater than 14 percent): \$0.408 per gallon Sparkling wine: \$0.516 per gallon Distilled spirits: \$2.40 per gallon Mixed beverages: 6.7 percent of gross receipts
West Virginia	Beer and similar products (less than 12 percent): \$5.50 per barrel Wine: \$1.00 per gallon Distilled spirits: 5 percent of the retail price

¹ Additional \$0.15 per case enforcement charge.

History of Collections

Table 1: Alcoholic Beverage Taxes collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Beer	Wine & Mixed Beverages	Liquor	Hold Fund	Total
2018	\$42.9	\$14.0	\$48.1	(\$2.5)	\$102.5
2019	41.9	15.6	50.3	0.2	108.0
2020	40.0	14.8	53.4	0.8	108.9
2021	43.1	18.0	57.6	2.6	121.3
2022	40.8	22.1	57.9	(3.1)	117.7

Source: Office of Budget and Management financial reports.

History of Major Changes

1805	First saloon license law enacted permitting counties to charge annual fees of between \$4 and \$12.
1851	New Ohio Constitution prohibits the licensing of liquor traffic but permits the legislature to “provide against evils resulting therefrom.”
1886	After two previous taxes are struck down, the Dow Law is enacted, a \$200 annual tax on the traffic of liquor and \$100 annual tax on the traffic of “malt or vinous” alcohol. Generally, the tax applies to saloons; manufacturers are exempted. Initially, proceeds are split between county treasuries and county poor funds. The Dow Law, framed as an “act providing against the evils” of spirituous liquor traffic, withstands constitutional scrutiny.
1888	Dow tax is raised to \$250, regardless of type of alcohol. One-fifth of proceeds are directed to the GRF.
1896	Dow tax is raised to \$350; 30 percent of revenue is dedicated to the GRF.
1906	Dow tax is raised to \$1,000.
1920	Prohibition began.
1933	Prohibition ended; the modern taxation of alcohol began. Beer and malt beverages are taxed at \$1 per barrel. Wine is taxed at 10 percent of retail price.
1934	Spirituous liquor is taxed at \$1 per gallon. Tax on bottled beer and malt beverages is set at 0.75 cents per each six ounces or fractional share thereof.
1935	Mixed beverages are taxed at 10 percent of retail price. Malt beverage tax is increased to \$2.50 per barrel.

Alcoholic Beverage Taxes

Fiscal Year 2022

1939	Mixed beverages are taxed at 40 cents per gallon. Wine tax is revised as follows: <ul style="list-style-type: none"> • Wine (less than 14 percent ABV): 12 cents per gallon • Wine (14 to 21 percent ABV): 30 cents per gallon • Vermouth: 60 cents per gallon • Sparkling wine: \$1 per gallon
1959	Sales of wine and mixed beverages are subjected to sales tax. Beer tax is increased to \$2.50 per barrel.
1967	Beer and malt beverages are subjected to sales tax.
1969	New rates are enacted as follows: <ul style="list-style-type: none"> • Spirituous liquor gallons: \$2.25 per gallon • Mixed beverages: 80 cents per gallon • Wine (less than 14 percent ABV): 24 cents per gallon • Wine (14 to 21 percent ABV): 60 cents per gallon • Vermouth: 75 cents per gallon • Sparkling wine: \$1.25 per gallon
1982	Credit against taxes is enacted for Ohio brewers and wine producers. Wine tax is increased 2 cents per gallon, with 3 cents per gallon earmarked for grape industries. Distinction between “beer” and “malt” beverages is repealed. Tax on beer in containers of 12 ounces or less is changed to 0.125 cents per ounce.
1989	Tax on barreled beer increased to \$3.50 per barrel.
1992	Tax on beer is increased to 0.14 cents per ounce bottled and \$5.58 per barrel. Mixed beverage tax is increased to \$1.20 per gallon. Wine taxes are increased to the following rates: <ul style="list-style-type: none"> • Less than 14 percent ABV: 32 cents per gallon • Between 14 and 21 percent ABV: \$1 per gallon • Sparkling wine: \$1.50 per gallon • Vermouth: \$1.10 per gallon
1995	Additional 2 cents of the excise tax on wine is temporarily allocated to the Ohio grape industry special account until July 1, 1999.
1997	Department of Liquor Control is renamed Division of Liquor Control and placed within the Department of Commerce.
1999	Temporary 2 cents per gallon tax on wine for the Ohio Grape Industries Fund is extended until July 1, 2001 (and extended for an additional two years in 2001, 2003, 2005, 2007, 2009, 2011, 2013, 2015, 2017, and 2019).
2007	Two new permit types are legislated, B-2a and S, to allow for the direct shipment of wine by small wineries to retailers and consumers in Ohio.
2008	Holders of B-2a and S permits are exempted from 30 cents of the 32 cents per gallon wine tax and are allowed a refund of all but two cents per gallon of the total tax paid retroactive to Oct. 1, 2007.
2011	An “S” permit holder that is a brand owner, or United States importer, or a designated agent, is allowed to sell beer directly to consumers in Ohio using “H” permit holders to ship the beer.
2013	A new A-1c permit is legislated for manufacturers whose total production of beer, wherever produced, will not exceed 31 million gallons of beer in a calendar year.
2016	H.B. 342 (131st General Assembly) created the A-2f liquor permit designated as the “Ohio Farm Winery Permit.”
2017	H.B. 49 (132nd General Assembly) requires the Tax Commissioner to review all of a permit holder’s Ohio tax accounts and filings for delinquencies or missing information prior to any permit transfer or annual renewal.
2021	H.B. 110 (134th General Assembly) expanded the small brewers exemption and small winery exemption to include S permit holders (sellers to personal consumers via mail order). It also made permanent the allocation of a portion of the tax collected under O.R.C. 4301.43 (B) to the Ohio grape industries fund.

Fiscal Year 2022

Cigarette and Other Tobacco Products Taxes

Overview. Ohio has levied an excise tax on cigarettes since 1931. The rate was last increased from \$1.25 per pack of 20 cigarettes to \$1.60 per pack effective July 1, 2015. The tax is paid primarily by wholesale dealers through the purchase of tax stamps that are affixed to packs of cigarettes. An excise tax at the same rate is levied on the use, consumption, or storage for consumption of cigarettes by consumers if the excise tax has not been paid.

An excise tax has been levied on other tobacco products (OTP) – including cigars, chewing tobacco, snuff, smoking tobacco, and other tobacco products – since 1993. The 17 percent tax rate is levied on the wholesale price of OTP manufactured in Ohio or imported into Ohio. The excise tax on little cigars was raised to 37 percent of the wholesale price in 2013. The excise tax on premium cigars was capped at \$0.50 per cigar in 2017, and this cap is indexed annually for inflation. The tax is required to be paid by sellers of OTP. An excise tax at the same rate is levied on the storage, use, or other consumption of OTP if the excise tax has not been paid.

Effective October 1, 2019, Ohio began levying an excise tax on vapor products. A “vapor product” is defined as any liquid solution or other substance that contains nicotine and is depleted as it is used in an electronic smoking product. The tax rate is one cent per one-tenth of a milliliter or one-tenth of a gram depending on whether sold in liquid or non-liquid form. The tax is primarily paid by vapor distributors.

During fiscal year 2022, state cigarette tax collections were approximately \$772.3 million, an amount that does not include collections from the levy on OTP and vapor products. State tax collections from OTP and vapor products were approximately \$112.2 million. Both amounts were deposited into the General Revenue Fund (GRF).

The Ohio Department of Taxation (ODT) also administers and collects the county permissive cigarette tax. Cuyahoga County is the only county with authority under state law to levy this tax. For the permissive tax, collection is made by the sale of tax stamps for cigarettes to be sold in Cuyahoga County. Please see the Local Taxes section for details.

Taxpayer (R.C. 5743.01, 5743.32, 5743.51, 5743.62-.63). The cigarette tax is paid by wholesale dealers, meaning those who purchase cigarettes directly from manufacturers, producers, importers, or other wholesalers for stamping and then sell cigarettes to retailers for the purpose of resale. An excise tax is levied on the use, consumption, or storage for consumption of cigarettes by consumers in Ohio if the tax has not already been paid. The OTP tax and the tax on vapor products is paid by distributors, meaning all manufacturers, wholesalers, and retailers who are licensed as other tobacco products distributors or vapor products distributors. An excise tax is levied on the storage, use, or other consumption of OTP and vapor products if the excise tax has not been paid.

Tax Base (R.C. 5743.01, 5743.02, 5743.32, 5743.51, 5743.62-.63). The base of the tax is the sale of cigarette tax stamps, the use, consumption, or storage for consumption of cigarettes by consumers in Ohio when the excise tax has not been paid, the receipt or import of OTP and vapor products for resale, and the storage, use or other consumption of OTP and vapor products if the excise tax has not been paid. “Little cigars” means any roll for smoking, other than cigarettes, made wholly or in part of tobacco that uses an integrated cellulose acetate filter or other filter and is wrapped in any substance containing tobacco, other than natural leaf tobacco. “Premium cigar” means any roll for smoking, other than cigarettes and little cigars, made wholly or in part of tobacco that has all of the following characteristics: the binder and wrapper of the roll consist entirely of leaf tobacco, the roll contains no filter or tip, nor any mouthpiece consisting of a material other than tobacco, and the weight of one thousand such rolls is at least six pounds.

Tax Rates (R.C. 743.02, 5743.32, 5743.51, 5743.62-.63). The state rate on cigarettes is \$1.60 per pack of 20 cigarettes or 8 cents per cigarette. The state rate on OTP is 17 percent of the wholesale price. The state rate on “little cigars” is 37 percent of the wholesale price. The state rate on “premium cigars” is capped at a \$0.54 per cigar in fiscal year 2022. The state rate on vapor products is one cent per one-tenth of a milliliter or one-tenth of a gram.

Tax Exemptions (R.C. 5743.05). Cigarettes sold into interstate or foreign commerce or to the U.S. Government are exempt from the tax.

Tax Discounts (R.C. 5743.05, 5743.52, 5743.62). Discounts are provided as consideration for affixing and canceling cigarette tax stamps. Wholesale dealers receive a discount of 1.8 percent of the face value of the stamps. OTP and vapor products taxpayers receive a 2.5 percent discount for timely payment of the tax.

Fiscal Year 2022

Special Provisions

Manufacturers and importers (R.C. 5743.072, 5743.15, 5743.66) – Manufacturers and importers of cigarettes are required to be licensed by and file monthly reports with ODT. Manufacturers and importers of OTP are required to be registered and file monthly reports with ODT.

Wholesale and retail dealers (R.C. 5743.15, 5743.61-.62) – Annually, wholesale cigarette dealers and OTP and vapor products distributors are required to be licensed by ODT. Also annually, retail cigarette dealers are required to be licensed by the county auditor of the county in which the retail dealer sells cigarettes.

Authorized sales (R.C. 5743.20) – The identities of all entities authorized to make sales of cigarettes, OTP and vapor products – including cigarette manufacturers and importers, licensed cigarette wholesalers, licensed distributors of OTP and vapor products, and registered manufacturers and importers of OTP – are subject to public disclosure. As required by law, the Tax Commissioner posts this list at <http://www.tax.ohio.gov/>.

Unstamped cigarette prohibition (R.C. 5743.10, 5743.99, 5743.111-.112) – It is a crime to possess packs of cigarettes not bearing the tax stamps required to be affixed thereto. It is a felony for any person to possess packs of cigarettes not bearing the stamps required or bearing stamps that have been affixed in violation of the law when the total number of cigarettes exceeds 1,200. Any such person is also liable for the excise tax due plus any applicable penalties and interest.

Authorized recipients of cigarettes (R.C. 2927.023, 5743.031) – All cigarettes coming into Ohio must be transported or shipped only to an “authorized recipient of tobacco products” such as a licensed wholesale cigarette dealer. All other exchanges of cigarettes must be made in “face-to-face” transactions. No motor carrier or other person shall knowingly transport cigarettes to any person in Ohio that the carrier or other person reasonably believes is not an authorized recipient of tobacco products. If cigarettes are transported to a home or residence, it shall be presumed that the motor carrier, or other person, knew that the person to whom the cigarettes were delivered was not an authorized recipient of tobacco products. No person engaged in the business of selling cigarettes who ships or causes to be shipped cigarettes to any person in Ohio in any container or wrapping other than the original container or wrapping of the cigarettes shall fail to plainly and visibly mark the exterior of the container or wrapping in which the cigarettes are shipped with the words “cigarettes.” It is an offense, punishable by a fine of up to \$1,000, for each violation.

Cigarettes legal for sale in Ohio (R.C. 1346.04-1346.10) – The Ohio Attorney General’s Office maintains a list on its website of all cigarette brands that may be sold in Ohio. This list represents brands that are produced by manufacturers that are certified to be in compliance with the Master Settlement Agreement. It is illegal to sell in Ohio any brand of cigarette not on this list.

Master Settlement Agreement reports (R.C. 5743.03) – Persons who pay the cigarette or OTP excise taxes are required to report the quantity of all cigarettes and roll-your-own cigarette tobacco sold in Ohio for each brand not covered by a manufacturer participating in the tobacco Master Settlement Agreement. A penalty of up to \$250 per month may be imposed for failing to file this report.

Method of payment (R.C. 5743.05) – All cigarette stamping wholesale dealers are required to purchase stamps from the Tax Commissioner. Dealers are required to pay for stamps at the time of purchase unless they have been authorized to make purchases on credit. The Tax Commissioner may authorize wholesale dealers to purchase stamps on credit payable within 30 days or the following June 23, whichever comes first. Credit sales are allowed only from July 1 of a fiscal year until the following June 23. Any consumer acquiring cigarettes for use, storage, or consumption in Ohio must pay the tax if the excise tax has not already been paid.

Filing Deadlines (R.C. 5743.03, 5743.33, 5743.52, 5743.62, Ohio Adm. Code 5703-15). Wholesale cigarette dealers must file reports by the last day of each month following the reporting period. Distributors of OTP or vapor products must file reports by the 23rd day of each month following the reporting period. Cigarette consumer’s use tax returns must be filed by the 15th day of each month following the reporting period.

Disposition of Tax Revenue (R.C. 5743.02, 5743.51). Revenue from the cigarette, OTP, and vapor products taxes is deposited into the GRF.

Fiscal Year 2022

Comparisons with Competitor States (as of August 25, 2022).

In the table below, the cigarette tax rates are expressed in terms of a pack of 20 cigarettes. Taxes on OTP are expressed as a percentage of wholesale cost unless otherwise noted. States without a specific tax on vapor products are shown as N/A.

	Cigarettes	OTP	Vapor Products
Georgia	\$0.37	10 percent of wholesaler's cost of loose or smokeless tobacco; \$.0025 per little cigar; and 23 percent of wholesale price of large cigars	\$0.05 per fluid millimeter of consumable vapor products for use in a closed system; 7 percent of wholesale cost of consumable vapor products for use in an open system; and 7 percent of the wholesale cost of a single use vapor device containing a consumable vapor product at the time of sale.
Indiana	\$0.995	24 percent	N/A
Kentucky	\$1.10	\$0.19 per 1-1.5 ounce of snuff; \$0.19 per unit of chewing tobacco; and 15 percent all other OTP	\$1.50 per cartridge on closed vaping systems; 15 percent distributor price on open systems
Michigan	\$2.00	32 percent	N/A
North Carolina	\$0.45	12.8 percent	\$0.05 per fluid millimeter of consumable product
Pennsylvania	\$2.60	\$0.55 per ounce (\$0.66 per container minimum); little cigars taxed as cigarettes	40 percent of the wholesale price of e-cigarettes / vapor products
Tennessee	\$0.6205	6.6 percent	N/A
Texas	\$1.41	\$1.22 per ounce	N/A
West Virginia	\$1.20	12 percent	\$0.075 per millimeter of e-cigarette liquid

¹ Includes 0.05 cent per pack enforcement and administrative fee.

History of Collections**Table 1: Cigarette and OTP Taxes collections: fiscal years 2018-2022 (in millions)**

Fiscal Year	Cigarette	OTP¹	Total²
2018	\$869.8	\$69.9	\$939.7
2019	842.0	76.2	918.2
2020	830.6	82.4	913.0
2021	826.0	100.9	926.9
2022	772.3	112.2	884.6

¹ Includes premium cigars, little cigars, and vapor products.

² Excludes amounts from hold fund.

Source: Office of Budget and Management financial reports.

Fiscal Year 2022

History of Major Changes

1893	Legislature enacts annual tax of \$300 on wholesalers and \$100 on retailers.
1894	Annual tax is lowered to \$30 for wholesalers and \$15 for retailers.
1920	Annual tax is raised to \$200 for wholesalers and \$50 for retailers.
1931	Legislature enacted cigarette tax, including the use of stamps, at the rate of 1 cent per pack.
1956	Tax rate increased to 3 cents per pack.
1959	Tax rate increased to 5 cents per pack.
1969	Tax rate increased to 10 cents per pack.
1971	Tax rate increased to 15 cents per pack, cigarettes exempted from the sales tax.
1981	Tax rate decreased to 14 cents per pack, cigarettes become subject to the sales tax.
1983	Tax rate became 0.7 cents per cigarette.
1987	Tax rate increased to 0.9 cents per cigarette.
1991	All cigarette tax revenues allocated to the general revenue fund when capital improvement bonds are retired in 1992.
1992	Legislature enacted tax on other tobacco products at 17 percent of the wholesale price; cigarette rate increased to 1.2 cents per cigarette.
2001	Minimum stamp discount rate is lowered from 3.6 percent to 1.8 percent.
2002	Tax increased to 2.75 cents per cigarette.
2005	H.B. 66 increased the tax rate to 6.25 cents per cigarette.
2009	H.B. 1 increased annual license fee for cigarette wholesalers and tobacco distributors to \$1,000 and for retailers to \$125 per place of business. The Cigarette Tax Enforcement Fund received 100 percent of cigarette wholesale license fees. Sixty percent of revenue from retail license fees is allocated for enforcement, 30 percent is allocated to the subdivision where the business is located, and 10 percent is allocated to the county.
2013	H.B. 59 increased the tax rate on little cigars from the 17 percent OTP rate on the wholesale price to 37 percent of the wholesale price.
2014	H.B. 492 moved the selling of stamps and collection of revenue from the Treasurer of Ohio to the Ohio Department of Taxation and made changes to the law on the sale of cigarette tax stamps on credit.
2015	H.B. 64 increased the tax rate to 8 cents per cigarette effective July 1, 2015.
2017	H.B. 49 increased from semiannually to monthly the frequency of excise tax filing and payment for wholesale cigarette dealers. It also established a maximum tax amount for "premium cigars" of \$0.50 per cigar for invoices dated on or after July 1, 2017. The maximum tax amount is subject to an annual increase based on the Consumer Price Index.
2019	H.B. 166 enacted a tax on vapor products at a rate of one cent per one-tenth of a milliliter or one-tenth of a gram (equiv. of 10 cents/mL or gram) depending on whether it sold in liquid or non-liquid form.

Commercial Activity Tax

Overview. The commercial activity tax (CAT) is a business privilege tax. The CAT is measured by taxable gross receipts and is paid either quarterly or annually. The CAT is a successor tax to Ohio's general business property and corporate franchise taxes, both now phased out.

During fiscal year 2022, CAT collections were approximately \$2.4 billion. Of the amount remaining after 0.65 percent was deposited into the Revenue Enhancement Fund (a tax administration fee), approximately \$2.0 billion was deposited into the General Revenue Fund (GRF), approximately \$305.2 million was deposited into the School District Tangible Property Tax Replacement Fund, approximately \$47.0 million was deposited into the Local Government Tangible Property Tax Replacement Fund, and less than \$0.1 million was deposited into the Commercial Activity Tax Motor Fuel Fund.

Taxpayer (R.C. 5751.01 and 5751.02). The CAT is paid by persons doing business in Ohio, including individuals and entities, having more than \$150,000 in taxable gross receipts in a calendar year. These persons include, but are not limited to, persons that have substantial nexus with Ohio. Substantial nexus with Ohio means a person that owns or uses a part or all of its capital in Ohio, holds a certificate of compliance with Ohio laws authorizing it to do business in Ohio, has "bright-line presence" in Ohio, or otherwise has nexus with Ohio to the extent the person can be required to remit the tax under the Constitution of the United States. A person has "bright-line presence" in Ohio for a reporting period and for the remaining portion of the calendar year when the person has any of the following:

- at least \$500,000 in taxable gross receipts in Ohio during the calendar year;
- at least \$50,000 in property in the aggregate in Ohio at any time during the calendar year;
- at least \$50,000 of payroll in Ohio during the calendar year;
- at least 25 percent of total property, payroll, or gross receipts within Ohio at any time during the calendar year; or
- is domiciled in Ohio as an individual or for corporate, commercial, or other business purposes.

The CAT is not levied on excluded persons as that term is defined under R.C. 5751.01(E). An excluded person includes:

- any person with not more than \$150,000 in taxable gross receipts during the calendar year, except for a person that is a member of a consolidated elected taxpayer;
- a public utility that paid the public utility excise tax, except with regard to certain receipts of a public utility that is a combined company;
- a financial institution that paid the financial institutions tax (FIT) based on one or more taxable years that include the entire tax period under CAT;
- A person directly or indirectly owned by one or more financial institutions, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under the CAT;
- a domestic or foreign insurance company that pays the Ohio insurance premiums tax;
- a person that solely facilitates or services one or more securitizations of phase-in-recovery property pursuant to a final financing order;
- a pre-income tax trust and any pass-through entity of which such pre-income tax trust owns or controls, directly, indirectly, or constructively through related interests, more than five percent of the ownership or equity interests; and
- nonprofit organizations, the state, and its political subdivisions.

The CAT allows for a consolidated elected taxpayer. A consolidated elected taxpayer is a taxpayer that has elected to file as a group including all entities that have either 50 percent or more common ownership or 80 percent or more common ownership. In addition, the group can elect to include or exclude non-U.S. entities with the same common ownership in the group. A major benefit of making this election is that receipts received between members of the group may be excluded from the taxable gross receipts of the group. However, taxpayers making this election must agree that all commonly owned entities are part of the group even if nexus does not exist. This election is binding for eight calendar quarters.

If such election is not made, any taxpayers with common ownership of more than 50 percent must file as a combined taxpayer group. Combined taxpayer groups may not exclude receipts between members of the group; however, such groups need only include in the group those members that have nexus with Ohio.

Fiscal Year 2022

Tax Base (R.C. 5751.01). The CAT is imposed on the privilege of doing business in Ohio, measured by gross receipts from business activities in Ohio. “Taxable gross receipts” means gross receipts situated to Ohio. “Gross receipts” means the total amount realized, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income, except as otherwise specified in the statute. The taxpayer’s method of accounting for the CAT is the same as the method the taxpayer used for federal income taxes.

Annual Minimum Tax (R.C. 5751.03). Persons with annual taxable gross receipts of \$150,000 or less generally are not subject to the CAT. Persons with annual taxable gross receipts of more than \$150,000 are subject to an annual minimum tax on the first \$1 million in taxable gross receipts each calendar year. The annual minimum tax is calculated as follows:

- \$150 for taxpayers with taxable gross receipts of \$1 million or less in the previous calendar year;
- \$800 for taxpayers with taxable gross receipts greater than \$1 million but less than or equal to \$2 million in taxable gross receipts in the previous calendar year;
- \$2,100 for taxpayers with more than \$2 million but less than or equal to \$4 million in taxable gross receipts in the previous calendar year; or
- \$2,600 for taxpayers with more than \$4 million in taxable gross receipts in the previous calendar year.

The annual minimum tax is due on May 10th with the filing of the annual or first quarter tax return.

Tax Rates (R.C. 5751.03). Taxpayers with annual taxable gross receipts more than \$1 million pay the annual minimum tax plus the product of the tax rate (0.26 percent) multiplied by taxable gross receipts for the tax period after subtracting the first \$1 million of taxable gross receipts for a calendar year. Calendar quarter taxpayers apply the full exclusion amount to the first calendar quarter return filed that calendar year and may carry forward and apply any unused exclusion amount to subsequent calendar quarters within that same calendar year.

Credits (R.C. 5751.50-54, 5751.98). Many business credits may be claimed under more than one Ohio tax. Information about these credits is consolidated in the Business Tax Credits section of this report.

Filing and Payment Dates (R.C. 5751.051). All persons with CAT liability must register prior to filing a CAT return. All taxpayers are subject to the annual minimum tax due by May 10th of each year. Taxpayers with taxable gross receipts of more than \$1 million must file quarterly returns electronically through the Ohio Business Gateway. Quarterly returns are due by the 10th day of the second month after the end of each calendar quarter (May 10th, August 10th, November 10th, and February 10th). Taxpayers with taxable gross receipts equal to or less than \$1 million file an annual return on or before May 10th of each year. The annual return reports the prior year’s taxable gross receipts and records the payment of the annual minimum tax for the current privilege year.

Disposition of Tax Revenues (R.C. 5751.02). All collections from the CAT are deposited into the CAT Receipts Fund. From that fund, 0.65 percent is transferred to the Revenue Enhancement Fund to defray the tax administration costs. The remainder is deposited into the CAT Motor Fuel Receipts Fund (i.e., residual tax measured by receipts from the sale of motor fuel used to propel vehicles on the highways) and then into the General Revenue Fund (85 percent), the School District Tangible Property Tax Replacement Fund (13 percent), and the Local Government Tangible Property Tax Replacement Fund (2 percent).

Comparisons with Competitor States (as of July 25, 2022).

Georgia, Indiana, Kentucky, Michigan, North Carolina, and Texas do not impose a business privilege tax measured by taxable gross receipts. Competitor states may levy net income, franchise, and/or general business property taxes. Similar taxes in other states are described below.

Pennsylvania	Local taxing authorities may levy a tax on the privilege of doing business in the jurisdiction of the local taxing authority. This tax may be levied on the gross receipts of the business at a rate of up to 1 mill (0.1 percent) for wholesalers and up to 1.5 mills (0.15 percent) for retailers and restaurants.
Tennessee	Engaging in any vocation, occupation, business, or business activity listed in Tenn. Code Ann. §§ 67-4-708(1) – (5) is a taxable privilege subject to a state business tax. The tax rate varies depending on the type of business in which the person is engaged and ranges from 0.02 percent to 0.3 percent of gross receipts. Local taxing authorities may also levy a business privilege tax.
West Virginia	The major source of revenue for most West Virginia cities is a broadly-based municipal business and occupation tax. This tax is imposed on the privilege of engaging in certain business activities within the municipality. The measure of the tax is gross receipts with no deductions for the cost of doing business. There are different tax rates for different types of business activities, and rates may vary from city to city.

History of Collections

Table 1: CAT collections all funds: fiscal years 2018-2022 (in millions)

Fiscal Year	Total
2018	\$1,804.6
2019	1,934.9
2020	1,983.8
2021	1,972.5
2022	2,366.9

Source: Office of Budget and Management financial reports.

History of Major Changes

2005	H.B. 66 enacted the CAT.
2006	Certain corporations can claim an unused tax credit previously available against the corporate franchise tax. Beginning in 2007, an existing exemption for amounts derived from shipments into or out of a qualified foreign trade zone was replaced with an exemption for certain receipts from the sale of tangible personal property delivered to a “qualified distribution center.”
2007	Legislation required 70 percent of CAT revenues to be deposited into the School District Tangible Property Tax Replacement Fund and authorized an alternative method for situsing receipts from services that must be applied in a reasonable, consistent, and uniform manner that is supported by the taxpayer’s records as they existed when the service was performed or within a reasonable time thereafter.
2009	Beginning in 2010, the due date for the annual return was moved from February to May. Additionally, the quarterly due dates for the CAT returns were moved to the 10th day of the second month following each tax period.
2010	Legislation allowed a person in certain situations who, after completion of the calendar year, was not subject to the CAT because the person’s gross receipts were \$150,000 or less, to apply for a refund of a previously paid annual minimum tax.
2013	In response to the Ohio Supreme Court’s mandate in <i>Beaver v. Testa</i> , H.B. 59 (130th General Assembly) excluded from the CAT base receipts from the sale or exchange of motor fuel used to propel vehicles on the highways, beginning July 1, 2014. H.B. 59 also modified the method of collecting tax due, excluded from the CAT base receipts from the sale of agricultural commodities of licensed agricultural commodities handlers, and replaced the fixed minimum tax with a variable minimum tax.

Commercial Activity Tax

Fiscal Year 2022

2015	H.B. 64 extended a temporary provision to June 30, 2017 that authorizes the owner of an historic rehabilitation tax credit certificate to claim the credit against the CAT if the owner cannot claim the credit against another tax (this provision was extended by Am. Sub. H.B. 49 in 2017 and by Am. Sub. H.B. 166 in 2019).
2016	S.B. 208 added a CAT exclusion for receipts within an integrated supply chain, contained in R.C. 5751.01(F)(2)(jj). This was stated to be a clarification of law and applies to tax periods beginning on or after July 1, 2011. H.B. 340 authorized an exclusion from a railway company's gross receipts for railway fuel purchases on which the petroleum activity tax was paid by the fuel supplier. The calculated amount represents the amount of petroleum activity tax the railroad is assumed to have paid upon purchase of the dyed diesel fuel.
2017	H.B. 49 altered the disposition of CAT revenue effective July 1, 2017.
2018	H.B. 133 enacted a CAT exclusion for gross receipts realized by an out-of-state disaster business from disaster work conducted in Ohio during a disaster response period pursuant to a qualifying solicitation received by the business.
2019	H.B. 62 added compressed natural gas to the definition of motor fuel, which subjected compressed natural gas to the motor fuel excise tax and the petroleum activity tax effective July 1, 2019, and therefore excluded gross receipts from the sale of compressed natural gas from the CAT base. Additionally, H.B. 166 authorized a vapor distributor to exclude from gross receipts subject to CAT an amount equal to the vapor products excise tax remitted to the state.
2020	H.B. 481 excludes from CAT gross receipts forgiven Paycheck Protection Program loans which are also excluded from the gross income of the taxpayer for federal income taxes under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
2021	H.B. 150 (133rd General Assembly) added a CAT exclusion equal to the amount of the principal balance of a mortgage loan for receipts from the sale or transfer of mortgage loans and mortgage-backed securities by a mortgage lender effective for tax periods beginning on or after April 12, 2021. Additionally, S.B. 18 (134th General Assembly) excluded from gross receipts forgiven Paycheck Protection Program loans which were excluded from federal gross income under the Consolidated Appropriations Act, 2021 and also excluded from gross receipts any amount of excess surplus of the state insurance fund received by a taxpayer from the Ohio Bureau of Workers' Compensation during 2020 and 2021.
2022	H.B. 110 (134th General Assembly) added a CAT exclusion for Bureau of Workers' Compensation dividends and an exclusion for megaproject supplier's receipts from sales of tangible personal property to a megaproject.

Financial Institutions Tax

Overview. The financial institutions tax (FIT), for the most part, is a successor tax to the corporation franchise tax as it was levied on financial institutions. The FIT is levied on financial institutions for tax years beginning on or after Jan. 1, 2014, for the privilege of doing business in Ohio. During fiscal year 2022, FIT revenues were approximately \$202.8 million.

Taxpayer (R.C. 5726.01-.02; Ohio Adm. Code 5703-33-04). A financial institution is subject to the FIT for each calendar year that it conducts business as a financial institution in Ohio or otherwise has nexus in or with Ohio under the Constitution of the United States on the first day of January of that calendar year. For purposes of the FIT, a financial institution is a bank organization, holding company of a bank organization, or a nonbank financial organization, except when one of the following applies: if two or more such entities are consolidated for the purposes of filing a FR Y-9, financial institution means a group consisting of all entities that are included in the FR Y-9. If two or more such entities are not included in such a group but are consolidated for the purposes of filing a call report, financial institution means a group consisting of all entities that are included in the call report. If a bank organization is owned directly by a grandfathered unitary savings and loan holding company or directly or indirectly by an entity that was a grandfathered unitary savings and loan holding company on Jan. 1, 2012, the financial institution consists of only that bank organization and the entities included in that bank organization's call report.

A financial institution does not include a diversified savings and loan holding company, a grandfathered unitary savings and loan holding company, any entity that was a grandfathered unitary savings and loan holding company on Jan. 1, 2012, or any entity that is not a bank organization or owned by a bank organization and that is owned directly or indirectly by an entity that was a grandfathered unitary savings and loan holding company on Jan. 1, 2012. A bank organization does not include an institution organized under the "Federal Farm Loan Act," 39 Stat. 360 (1916), or a successor of such an institution, a company chartered under the "Farm Credit Act of 1933," 48 Stat. 257, or a successor of such a company, an association formed pursuant to 12 U.S.C. 2279c-1, an insurance company, or a credit union. A nonbank financial organization does not include an institution organized under the "Federal Farm Loan Act," 39 Stat. 360 (1916), or a successor of such an institution, an insurance company, a captive finance company, a credit union, an institution organized and operated exclusively for charitable purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, a pawn shop, a pawnbroker, or a person that facilitates or services one or more securitizations for a bank organization, a holding company of a bank organization, a captive finance company, or any member of the person's affiliated group.

Tax Base (R.C. 5726.01, 5726.04, 5726.05). The FIT is levied on the privilege of doing business in Ohio measured by total equity capital of the financial institution that is apportioned to Ohio. The amount of tax due is equal to the greater of the minimum tax (\$1,000) or the amount by which the calculated tax exceeds any credits allowed against the tax. The calculated tax is determined by multiplying the total Ohio equity capital of the financial institution by the appropriate tax rate. For tax years 2022 and thereafter, certain de novo bank organizations subtract \$1 million from the calculated tax to determine the tax due. For tax years 2014 through 2019, total Ohio equity capital is equal to the product of multiplying the total equity capital of the financial institution by an Ohio apportionment factor. For tax year 2020 and thereafter, total Ohio equity capital is equal to the total equity capital of the financial institution, limited to 14% of its total consolidated assets, multiplied by an Ohio apportionment factor. Total equity capital is the sum of the common stock at par value, perpetual preferred stock and related surplus, other surplus unrelated to perpetual preferred stock, retained earnings, accumulated other comprehensive income, treasury stock, unearned employee stock ownership plan shares, and other equity components. Total equity capital excludes any non-controlling (minority) interests as reported on an FR Y-9 or call report, unless such interests are in a bank organization or a bank holding company.

Apportionment Factor (R.C. 5726.05). The apportionment factor is a fraction, the numerator of which is the total gross receipts of the financial institution in Ohio during the taxable year (i.e., for the FIT, taxable year means the calendar year preceding the year in which an annual report is required to be filed) and the denominator of which is the total gross receipts of the financial institution everywhere during the taxable year. Gross receipts generated by a financial institution are situated to Ohio in the proportion that the customers' benefit in Ohio with respect to the services received bears to the customers' benefit everywhere with respect to the services received. The physical location where the customer ultimately uses or receives the benefit of what was received is paramount in determining the proportion of the benefit in Ohio to the benefit everywhere.

Tax Rates (R.C. 5726.04). The tax has a three-tiered rate structure:

- 8 mills (0.008) on the first \$200 million of total Ohio equity capital;
- 4 mills on each dollar of total Ohio equity capital greater than \$200 million and less than \$1.3 billion;
- 2.5 mills on each dollar of total Ohio equity capital equal to or greater than \$1.3 billion.

Credits (R.C. 5726.50 et seq.). Many business credits may be claimed under more than one Ohio tax. Information about these credits is consolidated in the Business Tax Credits section of this report.

Filing and Payment Dates (R.C. 5726.03, 5726.06; Ohio Adm. Code 5703-33-01). The FIT is reported on a calendar year basis with the annual report due on or before the 15th day of each October. Taxpayers are required to file electronically and pay using electronic funds transfer through the Ohio Business Gateway or the Treasurer of State. Annual and estimated reporting and tax payment due dates are:

- By January 31st: Taxpayers remit the greater of the minimum tax or one-third of the estimated liability for the tax year.
- By March 31st: Taxpayers remit one-half of the amount by which the estimated tax exceeded the payment amount remitted by January 31st.
- By May 31st: Taxpayers remit the remaining one-half of the amount by which the estimated tax exceeded the payment amount remitted in January.
- By October 15th: Each reporting person must submit an annual report to the Tax Commissioner and remit any remaining payments.

Disposition of Revenue (R.C. 5726.04). Revenue from the FIT is deposited into the state's General Revenue Fund.

Comparisons with Competitor States (as of July 22, 2022).

In addition to the taxes shown below, these states also may impose net income or franchise taxes on financial institutions.

Georgia	Imposes an occupation tax on depository financial institutions measured by Georgia gross receipts of depository financial institutions at the rate of 0.25 percent.
Indiana	Imposes a financial institutions tax on corporations transacting the business of a financial institution in Indiana measured by adjusted apportioned income at the rate of 5.5 percent for taxable years beginning after Dec. 31, 2020 and before Jan. 1, 2022. Effective Jan. 1, 2022, the rate was reduced to 5.0 percent. The rate shall be phased down until reaching 4.9 percent after Dec. 31, 2022.
Kentucky	Imposed a bank franchise tax measured by net capital at the rate of 1.1 percent (a \$300 minimum tax applied) until January 2021. Beginning January 1, 2021, banks are subject to the corporation and limited liability entity tax at a rate of 5% of taxable net income.
Michigan	Imposes a franchise tax on financial institutions at the rate of 0.29 percent of net capital.
North Carolina	No tax specifically limited to financial institutions.
Pennsylvania	Imposes a bank and trust company shares tax at the rate of 0.95 percent and a mutual thrift institutions tax at the rate of 11.5 percent.
Tennessee	No tax specifically limited to financial institutions.
Texas	No tax specifically limited to financial institutions.
West Virginia	No tax specifically limited to financial institutions.

History of Collections

Table 1: Financial Institutions Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Gross Revenue	Refunds	Total GRF
2018	\$243.0	\$41.9	\$201.1
2019	248.7	46.2	202.4
2020	264.6	49.7	214.9
2021	275.6	42.9	226.4
2022	288.7	85.9	202.8

Source: Office of Budget and Management financial reports.

History of Major Changes

2012	H.B. 510 enacted the FIT on financial institutions for tax years 2014 and thereafter.
2014	S.B. 243 expanded a continuing FIT exemption by exempting entities that were grandfathered unitary savings and loan holding companies on January 1, 2012, and nonbank subsidiaries of such entities thereby levying the CAT as a privilege of doing business tax on these entities.
2015	H.B. 64 exempted production credit associations and agricultural credit associations from the FIT for tax years 2014 and thereafter thereby levying the CAT as a privilege of doing business tax on these entities. H.B. 340 repealed the bank organization assessment credit.
2017	H.B. 384 and S.B. 235 exempted small business investment companies from the FIT for tax years 2014 and thereafter.
2019	Am. Sub. H.B. 166 limited the tax base (total equity capital) to 14 percent of a financial institution's total consolidated assets for tax years beginning on and after January 1, 2020.
2021	Am. Sub. H.B. 150 (133rd General Assembly) enacted a tax reduction for "de novo bank organizations" effective for tax year 2022.

Fiscal Year 2022

Gross Casino Revenue Tax

Overview. Ohio voters passed a constitutional amendment in 2009 that authorized casino gaming in Ohio at facilities located in Cincinnati, Cleveland, Columbus, and Toledo. Three casinos opened in calendar year 2012. Cincinnati's casino opened in February 2013. The Ohio Department of Taxation is responsible for administering the gross casino revenue tax. The Ohio Casino Control Commission is responsible for licensing and regulating casino operators, their employees, and gaming-related vendors. During fiscal year 2022, gross casino revenue tax (GCRT) collections were approximately \$333.2 million.

Taxpayer (R.C. 5753.02). The tax is paid by operators of the four casinos authorized by Article XV, Section 6(C) of the Ohio Constitution.

Tax Base (R.C. 5753.01-.02). The tax applies to all gross casino revenue received by each casino operator. "Gross casino revenue" means the total amount of money exchanged for the purchase of chips, tokens, tickets, electronic cards, or similar objects by casino patrons, less winnings paid to wagerers.

Tax Rates (R.C. 5753.02). The tax rate is 33 percent of the operator's gross casino revenue at the casino facility.

Tax Exemptions (R.C. 5753.01). Promotional gaming credits issued to casino patrons are excluded from the definition of "gross casino revenue." However, when the issuance of promotional gaming credits requires money exchanged as a match from a casino patron, the excludable portion does not include the portion of the wager purchased by the patron.

Disposition of Revenue (Ohio Const. Art. XV, 6(C); R.C. 5753.03 and 5753.11). Revenue from the tax is distributed as follows:

- 51 percent to the Gross Casino Revenue County Fund, which is distributed among all 88 counties in proportion to such counties' respective populations at the time of distribution. In counties whose most populous city had a population greater than 80,000 as of the 2000 U.S. Census, 50 percent of that county's distribution goes to the most populous city. In all other counties, revenue is distributed to the county;
- 34 percent to the Gross Casino Revenue County Student Fund, which is distributed among all 88 counties in proportion to such counties' respective public school district populations at the time of such distribution. Funds are transferred to districts semiannually at the end of August and January each year;
- 5 percent to the Host City where the casino is located;
- 3 percent to the Ohio State Racing Commission. Of this amount, 5 percent may be retained by the commission for operating expenses necessary for the administration of the fund;
- 3 percent to the Ohio Casino Control Commission. Of this amount, one cent of every dollar is transferred to the Department of Taxation for tax administration costs;
- 2 percent to the Problem Casino Gambling and Addictions Fund to support efforts to alleviate problem gambling and substance abuse and to fund related research;
- 2 percent to Ohio Law Enforcement Training Fund. Of this amount, 85 percent is directed to the Ohio Peace Office Training Academy and the remainder is directed to the Department of Public Safety's Office of Criminal Justice Services.

Tax Payment Dates (R.C. 5753.01-.02, 5753.04). The operators of each casino facility are required to electronically file returns and to remit payments for the related tax liabilities, not later than noon of each day that banks are open for business. Each return reflects casino gaming activity over a 24-hour period.

Gross Casino Revenue Tax

Fiscal Year 2022

Comparisons with Competitor States (as of August 26, 2022).

Georgia	No casinos permitted.
Indiana	For riverboat casinos, a graduated tax ranging from 2.5 to 40 percent applies to adjusted gross receipts. For racetrack casinos, a graduated tax ranging from 25 to 30 percent applies to 88 percent of adjusted gross receipts. In addition, riverboat casinos are subject to a supplemental wagering tax excluding the riverboat casino located in a historic hotel district. The supplemental wagering tax is based on the state fiscal year 2017 total riverboat admissions tax paid divided by the riverboat's adjusted gross receipts of the same year with a cap of 3.5 percent.
Kentucky	No casinos permitted.
Michigan	A 19 percent total tax applies to adjusted gross receipts. Of this, 8.1 percent is deposited in the state school aid fund and 10.9 percent is distributed to the city of Detroit. Should the city not exercise local options, the state tax rate is 18 percent.
North Carolina	Tribal casinos only.
Pennsylvania	Category 1 (racinos), 2 (stand alone), and 3 (resort) casinos pay a slot machine tax of 34 percent on their gross terminal revenue (GTR), approximately 11 percent to the Horse Racing Industry, 5.5 percent to the Economic Development and Tourism Fund, and 4 percent to county and municipal governments, for a total effective tax rate of approximately 54 percent. Slot machines located in Category 4 (ancillary casino) facilities pay a tax rate of 50 percent on their GTR plus a local share rate of 4 percent. A table game located in a Category 1, 2, 3, or 4 facility pays a tax rate of 14 percent and a local share assessment of 2 percent. Online interactive slots are taxed at 54 percent of gross revenue and online interactive table games are taxed at 16 percent of gross revenue.
Tennessee	No casinos permitted.
Texas	Tribal casinos only.
West Virginia	A 35 percent tax applies to adjusted gross receipts from table games and a 53.5 percent tax applies to video lottery terminals. Online gaming (excluding sports betting) is taxed at 15 percent of adjusted gross receipts.

History of Collections

Table 1: Gross Casino Revenue Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Hold Fund
2018	\$272.1
2019	277.9
2020	209.2
2021	302.5
2022	333.2

Source: Office of Budget and Management financial reports.

Gross Casino Revenue Tax

Fiscal Year 2022

Table 2: Gross Casino Revenue Tax distributions fiscal year 2022 (in millions)

Fund	Distribution	% Share
Host City Fund	\$16.7	5%
Student Fund	113.6	34%
County Fund	170.4	51%
Casino Control Commission Fund	10.0	3%
Ohio State Racing Commission Fund	10.0	3%
Law Enforcement Fund	6.7	2%
Problem Gambling & Addictions Fund	6.7	2%
Total Distribution	\$334.2	100%
Casino Hold Fund	-1.0	
Total	\$333.2	

Source: Office of Budget and Management financial reports.

History of Major Changes

2009	Voters approved constitutional amendment authorizing a casino in Cincinnati, Cleveland, Columbus, and Toledo, and requiring a 33 percent tax on gross casino revenue.
2010	H.B. 519 established casino gaming statutes in accordance with the Ohio Constitution, created the Ohio Casino Control Commission, and implemented the gross casino revenue tax.
2011	H.B. 277 enacted several changes pertaining to Ohio's casinos including clarifying that gross casino revenue does not include promotional gaming credits and treating casino gaming receipts under the CAT the same as under the gross casino revenue tax.
2012	H.B. 386 made regulatory changes to Ohio's gambling laws, mainly affecting Ohio's Casino Control Commission, Racing Commission, and Lottery Commission. Related provisions were included for the Inspector General, Attorney General, Development Services Agency, and Department of Taxation. Also addressed were video lottery terminals, gambling addiction services, charitable gaming activities, and sweepstakes terminal devices.

Horse Racing Tax

Overview. Ohio's horse racing tax applies to both pari-mutuel and "exotic" wagering. Ohio has taxed pari-mutuel wagering on horse racing since 1933. In 1981, the horse racing tax was expanded to include "exotic" wagering – meaning all bets made on horse placements other than win, place, or show. An additional tax on pari-mutuel wagering also is levied for the municipal corporation or township in which racing takes place and is intended as a reimbursement for expenses incurred because of racing meets. During fiscal year 2022, horse racing collections were approximately \$3.9 million.

Taxpayer (R.C. 3769.08). The tax is paid by holders of racing permits issued by the State Racing Commission.

Tax Base (R.C. 3769.08, 3769.28, 3769.087). The base of the tax includes the amount wagered each day on all pari-mutuel racing, the amount wagered each day on exotic bets, and the total amount wagered at each horse race meeting of a permit holder.

Tax Rates. Pari-mutuel wagering tax (R.C. 3769.08):

Amount wagered daily	Rates
First \$200,000	1.00%
Next \$100,000	2.00%
Next \$100,000	3.00%
Over \$400,000	4.00%

Exotic Wagering Tax (R.C. 3769.087). In addition to the pari-mutuel wagering tax, a special tax of 3.5 percent applies to daily wagering on results other than win, place, or show. Such "exotic" wagers include the daily double, perfecta, quinella, and trifecta.

Additional Pari-Mutuel Wagering Tax (R.C. 3769.28 and 3769.102). There also is an additional pari-mutuel wagering tax levied as follows:

Total wagering per meet	Rates
Less than \$5 million	0.10%
\$5 million or more	0.15%

Revenue from the additional pari-mutuel wagering tax is distributed to the municipal corporation or township in which racing takes place. It is intended to reimburse these areas for expenses incurred due to racing meets. The municipal corporations and townships receiving the money may reimburse an adjoining political subdivision that incurs increased expenses because of racing meets. The maximum tax liability is \$15,000 from each meet.

Exemptions (R.C. 3769.28). Agricultural societies are not subject to the additional pari-mutuel wagering tax.

Credits (R.C. 3769.08 and 3769.20). Large projects may qualify a racing permit holder for a major capital improvement credit. Permit holders renovating, reconstructing, or remodeling an existing racetrack facility at a cost of \$6 million or more can reduce their tax liability by 1 percent of the amount wagered until the cost of the project plus debt service is paid. When the abatement exceeds the tax on the wagering, the abatement may be carried forward and applied against future tax liability. Under current law, the major capital improvement credit is not permitted after December 31, 2017, excluding any reduction balances. The major capital improvement credit is in addition to a 0.75 percent credit for permit holders who make capital improvements to existing racetracks or construct new racetracks.

Special Provisions (R.C. 3769.089 and 3769.26). In accordance with state laws, permit holders may, at their facilities, conduct televised simulcasts of horse races at other facilities in or outside of Ohio and conduct taxable pari-mutuel wagering on such races. Off-track betting on races simulcast at a satellite facility operated by a racing permit holder is also permitted in Ohio. Such wagers are taxable.

Filing and Payment Dates (R.C. 3769.08, 3769.103, 3769.28; Ohio Adm. Code 5703-23-01). For each racing day, a permit holder must electronically file a report and remit payment of the pari-mutuel and exotic wagering taxes to the Tax Commissioner by the following day. County fairs, independent fairs, and agricultural societies are not required to file or pay

Horse Racing Tax

Fiscal Year 2022

electronically but may do so. Within 10 days of the close of a horse racing meeting, the additional pari-mutuel wagering tax is remitted to the Tax Commissioner along with a final report showing the total amount wagered during the racing meeting.

Disposition of Revenue (R.C. 3769.08, 3769.087, 3769.26). The Nursing Home Franchise Permit Fee fund receives 25 percent of gross tax revenue from taxpayers other than county and independent fairs and agricultural societies plus all tax revenue from off-track betting parlors. The Ohio State Racing Commission's Operating Fund receives the final 0.5 percent of the 3.5 percent tax on exotic wagering and 16.7 percent of the base three percent tax on exotic wagering. Other distributions are made by the Tax Commissioner as shown in the table below. The revenue that remains from each racing day after payment into the Nursing Home Franchise Permit Fee Fund and the reductions allowed under R.C. 3769.08(J) and 3769.20 is usually insufficient to pay the percentages of pari-mutuel wagering described in the table, below. When such insufficiency exists, distributions to each are prorated on a proportional basis.

Recipient	Source of Receipts	Share of Receipts
County Agricultural Societies	Permit holders for racing at an agricultural experience or fair	25 percent of gross tax revenue
Ohio Fairs Fund	All permit holders	0.5 percent of total pari-mutuel wagering and 8.3 percent from the base 3 percent tax on exotic wagering
Ohio Thoroughbred Race Fund	Quarter horse racing permit holders	0.625 percent of total pari-mutuel wagering and 8.3 percent from the base 3 percent tax on exotic wagering
Ohio Standardbred Development Fund	Harness racing permit holders	0.625 percent of total pari-mutuel wagering and 8.3 percent from the base 3 percent tax on exotic wagering
Ohio Standardbred Development Fund	Harness racing permit holders (except county and independent agricultural societies)	0.5 percent of total pari-mutuel wagering
Ohio Thoroughbred Race Fund	Harness racing permit holders (except county and independent agricultural societies)	0.28 percent of total pari-mutuel wagering ¹
Ohio Thoroughbred Race Fund	Thoroughbred racing permit holders	1.125 percent of total pari-mutuel wagering and 8.3 percent from the base 3 percent tax on exotic wagering
State Racing Commission Operating Fund	All permit holders (except county and independent agricultural societies)	0.25 percent of total pari-mutuel wagering

¹This percentage changes annually based on a calculation performed at the beginning of each year. The share for calendar year 2021 was 0.27 percent and 0.28 percent for calendar year 2022.

Horse Racing Tax

Fiscal Year 2022

Comparisons with Competitor States (as of August 26, 2022).

Georgia	No wagering on horses permitted.
Indiana	A 2.0 percent tax is levied on pari-mutuel wagering on live races and simulcasts at a permit holder's racetrack. A 2.5 percent tax is levied on the total amount of money wagered on simulcasts at satellite facilities.
Kentucky	Racetracks conducting live horse races must pay a license tax of up to \$2,500.00 for each day of racing based on the average daily handle. An excise tax of 1.5 percent is imposed on all pari-mutuel live wagering, simulcast wagering, and advance deposit wagers.
Michigan	A 3.5 percent tax is levied on all money wagered on interstate and intertrack simulcast races conducted at a permit holder's race meetings.
North Carolina	No wagering on horse racing permitted.
Pennsylvania	A tax of 1.5 percent is imposed on the amount wagered on win, place, or show each racing day and a tax of 2.5 percent is imposed on multiple and exotic wagering.
Tennessee	No live wagering. A tax is levied on 20 percent of the adjusted gross income of licensed interactive sports wagering licensees; authorized wagers include pari-mutuel betting.
Texas	A tax of 1–5 percent is imposed on the amount wagered at live events and a tax of 1-1.25 percent on simulcast events.
West Virginia	On live thoroughbred racing, a tax rate of 1.4 percent applies to pari-mutuel pools April-September and a rate of 0.4 percent applies during all other months. On harness racing, a tiered-tax rate applies ranging from 3 percent to 5.75 percent to the total amount wagered.

History of Collections

Table 1: Horse Racing Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Nursing Home Fund	Thoroughbred Fund	Standardbred Fund	Other Funds	Total
2018	\$1.3	\$0.8	\$0.9	\$2.1	\$5.1
2019	1.2	0.7	0.9	2.2	5
2020	0.9	0.6	0.6	1.2	3.4
2021	0.9	0.5	0.6	2.2	4.2
2022	1.2	0.5	0.5	1.6	3.9

Source: Office of Budget and Management financial reports.

History of Major Changes

1933	Tax is enacted with rates ranging from 10 percent on the first \$1,000 of daily wagers to 30 percent on wagers more than \$20,000.
1953	Rates are reduced with new rate schedules.
1955	For thoroughbred racing, an additional 0.75 percent is added to each bracket; rates are unchanged for harness racing.
1975	Flat tax rates are adopted for thoroughbred racing: 7 percent through the end of 1976, 6.75 percent for 1977 and 6.5 percent starting in 1978. Rates on harness racing are reduced to a schedule of rates from 3-6.5 percent on the excess over \$550,000. Also, a 0.5 percent credit for qualifying capital improvements is established.
1981	A 2.5 percent tax on exotic wagering is established and the value of the capital improvement credit is increased to 0.75 percent. Lawmakers enacted a gradual rate reduction on thoroughbred racing to 5.25 percent by mid-1983. Harness rates are phased down and by mid-1983 rates range from 1.5-4.5 percent.
1984	H.B. 639 consolidated all rates into a single schedule for live racing. New rates range from 1-4 percent. Also, a 1.5 percent major capital improvements credit is enacted.
1989	Effective July 1, exotic wagering rate is increased from 2.5 percent to 3 percent.

Horse Racing Tax

Fiscal Year 2022

1994	General Assembly permits wagering on simulcast events. Revenues not going to horse racing funds go to the Passport program. Major capital improvements tax credit reduced to 1 percent of wagering.
1996	Legislation established that Passport program received 25 percent of gross revenues.
2001	Exotic wagering tax increased to 3.25 percent.
2003	Temporary additional tax of 0.25 percent placed on exotic wagering from July 1, 2003, until July 1, 2005.
2006	Reinstatement of 0.25 percent additional tax on exotic wagering for 2007 fiscal year.
2007	Additional 0.25 percent tax on exotic wagering made permanent.
2012	Ohio Passport Fund changed to Nursing Home Franchise Permit Fee Fund.
2017	H.B. 49 (132nd General Assembly) enacted law requiring 0.25 percent of exotic wagers on quarter horse races to be paid into the Ohio Thoroughbred Race Fund and reduce from 0.5 percent to 0.25 percent the amount of exotic wagers on thoroughbred races that are paid into that same fund.

Individual Income Tax

Overview. Ohio's income tax traces to 1912. In that year, Ohio voters approved a constitutional amendment specifically authorizing the General Assembly to levy an income tax. Legislative action did not follow until late 1971 when the income tax was first enacted with an effective date of Jan. 1, 1972 for individuals and estates. In 2002, the income tax base was expanded to include trust income. The income tax is Ohio's second largest revenue source. During fiscal year 2022, collections were approximately \$11.2 billion. Of this amount, approximately \$10.8 billion was deposited into the General Revenue Fund, \$482.6 million into the Local Government Fund (net of \$0.8 million redirected to the Highway Transportation Safety Fund), and \$12.2 million into the Local Government Audit Support Fund.

Taxpayer (R.C. 5747.01 and 5747.02). The tax is levied on statutorily defined incomes of every individual, trust, and estate residing in Ohio or earning or receiving income in Ohio, or otherwise having nexus with or in Ohio. The tax also applies to winnings from lotteries and casino gaming in Ohio. Withholding responsibilities apply to employers who pay wages and salaries for each employee working in Ohio.

Tax Base (R.C. 5747.01 et seq.). The tax base for an individual's income, other than business income, is federal adjusted gross income, plus or minus Ohio adjustments, less an exemption for the taxpayer, the taxpayer's spouse, and each dependent. The tax base for an individual's business income is taxable business income. In the case of estates, the tax base is Ohio taxable income. The tax base for trusts is modified Ohio taxable income. Calculating the net liability for Ohio's individual income tax is summarized by the following five steps:

1. Start with federal adjusted gross income (FAGI) as reported to the Internal Revenue Service on federal form 1040 and calculate Ohio adjusted gross income (OAGI) by applying Ohio additions and deductions.
2. Calculate the Ohio individual income tax base by subtracting the income-based exemptions from OAGI. For taxable year 2021, each taxpayer is allowed personal and dependent exemptions equal to the product of the number of exemptions claimed on his or her federal income tax return multiplied by the personal exemption amount for the taxpayer, as listed in Table 1, below. Ohio modified adjusted gross income is calculated as the taxpayer's OAGI plus any amount deducted under the business income deduction.

Table 1: Exemption Amounts (taxable year 2021)

Ohio Modified Adjusted Gross Income	Deduction Per Exemption
\$40,000 or less	\$2,400
\$40,001 to \$80,000	\$2,150
\$80,001 or more	\$1,900

3. Determine the amount of taxable business income, if any, and calculate the tax due on it. Taxable business income is the amount of business income included in FAGI minus the business income deduction and less any excess personal or dependent exemptions that were unused after calculating the tax due on nonbusiness income. The tax rate on taxable business income is 3 percent for taxable years beginning in 2016 and thereafter.
4. Calculate nonbusiness income by subtracting business income from the Ohio income tax base. Apply the graduated tax rates in Table 2 to Ohio taxable nonbusiness income. Add this tax to the tax on business income to determine gross tax liability.
5. Calculate the net tax liability by subtracting applicable credits from gross tax liability.

Fiscal Year 2022

Table 2: Income tax table for non-business income: taxable years beginning in 2021

Ohio Adjusted Gross Income Less Taxable Business Income and Exemptions		
More Than	Not More Than	Tax Calculation
\$0	\$25,000	\$0
25,000	44,250	\$346.16 + 2.765% of excess over \$25,000
44,250	88,450	\$878.42 + 3.226% of excess over \$44,250
88,450	110,650	\$2,304.31 + 3.688% of excess over \$88,450
110,650		\$3,123.05 + 3.990% of excess over \$110,650

Rates (R.C. 5747.02). See Table 2 for individual income tax rates on non-business income for the 2021 taxable year. In 2010, the Tax Commissioner was required by state law to begin adjusting the thresholds of each bracket for inflation annually (R.C. 5747.02(A)). The tax rates do not change as part of this adjustment. Am. Sub. H.B. No. 110 suspended the inflation adjustments for the 2021 taxable year. The 2021 taxable year income tax table for estates and trusts levies a rate of 1.38462 percent on more than \$0 and not more than \$25,000; otherwise, its income tax brackets, tax rates, and base tax liabilities are identical to those in Table 2. The rate is 3 percent on taxable business income.

This same statute requires tax rates to be temporarily adjusted downward in any year in which the director of the Office of Budget and Management determines that the budget stabilization fund (or "Rainy Day" fund) is equal to 8.5 percent of the general revenue fund revenues of the preceding fiscal year and that the percentage of the balance in the income tax reduction fund exceeds thirty-five one hundredths of one percent of the amount of revenue that the director estimates will be received from the income tax in the current fiscal year without regard to any reduction under this statute and certifies that percentage to the Tax Commissioner.

Additions, deductions, and exemptions. The starting point for the Ohio individual income tax return is federal adjusted gross income (FAGI). Additions and deductions (including the business income deduction) are applied to FAGI to calculate Ohio adjusted gross income (OAGI). Tax on taxable business income is calculated using the Ohio IT BUS – Business Income Schedule that includes a business income deduction.

Personal and Dependent Exemptions (R.C. 5747.02 and 5747.025). For taxable year 2021 (filed in 2022), individuals may claim personal and dependent exemptions equal to the product of the number of exemptions claimed on their federal income tax return multiplied by the amount per exemption for the taxpayer.

Dependents claimed on another person's return are not eligible to take a personal exemption on their own return. The amount per exemption, the total of which is subtracted from OAGI before tax rates are applied, is determined based on the OAGI calculated on the Ohio income tax return. Any excess is deducted from taxable business income before computing the tax on taxable business income. The personal and dependent exemption typically is adjusted for inflation each year. Am. Sub. H.B. No. 110 suspended the inflation adjustments for the 2021 taxable year.

Major additions to FAGI for individuals. Major additions for individuals, to the extent not already included in FAGI, include:

- non-Ohio state or local government interest and dividends;
- a pass-through entity add back; and
- five-sixths of the depreciation described in Internal Revenue Code sections 168(k) and 179.

Major deductions for individuals. Major deductions for individuals, to the extent not excluded from FAGI, include:

- certain federal interest and dividends;
- reciprocity income (income earned by residents of states that border Ohio – for details, see Special Provisions);
- state or municipal income tax overpayments deducted on a prior year's federal income tax return;
- business income deduction;
- qualified disability and survivor's benefits;
- Social Security and some railroad retirement benefits;
- certain unreimbursed medical and health care expenses;
- funds deposited into, and earnings on, an Ohio Medical Savings Account;
- contributions made to an Ohio 529 or Ohio STABLE account;
- repayment of income reported in a prior year;
- one-fifth of the depreciation added back in each of the previous five years;

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- military pay received while the resident service member is stationed outside Ohio;
- retired uniformed services personnel pay; and
- college opportunity or federal Pell grant amounts received and used to pay room or board.

For a complete listing and explanation of the adjustments to federal adjusted gross income, please see Schedule of Adjustments of the Ohio IT 1040 and its instructions.

Major credits (R.C. 5747.98).

Personal and dependent exemption credit (R.C. 5747.022) - This \$20 credit per personal and dependent exemption claimed when filing the return is allowed only for taxpayers with an Ohio modified adjusted gross income less exemptions of less than \$30,000.

Adoption credit (R.C. 5747.37) - Individual taxpayers may claim a credit for adoption expenses of either \$1,500 per minor child or the total amount of qualified expenses incurred to adopt a minor child up to \$10,000, whichever is greater. Adoption of stepchildren does not qualify for this credit. The credit is nonrefundable, but the excess may be carried forward for the ensuing five taxable years with each year's credit claimed deducted from the carry-forward balance.

Child and dependent care credit (R.C. 5747.054) - Individual and estate taxpayers with an Ohio modified adjusted gross income of less than \$40,000 may claim a nonrefundable credit equal to 25 percent of the federal dependent care credit for which the taxpayer is eligible. If the taxpayer's Ohio modified adjusted gross income is less than \$20,000, the credit is equal to the federal credit for which the taxpayer is eligible.

Displaced worker training credit (R.C. 5747.27) - An individual taxpayer may claim a nonrefundable credit for training expenses incurred within 12 months of losing or leaving a job due to the closing or moving of a facility at which the individual was employed or the abolishment of the individual's position or shift at that facility and who has not obtained another job at which the individual works more than 20 hours a week. The maximum credit is the lesser of 50 percent of the training expenses or \$500.

Earned income credit (R.C. 5747.71) - Taxpayers who qualify for the federal earned income tax credit (EITC) may take a nonrefundable Ohio earned income credit equal to 30 percent of the taxpayer's federal EITC.

Invest Ohio credit (R.C. 5747.81) - The credit equals the taxpayer's qualifying investment as indicated on the investor's small business investment certificate multiplied by 10 percent.

Joint filer credit (R.C. 5747.05(E)) - Spouses who file jointly are allowed a tax credit if each spouse has qualifying Ohio adjusted gross income of \$500 or more. Qualifying income does not include interest, dividends and distributions, royalties, rent, and capital gains. The credit is a percentage of the tax due after all credits other than the resident, nonresident, part-year resident, and business credits are claimed, but the maximum credit amount is \$650.

Nonresident credit (R.C. 5747.05(A)) - Nonresident individuals may calculate a tax credit of the tax otherwise due on such portion of their combined adjusted gross income and business income that is not allocable or apportioned to Ohio.

Resident credit (R.C. 5747.05(B)) - Resident individuals may calculate a tax credit when part or all of their income is taxed in another state or the District of Columbia.

Retirement income credit (R.C. 5747.055) - Individuals, whose Ohio modified adjusted gross income less exemptions is less than \$100,000 receiving retirement benefits, annuities or distributions from a pension, retirement, or profit-sharing plan that are included in adjusted gross income, are allowed a nonrefundable credit that depends upon the amount of retirement income received during the taxable year, capped at \$200.

Senior citizen credit (R.C. 5747.055(F)) - Individuals whose Ohio modified adjusted gross income less exemptions is less than \$100,000, and who are 65 years of age or older on or before December 31 of the taxable year may claim a \$50 credit per return.

Pass-through entity (PTE) credit (R.C. 5747.059) - Investors in PTEs are eligible for a refundable credit equal to the taxpayer's proportionate share of the lesser of either the tax due or the tax paid by any qualifying entity for the qualifying taxable year of the qualifying entity which ends in the taxable year of the taxpayer.

Several other business credits also may be claimed against individual income tax liabilities. For more information, please see the Business Tax Credits chapter of this annual report.

Fiscal Year 2022

Special provisions

Military pay and income of military spouses (R.C. 5747.01(A)(21)) - A deduction is allowed for active duty military pay and allowances included in federal adjusted gross income and not otherwise allowable as a deduction or exclusion if those amounts were received for active duty service while the service member is stationed outside Ohio.

Reciprocity (R.C. 5747.05(A)(2)) - Because of agreements Ohio has with bordering states (i.e., Indiana, Kentucky, West Virginia, Michigan and Pennsylvania), an individual does not have to file an Ohio income tax return when: the taxpayer was a full-year resident of one of the border states for the taxable year; and the taxpayer's only source of income within Ohio was from wages, salaries, tips or commissions generally received from employers unrelated to the taxpayer. These reciprocity agreements do not apply to nonresidents who directly or indirectly own at least 20 percent of the stock or other equity of an Ohio pass-through. These nonresidents must include this compensation in Ohio taxable income but can treat this compensation as business income, which is subject to the business income deduction and must be apportioned for purposes of computing the nonresident credit.

Residency (R.C. 5747.24) - For details, see information release IT 2018-01.

Filing and Payment Dates (R.C. 5747.07-.09)

For individuals, estates, and trusts

Annual return – The annual return is generally due by April 15th for calendar year taxpayers without an extension. Statutorily, the due date is April 15th of each year.

Quarterly – Taxpayers must file quarterly declarations when they expect their tax to be under-withheld by more than \$500. Such calendar year taxpayers must typically make estimated payments by April 15th, June 15th and September 15th of the current year and by January 15th of the following year. For fiscal year taxpayers, quarterly payments of tax must be made on the 15th day of the fourth, sixth and ninth months of the fiscal year and on the 15th day following the end of the fiscal year.

Electronic filing – Tax return preparers who file more than 11 original income tax returns, reports, or other tax payment documents must file electronically.

For employers that withhold taxes

An employer accumulating undeposited taxes of \$100,000 or more is required to make payment within one banking day by electronic funds transfer (EFT). Otherwise, the following rules apply:

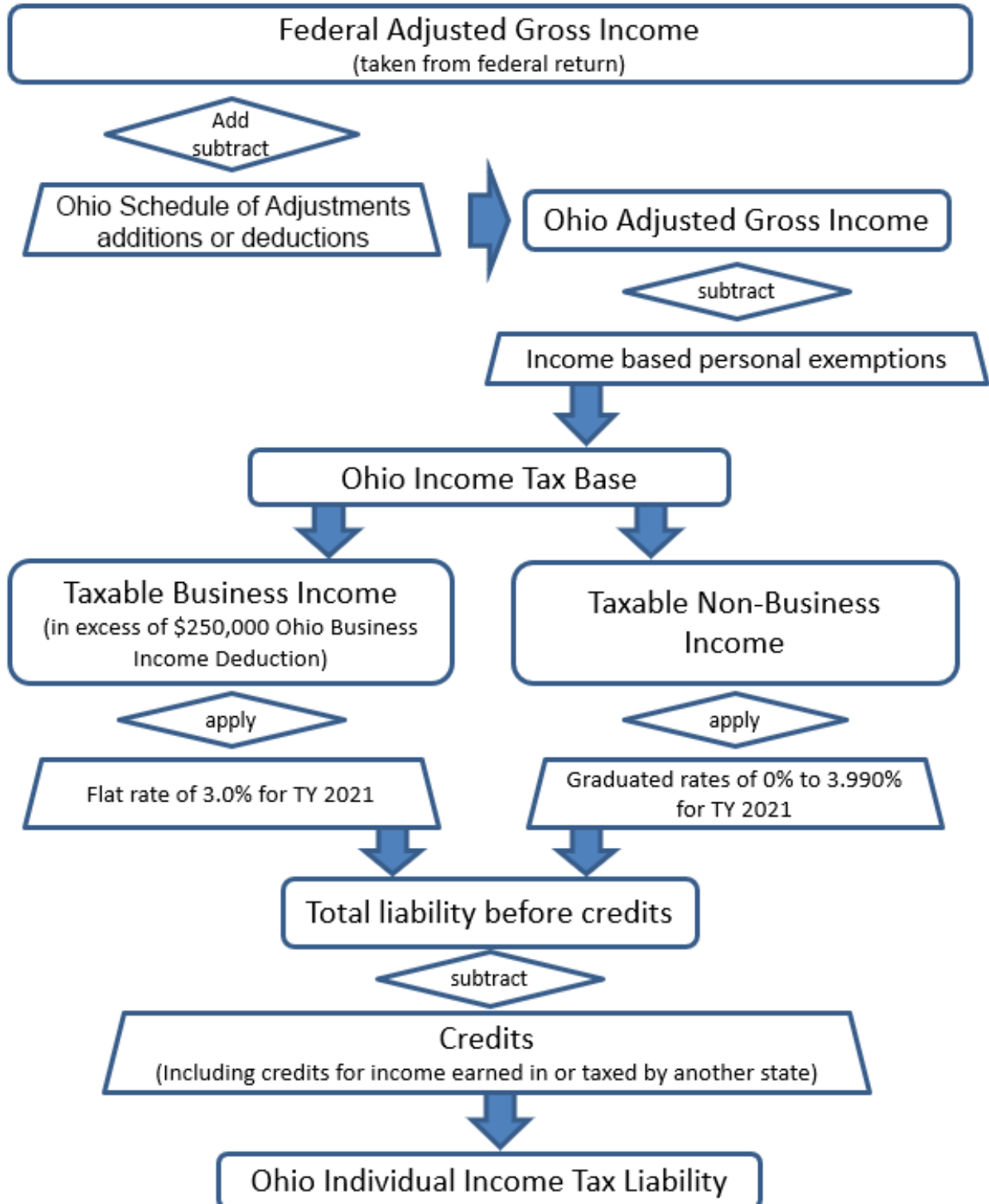
- if an employer withheld no more than \$2,000 during the 12 months ending on June 30 of the preceding year, payments are due within 30 days after the quarter ending in March, June, September and December.
- if an employer withheld more than \$2,000 and less than \$84,000 during the 12 months ending on June 30 of the preceding year, payments are due within 15 days after the end of the month.
- if an employer withheld at least \$84,000 during the 12 months ending on June 30 of the preceding year, payments are due within three banking days after the end of the partial weekly period and must be made by electronic funds transfer.

Disposition of Revenue (Ohio Const. Art. XII, 9, R.C. 5747.03). During fiscal year 2022, approximately 95.6 percent of revenue from the state income tax or approximately \$10,752.2 million was distributed to the General Revenue Fund (GRF). The rest (about 4.4 percent or \$495.6 million) was distributed to the Local Government Fund (LGF) and the Local Government Audit Support Fund, and the Ohio Highway Transportation Safety Fund. Article XII, Section 9 of the Ohio Constitution requires that at least 50 percent of the income tax collections be returned to the county of origin. This provision is met primarily through GRF allocations to education, LGF distributions, and local property tax relief (i.e., the nonbusiness tax credit, owner-occupied tax credit and the homestead exemption for senior citizen and certain homeowners who are disabled).

Charts

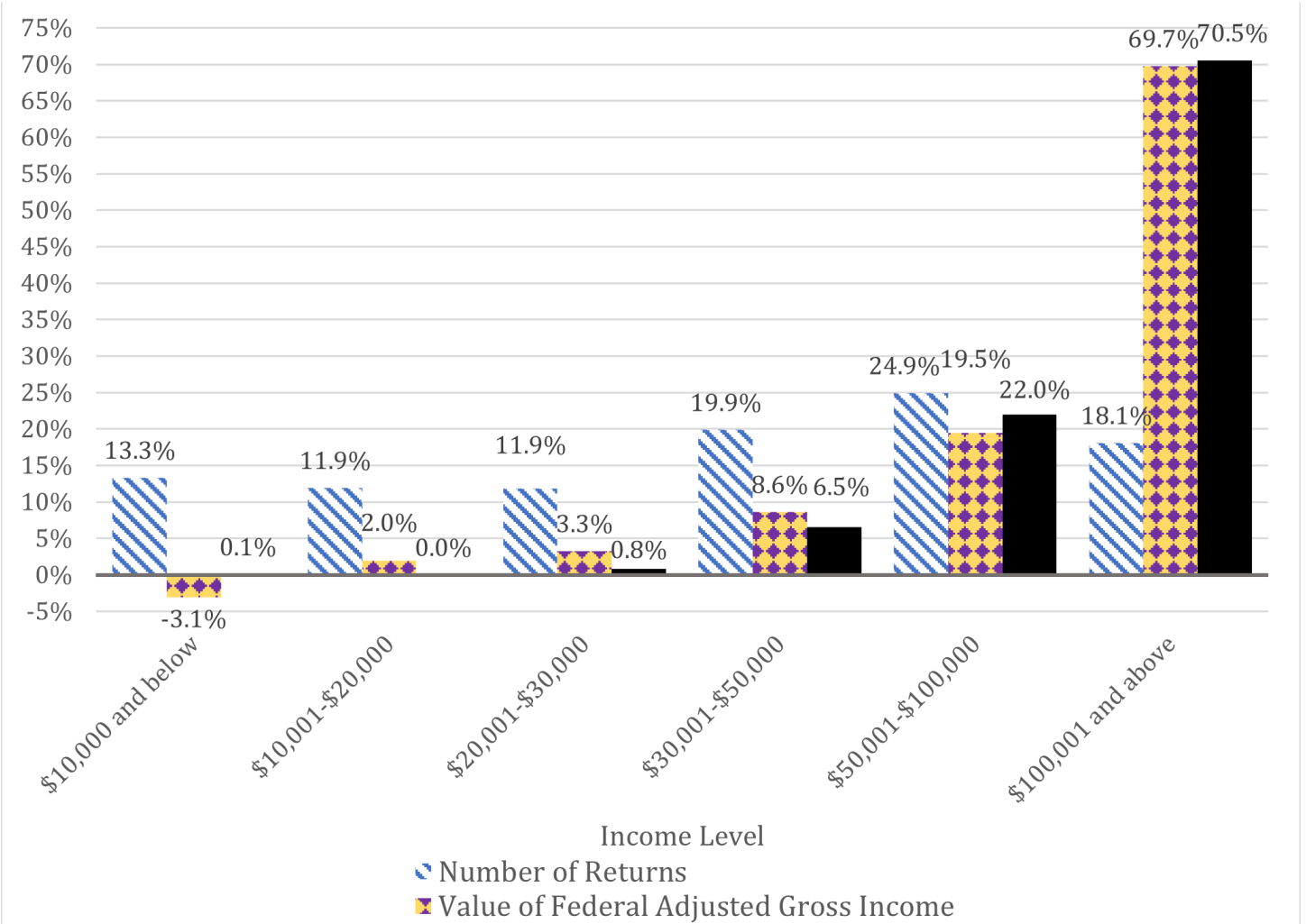
The following charts summarize information from Ohio individual income tax returns. Chart 2 reflects all tax returns filed to date by taxpayers for the taxable year noted. Chart 2 includes tax returns that indicate tax liability as well as returns with no tax liability.

Chart 1: General Computation of Ohio Individual Income Tax Liability for TY 2021



Fiscal Year 2022

Chart 2: Individual Income Tax
 Number of Returns, Federal Adjusted Gross Income, and Liability
 Percent Distribution by Income Level: Taxable Year 2020



Source: Ohio Department of Taxation

Individual Income Tax

Fiscal Year 2022

Comparisons with Competitor States for taxable year 2021.

Georgia	Rates range from 1 percent on net taxable income not over \$750.00 to 5.75 percent on the amount of net taxable income over \$7,000.
Indiana	Indiana imposes an income tax at the rate of 3.23 percent.
Kentucky	Kentucky imposes an income tax at the rate of 5 percent.
Michigan	Michigan imposes an income tax at the rate of 4.25 percent.
North Carolina	North Carolina imposes an income tax at the rate of 5.25 percent.
Pennsylvania	Pennsylvania imposes an income tax at the rate of 3.07 percent.
Tennessee	Tennessee does not impose an income tax. Tennessee began phasing out a tax on taxable interest and dividend income beginning on January 1, 2017. This tax was fully repealed beginning on January 1, 2021.
Texas	None.
West Virginia	Rates range from 3 percent on taxable income not over \$10,000 to 6.5 percent on taxable income in excess of \$60,000.

History of Collections

Table 3: Individual Income Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Total Revenues
2018	\$8,792.2
2019	9,313.4
2020	8,285.0
2021	10,663.4
2022	11,247.8

Source: Office of Budget and Management financial reports.

History of Major Changes

1912	Voters approved an amendment to the Ohio Constitution permitting the taxation of income on a uniform or graduated basis.
1967	Ohio Tax Study Commission of 1967 reported its findings and recommendations for an income tax.
1971	General Assembly enacted a state individual income tax effective for 1972.
1972	Ohio voters rejected a constitutional amendment that would have repealed the new income tax and prohibited future graduated income taxes.
1973	Voters approved a constitutional amendment eliminating a \$3,000 cap on personal exemptions. Legislature enacted a joint filer credit.
1982	A temporary 25 percent across the board tax increase for 1982 and a temporary 12.5 percent increase for 1983 are imposed. Additional rate increases are imposed on high-income individuals for 1982 and 1983 through the creation of new brackets for income more than \$80,000 and \$100,000.

Individual Income Tax

Fiscal Year 2022

1983	The new brackets are made permanent. There is an increase in the temporary across the board rate increases to 83.3 percent for 1983 and 90 percent for 1984 when the increases become permanent. Also increased are the senior citizen credit, the joint filer credit, and the personal exemption. Later in the year, Ohio voters sustained these changes by rejecting a constitutional amendment that would have repealed all tax changes enacted since 1982.
1984	A one-time special refund is enacted. For most taxpayers, the refund is 2.03 percent of 1983 tax liability or \$7, whichever is greater. Taxpayers who had less than \$7 due in 1983 receive a full refund.
1985	A three-year, 15 percent across-the-board rate cut is enacted. Rates are scheduled to fall from 1984 levels by 5 percent in 1985, 5 percent in 1986, and 5 percent in 1987.
1986	The top marginal tax rate (on income more than \$100,000) is lowered from 8.55 percent to 6.9 percent effective 1987. Legislators also lowered other rates by an additional 7 percent in 1987 and an additional 1 percent in 1988 and thereafter.
1992	A new bracket is created for income more than \$200,000, effective for tax year 1993. The tax rate associated with this new bracket is 7.5 percent.
1996	A new mechanism is enacted to temporarily lower statutory rates in any year when a budget surplus exists. Thus, tax rates are temporarily reduced for 1996 by 6.609 percent. This provision later leads to temporary rate reductions in 1997, 1998, 1999, and 2000.
1997	A pass-through entity and trust withholding tax is enacted and personal exemptions are indexed to inflation starting in 2000.
2002	Ohio Passport Fund changed to Nursing Home Franchise Permit Fee Fund.
2006	Resident armed services members are permitted to deduct military pay and allowances earned while stationed outside of Ohio effective January 1, 2007.
2007	Military retirement pay is exempted from Ohio income and school district taxes.
2008	Tax preparers who file more than 75 original income tax returns in 2008 are required by law to file electronically as of January 1, 2010.
2009	H.B. 318 postponed the fifth income tax rate reduction for two years (until 2011). H.B. 1 created the motion picture production tax credit.
2010	The Tax Commissioner is required by state law to adjust the tax brackets effective for taxable years 2010 and thereafter for inflation.
2011	The fifth year of income tax reductions authorized by H.B. 66 is implemented. H.B. 167 enacted a new income tax deduction for Pell Grant recipients.
2013	H.B. 59 enacted a 10-percent reduction in income tax rates over three years. Rates decreased 8.5 percent in tax year 2013, 0.5 percent in tax year 2014 and 1 percent in tax year 2015. It also suspended the indexing of income brackets and the personal and dependent exemptions during the phase-in periods. It subjected the personal and dependent credit to means testing and created an earned income tax credit and a 50 percent business income deduction. H.B. 365 enacted an allowance for business owners who claimed an enhanced federal income tax depreciation deduction and who increased payroll to claim more of the deduction that the business owner must add back to the Ohio income tax base.
2014	H.B. 483 accelerated the final phase-in of a 10-percent total income tax rate reduction from taxable year 2015 to taxable year 2014.
2015	H.B. 64 and S.B. 208 created separate tax bases for business and nonbusiness income of individuals and established a flat 3 percent rate on taxable business income. Tax rates are reduced on nonbusiness income by 6.3 percent starting in tax year 2015 and means testing is established for the senior and retirement income and retirement income lump sum credits. The business income deduction is set at \$125,000 for each spouse if each spouse files separate returns or \$250,000 for all other individuals.

Individual Income Tax

Fiscal Year 2022

<p>2017</p>	<p>H.B. 49 reduced the number of tax brackets levied on estates' Ohio taxable income and trusts' modified Ohio taxable income from nine to eight for taxable years beginning in 2017 and thereafter by consolidating into one bracket the bottom two brackets that are applied for taxable years beginning in 2016 and earlier. Only the top seven brackets are levied on individuals' other than taxable business income (a reduction from nine to seven) for taxable years beginning in 2017 and thereafter. The low-income credit is repealed for taxable years beginning in 2017 and thereafter, as the bottom bracket of the seven-bracket system begins at \$10,500. The Tax Commissioner must adjust the income and base tax amounts for all brackets beginning in August 2017. H.B. 49 increased the maximum income tax deduction for contributions to a federally tax advantaged college savings plan or disability expense account from \$2,000 to \$4,000 annually for each beneficiary and made changes to the motion picture tax credit program. It eliminated the administrative fee for refund contribution check-offs, reduced the Tax Commissioner's role in Ohio political party fund contributions, and required the Tax Commissioner to separately report income tax collections from business income.</p>
<p>2018</p>	<p>Sub. H.B. 292 amended R.C. 5747.24 to change the requirements for the "irrebuttable presumption" of non-Ohio domicile for individuals. For tax years 2018 and forward, an individual is irrebuttably presumed not to be domiciled in Ohio for each taxable year for which the individual files a statement, on or before October 15th, attesting that the individual meets the following criteria: (1) no more than 212 contact periods with Ohio during the taxable year, (2) an abode outside of Ohio for the entire taxable year, on which the individual did not claim a depreciation deduction under I.R.C. §167, (3) no Ohio driver's license or identification card at any time during the taxable year, (4) no Ohio property on which the individual claimed the homestead exemption and/or the owner-occupancy property tax reduction, and (5) no "in state" tuition at an Ohio institution of higher education based on an Ohio address.</p>
<p>2019</p>	<p>Sub. H.B. 62 amended R.C. 5747.71 to increase the Ohio Earned Income Credit (EITC) allowed from 10 percent of the federal EITC to 30 percent of the federal EITC. This bill also removed the feature of the Ohio EITC which limited the value of the credit to half of the taxpayer's liability for those taxpayers whose OAGI less personal exemptions was greater than \$20,000. H.B. 133 authorized an income tax deduction for compensation paid to a qualifying employee to the extent such compensation is for disaster work conducted in this state during a disaster response period pursuant to a qualifying solicitation received by the employee's employer, compensation paid to a qualifying employee to the extent such compensation is for disaster work conducted in this state by the employee during the disaster response period on critical infrastructure owned or used by the employee's employer, and income received by an out-of-state disaster business for disaster work conducted in this state during a disaster response period, or, if the out-of-state disaster business is a pass-through entity, a taxpayer's distributive share of the pass-through entity's income from the business conducting disaster work in this state during a disaster response period, S.B. 8 authorized a pass-through entity investor who is paid wages or guaranteed payment by a professional employer organization hired by the pass-through entity to claim the business income deduction. S.B. 22 expressly incorporated changes to the Internal Revenue Code since March 30, 2017 into Ohio law and allowed contributions to Ohio 529 plans for qualified K-12 education expenses to be tax deductible.</p>
<p>2019</p>	<p>Am. Sub. H.B. 166 reduced income tax rates across the board by 4 percent, reduced the number of income tax brackets from seven to five, and suspended the inflation indexing of the income tax brackets for tax year 2019. Additionally, the bill introduced new credits for lead abatement and opportunity zone investments, modified the eligibility for various means-tested income tax credits (personal exemption credit, dependent care credit, joint filer credit, senior citizen credit, lump sum distribution credit, retirement income credit and the lump sum retirement income credit) such that high-income taxpayers with little nonbusiness income are not eligible. Lastly, the bill eliminated the campaign contribution credit and the credit for the pass-through investor's share of tax paid under R.C. 5726, the Financial Institutions Tax. These last two changes were delayed until tax year 2020 by Sub. S.B. 26, which also added a new deduction for qualifying educator out-of-pocket expenses for professional development and classroom supplies.</p>
<p>2020</p>	<p>Sub. H.B. 18 added a new deduction for disability severance payments received by honorably discharged veterans. Sub. H.B. 197 authorized the Tax Commissioner to extend the deadline to file and pay state income tax without interest or penalty. The extension was available to those filing the Ohio individual income tax, school district income tax, pass-through entity and fiduciary income tax, and also extends to municipal net profit taxpayers that have opted-in to the state's centralized filing system. Returns, payments and estimated payments with due dates from April 15, 2020 through June 15, 2020, including fiscal year filers, were extended without interest or penalty to July 15, 2020.</p>

Individual Income Tax

Fiscal Year 2022

2021	Sub. S.B. 18 allowed recipients of unemployment benefit payments to elect to have state taxes withheld beginning Jan 1, 2022. Am. Sub. H.B. 110 extended this date to January 1, 2023. Additionally, Sub. S.B. 18 amended R.C. 5701.11 to incorporate federal tax law changes into Ohio income tax law, including the changes to federal law by the “Consolidated Appropriations Act, 2021” and the “American Rescue Plan Act of 2021.” Sub. S.B. 39 reinstated a nonrefundable credit for campaign contributions.
2022	Am. Sub. H.B. 110 implemented nonrefundable tax credits for education expenses for home-schooling, donations to non-profit scholarship granting organizations, and for non-public non-chartered private school tuition. These credits were made effective for tax year 2021. Sub. H.B. 515 reclassified income/proceeds from the sale of an equity or ownership interest in a business from “non-business income” to “business income.” S.B. 166 authorized a nonrefundable tax credit against the individual income tax for employers equal to the lesser of \$5,000 per eligible employee or 15% of the total wages paid to a student participating in a career technical education program.

Kilowatt-Hour Tax

Overview. The kilowatt-hour (kWh) tax was created by the Ohio General Assembly in 2001 as part of a broader legislative effort to deregulate electric utilities. The tax, effective May 1, 2001, replaced the public utility excise tax on electric and rural electric companies. It also was designed to replace revenues lost from the reduction of assessment rates on electric and rural electric tangible personal property. During fiscal year 2022, collections were approximately \$538.8 million.

The tax is levied on electric distribution companies with end users in Ohio. The tax has tiered rates that vary according to the kWh consumption of individual end users of electricity. For certain large consumers of electricity, a self-assessor option exists. Companies that provide both electric and other services must separate the charges for electricity from the other services they provide.

Taxpayer (R.C. 5727.80 and 5727.81). Electric distribution companies with end users in Ohio are subject to the tax. Electric distribution companies do not include a person that donates all the electricity generated to a political subdivision of the state. The tax is also paid by certain large commercial and industrial end users (self-assessing purchasers) that consume more than 45 million kWh of electricity during a calendar year. Self-assessing purchasers must qualify and register to self-assess the tax.

Tax Base (R.C. 5727.81). The tax has two bases with payments determined by the number of kilowatt-hours distributed to end users in Ohio.

Tax Rates (R.C. 5727.81). Electric distribution companies pay rates based on their monthly distribution to each end user. The rates are tiered according to the amount of kilowatt-hours the individual end user consumes, as shown in the following schedule:

0 - 2000 kWh	0.465 cents
2001 - 15,000 kWh	0.419 cents
15,001 kWh or more	0.363 cents

End users above 45 million kWh in annual consumption may register to self-assess the tax. Self-assessors pay 0.257 cents per kWh on the first 500 million kWh and 0.1832 cents per kWh in excess of 500 million.

Exemptions (R.C. 5727.80 and 5727.81). The kWh tax does not apply to the federal government, end users located at a federal facility that uses electricity for the enrichment of uranium, qualified end users in qualified manufacturing processes, qualified regeneration meters, certain qualified end users if the electricity is generated by an electric generation facility primarily dedicated, interconnected and integrated with the end user's facilities, and self-generation facilities sized not to exceed one hundred percent of annual energy requirements.

Filing and Payment Dates (R.C. 5727.81 and 5727.82). For kWh and self-assessing taxpayers, the filing date is the 20th day of each month. Payments reflect the amount of electricity distributed to the end users during the preceding month. To register as a self-assessing purchaser, end users must apply and pay a \$500 fee before May 1st. The registration year begins on May 1st and ends on the following April 30th.

Disposition of Revenue (R.C. 5727.81). The General Revenue Fund (GRF) receives nearly 100 percent of the kilowatt-hour tax revenues. R.C. 131.51(C) allows the director of the Office of Budget and Management to identify the specific tax revenue sources to be used to make the required monthly transfer to the Public Library Fund (PLF). A portion of the monthly amount deposited into the PLF is credited against the kWh tax portion of the GRF revenues. The amount of kWh tax revenue credited to the PLF varies from year-to-year based on a fixed percentage of all tax collections distributed to the GRF.

Special Provisions (R.C. 5727.81 and 5727.82). In cases where self-assessing purchasers are served by a municipal electric utility and are located within that municipality, the tax is remitted to the municipality rather than to the state. A municipal electric utility may also retain in its general fund the portion of the tax on kilowatt hours distributed to end users located within its boundaries.

Comparisons with Competitor States (as of July 21, 2022). Georgia, Indiana, Michigan, North Carolina, Pennsylvania, Tennessee, Texas, and West Virginia do not have specific taxes levied on the volume of electricity consumed or distributed. In these states, electric companies may be subject to public utility excise or business taxes. Kentucky has an electric vehicle charging station tax which charges a combined excise and surtax fee of \$0.03 per kilowatt hour of electricity used to charge electric vehicles.

History of Collections

Table 1: kWh Tax collections and distributions: fiscal years 2018-2022 (in millions)

Fiscal Year	Total Collections	General Revenue Fund	Public Library Fund
2018	\$537.2	\$342.4	\$194.8
2019	547.5	343.6	203.9
2020	530.8	331.8	199.0
2021	526.7	298.2	228.5
2022	538.8	291.4	247.4

Source: Office of Budget and Management financial reports.

History of Major Changes

1999	S.B. 3 established the kilowatt-hour (kWh) tax effective May 1, 2001.
2000	S.B. 287 enacted the following changes: lowers the self-assessor tax threshold from 120 million kWh of annual consumption to 45 million kWh; caps the consumption portion of the self-assessor tax formula to 504 million kWh of annual consumption; establishes an exemption for “qualified regeneration facilities”; allows businesses to declare that they will have enough electricity consumption in the upcoming year to self-assess and provides for a “recapture” tax if the taxpayer fails to meet the self-assessor threshold; and requires self-assessors served by a municipal electric company and located within the municipal boundary to remit the self-assessor tax to the municipality.
2007	Under H.B. 119, the General Revenue Fund’s share of the kWh tax is changed to 63 percent. Also, the General Assembly reduced the price component for the tax paid by self-assessing purchasers from 4 percent to 3.5 percent effective July 1, 2008.
2009	H.B. 1 eliminated the price-based component of the self-assessment calculation effective Jan. 1, 2011 in favor of a flat rate of 0.257 cents per kWh on the first 500 million kWh and of 0.1832 cents per kWh for each kWh in excess of 500 million.
2011	H.B. 153 changed the percentage of distribution to 88 percent of the General Revenue Fund (GRF), 9 percent to the School District Property Tax Replacement Fund and 3 percent to the Local Government Property Tax Replacement Fund.
2015	H.B. 64 altered the disposition of revenue and credited nearly all to the GRF.
2017	H.B. 49 exempted from the kWh tax any use of electricity by a qualified end user in a chlor-alkali manufacturing process (i.e., a process to manufacture bleach). An end user must obtain the consent of the legislative authority of the municipal corporation that owns or operates the utility when the end user receives the electricity from a municipal electric company.
2021	H.B. 110 exempted from the kWh tax certain qualified end users if the electricity is generated by an electric generation facility primarily dedicated, interconnected and integrated with the end user’s facilities, and self-generation facilities sized not to exceed one hundred percent of annual energy requirements.

Motor Vehicle Fuel and Use Tax

Overview. An excise tax applies to all dealers in motor vehicle fuel on the use, distribution, or sale within Ohio of fuel used to generate power for the operation of motor vehicles. Effective July 1, 2019, with the passage of H.B. 62, the motor fuel excise tax rate was increased to 38.5 cents per gallon for gasoline and 47 cents per gallon for all other motor fuels, except compressed natural gas (CNG). H.B. 62 also expanded the definition of “motor fuel” to include CNG and levied a motor fuel tax on CNG of 10 cents per gallon equivalent, increased to 47 cents per gallon equivalent, phased in over five years. As of Jan. 1, 2018, the five prior existing levies that made up the motor fuel tax were combined into one levy. The first 28 cents per gallon of the current levy is allocated in specified fractions that correspond with the five prior distinct levies, and the amounts received from the levy over the 28 cents are allocated as described below. Article XII, Section 5a of the Ohio Constitution mandates that no revenues from excise taxes on fuel used to propel vehicles on public highways be expended for costs other than costs of administering such laws, statutory refunds and adjustments provided therein, payment of highway obligations, costs for construction, reconstruction, maintenance and repair of public highways and bridges and other statutory highway purposes, expenses of state enforcement of traffic laws, and expenditures authorized for hospitalization of indigent persons injured in motor vehicle accidents on the public highways. During fiscal year 2022, motor fuel tax collections were approximately \$2,596.9 million, inclusive of amounts in the motor fuel hold fund.

There also is a fuel use tax of 38.5 cents per gallon of gasoline and 47 cents per gallon of diesel fuel levied on commercial cars and tractor trailers operated or driven upon a public highway in two or more jurisdictions. Fuel use taxpayers pay tax on the motor vehicle fuel consumed in Ohio that exceeds the fuel purchased and taxed in Ohio. During fiscal year 2022, motor fuel use tax collections were approximately \$122.0 million, with \$57.1 million net to Ohio and the remainder to refunds and distributions to other states and Canadian provinces participating in the international fuel tax agreement (IFTA).

Taxpayer (R.C. 5735.01, 5735.05). The excise tax applies to dealers that: import motor fuel from another state or foreign country or acquire motor fuel by any means into a terminal in this state; import motor fuel from another state or foreign country in bulk lot vehicles for subsequent sale and distribution in this state from bulk lot vehicles; refine motor fuel in this state; acquire motor fuel from a motor fuel dealer for subsequent sale and distribution in this state from bulk lot vehicles; or possess an unrevoked permissive motor fuel dealer’s license.

Tax Base (R.C. 5728.06, 5735.05). The base of the tax is the gallons of motor vehicle fuel sold, used, or distributed in Ohio. It also applies to CNG that is used to propel vehicles on public roads or on waterways.

Tax Rates (R.C. 5735.05). Prior to July 1, 2019, the motor fuel excise tax rate was 28 cents per gallon. Effective July 1, 2019, the tax increased to 38.5 cents per gallon for gasoline and to 47 cents per gallon of all other motor fuel other than gasoline. Effective July 1, 2021, CNG was taxed at a rate of 30 cents per gallon, and was increased by 10 cents on July 1, 2022, and will be increased by 7 cents on July 1, 2023, to a total of 47 cents.

Deductions (R.C. 5735.05-.06). Dealers may deduct the following motor fuel from their total gallons sold:

- dyed diesel sold for uses other than operating motor vehicles on public highways or waterways within Ohio;
- K-1 kerosene to a retail service station, except when placed directly in the fuel supply tank of a motor vehicle (such sales are rebuttably presumed to not be distributed or sold for use or used to generate power for the operation of motor vehicles upon the public highways or upon the waters within the boundaries of this state);
- motor fuel sold by licensed dealers to other licensed dealers;
- motor fuel exported by licensed dealers from Ohio to any other state or foreign country;
- motor fuel sold for exclusive use by the U.S. government or its agencies;
- motor fuel that is in the process of transportation in foreign or interstate commerce, except insofar as it may be taxable under the Constitution and statutes of the United States, and except as may be agreed upon in writing by the dealer and the tax commissioner;
- motor fuel sold exclusively for use in the operation of aircraft; and
- motor fuel sold by a dealer for delivery from a bulk lot vehicle, for consumption in operating a vessel when the use of such fuel in a vessel would otherwise qualify for a refund under section 5735.14 of the Revised Code.

Fiscal Year 2022

Shrinkage Allowance (R.C. 5735.06, 2021 H.B. 74 Section 757.20). Licensed motor fuel dealers receive a discount intended to cover “evaporation, shrinkage or other unaccounted for losses.” An uncodified provision of House Bill 119, enacted in 2007 by the 127th General Assembly, set this “shrinkage allowance” at the following levels, which has been extended through fiscal year 2023 by House Bill 74 of the 134th General Assembly:

- licensed distributors receive a 1 percent discount on total gallons of fuel received, minus 0.5 percent on gallons sold to retailers, for fuel lost through shrinkage and evaporation; and
- retailers receive a 0.5 percent discount on gallons of fuel purchased from licensed distributors for fuel lost through shrinkage and evaporation. This discount is received in the form of a refund.

Refunds (R.C. 5735.13, 5735.14, 5735.141, 5735.142, 5735.18). Persons who have purchased motor vehicle fuel on which the fuel tax has been paid may receive a refund when:

- the motor fuel was used to operate or propel stationary gasoline engines, tractors used for off-highway purposes or unlicensed motor vehicles used exclusively in intra-plant operations;
- the motor fuel was used by watercraft devoted entirely to commercial purposes such as trade or fishing; by vessels used in Boy Scouts’ training; by vessels used or owned by railroad car ferry companies; or by vessels used or owned by federal, state or local governments;
- the motor fuel was used for cleaning or dyeing;
- the motor fuel was used by local transit systems;
- the motor fuel was used in aircraft;
- the motor fuel was lost or destroyed through fire, explosion, lightning or other natural disasters; or
- any person, other than a dealer, sells or uses the fuel outside Ohio, or sells the fuel to the U.S. government or any of its agencies.

Also, a city, exempted village, joint vocational or local school district, an educational service center or a county board of developmental disabilities may be reimbursed for the amount of Ohio motor fuel tax paid on fuel in excess of 22 cents per gallon. A contractor acting on behalf of transit systems, school districts, and county DD boards may claim a refund when acting on the agency’s behalf. The refund amount is the same amount as the agency’s refund.

Fuel Use Tax (R.C. Chapter 5728). The Ohio motor vehicle fuel use tax of 38.5 cents per gallon on gasoline and 47 cents for all other motor fuels is imposed on heavy trucks on the amount of motor fuel consumed in Ohio that was purchased outside of Ohio. A refund or credit is allowed for the tax on fuel purchased in Ohio for use in another state, provided the other state imposes a tax on such fuel and allows a similar credit or refund. The fuel use tax rate increased on July 1, 2019 commensurate with increases to the corresponding motor fuel tax rates, and will continue to increase with those rates.

Liquid Natural Gas (R.C. 5735.011). The tax on liquid natural gas is measured in gallon equivalents. The diesel gallon equivalent standard for liquid natural gas is the equivalent of one gallon of motor fuel.

Filing and Payment Dates (R.C. 5735.06). Returns and payments are due by the last day of the month following the reporting period.

Disposition of Revenue (R.C. 5735.05, 5735.051, 5735.27). Motor vehicle fuel tax is distributed by the Department of Taxation each month.

Revenue generated from the first 28 cents per gallon of the motor fuel excise tax rate is distributed among state funds and among local governments as follows:

Before any distributions are made, funds are set aside for refunds and two percent of the previous month’s net receipts are credited to the Highway Operating Fund, 0.875 percent of revenue is allocated to the Waterways Safety Fund, and 0.125 percent to the Wildlife Boater Angler Fund. An amount determined by appropriation shall be deposited into the Motor Fuel Tax Administration Fund to pay the expenses of the Department of Taxation in administering the tax.

Fiscal Year 2022

Of the remainder:

5.2942 percent of 17/28ths is credited to the Highway Operating Fund and 94.7058 percent of 17/28ths is credited to the Gasoline Excise Tax Fund after \$100,000 is transferred each month to the Grade Crossing Fund and any crediting to fund the Highway Operating Fund as prescribed in 5735.051.

- 1) 32.5 percent of 2/28ths is credited to the Gasoline Excise Tax Fund and 67.5 percent of 2/28ths is credited to fund the Highway Operating Fund.
- 2) 13/16ths of 8/28ths is credited the Highway Operating Fund and 3/16ths of 8/28ths is credited to the Gasoline Excise Tax Fund.
- 3) Of the remaining 1/28th, 100 percent is credited to the Highway Operating Fund.

Of the 94.7058 percent credited to the Gasoline Excise Tax Fund in (1) above, 93.1677 percent is distributed in accordance to 5735.051(A)(2)(a):

- a) 6.7 percent to the Local Transportation Improvement Program (LTIP).
- b) Five cents multiplied by the number of gallons of motor fuel sold at stations operated by the Ohio Turnpike and Infrastructure Commission.
- c) After the LTIP and Turnpike amounts are calculated, the remaining balance is distributed as follows:
 - 10.7 percent to municipal corporations less \$745,875,
 - 9.3 percent to counties less \$745,875,
 - 5.0 percent to townships less \$263,250 and
 - the remainder of the balance to fund the Highway Operating Fund or the Highway Capital Improvement Bond Service fund where applicable (fixed dollar amounts go to fund the Highway Operating Fund).

Of the 94.7058 percent credited to the Gasoline Excise Tax Fund in (1) above, 6.8323 percent is distributed in accordance to 5735.051(A)(2)(b) and amounts credited to the Gasoline Excise Tax Fund in (2) above are also distributed in this manner:

- 42.86 percent to municipalities
- 37.14 percent to counties
- 20 percent to townships.

The 3/16ths of 8/28ths credited to the Gasoline Excise Tax Fund in (3) above is distributed in the same manner as 5735.051(A)(2)(b) subject to deductions under divisions 5735.051(C)(3). Amounts are credited in this manner:

- 42.86 percent to municipalities
- 37.14 percent to counties
- 20 percent to townships.

Amounts in excess of the first 28 cents per gallon – after subtracting amounts issued in refunds, reserved for waterway-related purposes, and for the Motor Fuel Tax Administration Fund – will be divided as follows: 55 percent to the Highway Operating Fund and 45 percent to the Gasoline Excise Tax Fund. However, 2 percent of the additional revenue will be credited first to the Highway Operating Fund.

Funds are distributed among townships in the manner required under R.C. 5735.27(A)(3). The amounts are distributed in equal proportions, except the portion of the revenue that is described under R.C. 5735.05(A)(3) that is partially allocated to provide funding for townships. Each township receives the greater of the amount credited divided evenly among townships or 70 percent of a formula amount for that township. The formula amount is 50 percent the amount credited distributed based on centerline road miles and the remainder distributed based on registered motor vehicles per township. One-third of the difference between the amount required to make the required payments to townships is deducted from the amounts credited to municipalities and counties, the remaining one-third is deducted from the Highway Operating Fund.

Fiscal Year 2022

Comparisons with Competitor States (as of August 5, 2022).

Tax Rates in cents per gallon			
State	Gasoline	Diesel	State Sales Tax Applicable
Georgia	29.10	32.60	No ¹
Indiana	33.00	55.00	Yes
Kentucky ²	26.00	23.00	No
Michigan	27.20	27.20	Yes
North Carolina ³	38.50	38.50	No
Pennsylvania	57.60	74.10	No
Tennessee	26.00	27.00	No
Texas	20.00	20.00	No
West Virginia ⁴	35.70	35.70	No

¹Local sales tax applicable.

²Kentucky's actual rate is 9% of the average wholesale price of gasoline received in Kentucky, rounded to the nearest one-tenth of 1% paid on a per gallon basis, adjusted quarterly. Kentucky levies a 1.4 cents per gallon petroleum storage tank environmental assurance fee that is included in Kentucky's rates, above.

³North Carolina's rate is set at a flat 34 cents per gallon multiplied by a percentage. The percentage is plus or minus the sum of the annual percentage change in state population for the applicable calendar year, multiplied by 75 percent and the annual energy index percentage change in the Consumer Price Index for All Urban Consumers, multiplied by 25 percent. North Carolina levies an inspection tax of one fourth of one cent which is included in North Carolina's rates, above.

⁴West Virginia's excise tax rate is a flat rate of 0.2050 and a variable rate subject to change, the variable component is restricted to no more than 5% of the annual average wholesale price which may never be less than \$2.34 per gallon. The variable component is also referred to as the Motor Fuel Sales Tax and is included in West Virginia's tax rates, above.

History of Collections

Table 1: Motor Vehicle Fuel Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Gross Collections	Refunds	Net Tax After Refunds
2018	\$1,820.1	\$14.9	\$1,805.2
2019	1,857.1	15.9	1,841.2
2020	2,451.9	18.8	2,433.0
2021	2,464.5	26.8	2,437.6
2022	2,596.9	22.5	2,574.4

Source: Office of Budget and Management financial reports.

Table 2: Motor Vehicle Fuel Use Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Gross Collections	Refunds	Payments Sent to Other States/Provinces ¹	Net Tax After Refunds
2018	\$72.1	\$1.1	\$50.8	\$20.2
2019	102.6	1.1	57.1	44.4
2020	104.8	1.5	52.5	50.7
2021	90.5	1.5	55.8	33.2
2022	122.0	1.4	63.6	57.1

¹Payments sent to other states and provinces represent payments made under the International Fuel Tax Agreement.

Source: Office of Budget and Management financial reports.

Motor Vehicle Fuel and Use Tax

Fiscal Year 2022

History of Major Changes

1925	2 cent per gallon enacted
1927	1 cent increase (3 cents total)
1929	1 cent increase (4 cent total)
1933	1 cent increase (5 cents total)
1947	1 cent decrease (4 cents total)
1953	1 cent increase (5 cents total)
1959	2 cent increase (7 cents total)
1981	3.3 cent increase (10.3 cents total); Ohio Motor Vehicle Use Tax becomes effective July 1, 1980.
1982	1.4 cent increase (11.7 cents total)
1983	0.3 cent increase (12 cents total)
1987	2.7 cent increase (14.7 cents total)
1988	0.1 cent increase (14.8 cents total)
1989	3.2 cent increase (18 cents total)
1990	2 cent increase (20 cents total)
1991	1 cent increase (21 cents total)
1993	1 cent increase (22 cents total)
1995	Ohio joined the International Fuel Tax Agreement (IFTA). IFTA is a state compact between the 48 contiguous U.S. states and the Canadian provinces to simplify the reporting of fuel taxes by carriers operating in more than one of these jurisdictions. IFTA is administered by the International Fuel Tax Association, an Arizona non-profit corporation. IFTA auditing is conducted by ODT.
2003	2 cent increase (24 cents total)
2004	2 cent increase (26 cents total)
2005	2 cent increase (28 cents total)
2017	Beginning Jan. 1, 2018, H.B. 26 consolidated five motor vehicle fuel levies into one 28-cents levy and changed the statutory distribution language accordingly. It requires aviation fuel dealers to obtain a license from and file reports with the ODT. It further requires all counties and regional transit authorities to file an annual report with the Director of Transportation and the Tax Commissioner on local spending for airport related activities.
2019	H.B. 62 of the 133rd General Assembly made changes to the motor vehicle fuel tax effective July 3, 2019 with certain provisions at differing dates; increased the tax rate on gasoline to \$0.385 per gallon; on fuels other than gasoline to \$0.47 per gallon; and subjects compressed natural gas to the tax at rates phased in over five years ending at the non-gasoline rate of \$0.47 per gallon after July 1, 2023; altered the allocation of tax for amounts above \$0.28 per gallon; changed the motor fuel administration fund from a percentage of revenue to an appropriation; granted private contractors of transit authorities, school districts, and county developmental disabilities boards the same refunds and reimbursements as the entities they contract with; and continued shrinkage allowances in effect biennially since 2008.

Natural Gas Distribution Tax

Overview. The natural gas distribution tax was enacted by the Ohio General Assembly effective July 1, 2001, as part of a larger series of tax changes involving the natural gas industry. The tax was designed to replace the revenue lost by school districts and local governments when the assessment rate on the personal property of natural gas companies was reduced from 88 percent to 25 percent. Effective July 1, 2011, the Ohio General Assembly established that all revenue from the natural gas distribution tax is to be credited to the General Revenue Fund (GRF). During fiscal year 2022, natural gas distribution tax collections were approximately \$69.0 million.

Taxpayer (R.C. 5727.811). The tax is levied on companies that meet the definition of a “natural gas distribution company” in R.C. 5727.80(K).

Tax Base (R.C. 5727.811). The base of the tax is the amount of natural gas distributed through the meter of an end user in Ohio.

Tax Rates (R.C. 5727.80 and 5727.811). In most cases, a three-bracket rate schedule applies to the amount of natural gas distributed to each end user, as measured in 1,000 cubic feet (Mcf).

Distribution to end users	Rates per Mcf
First 100 Mcf per month	15.93 cents
Next 101 to 2,000 Mcf per month	8.77 cents
2,001 or more Mcf per month	4.11 cents

Small distribution companies with 70,000 or fewer customers may elect to apply the standard rate schedule outlined above to the total amount of natural gas distributed to all of its Ohio customers, as if all distribution had been made to a single customer. This results in a lower overall tax rate for the distribution company.

The rate on natural gas distributed to flex customers is 2 cents per Mcf. A flex customer is an industrial or commercial facility that consumed more than one billion cubic feet of natural gas a year at a single location during any of the previous five years or that purchases natural gas distribution services at a discount as part of a special arrangement. Special arrangements are arrangements subject to review and regulation by the Public Utilities Commission under R.C. 4905.31, arrangements with a natural gas distribution company pursuant to a municipal ordinance, or a variable rate schedule that permits rates to vary between defined amounts provided that the schedule is on file with the Public Utilities Commission.

Exemptions (R.C. 5727.811). The natural gas distribution tax does not apply to the distribution of natural gas to the federal government or natural gas produced by an end user, consumed by that end user or its affiliates, and not distributed through the facility of a natural gas company.

Filing and Payment Dates (R.C. 5727.82). Returns and payments are due as follows:

Quarterly Returns	Due Date
January - March	May 20th
April - June	August 20th
July - September	November 20th
October - December	February 20th

Disposition of Revenue (R.C. 5727.811). All revenue is deposited in the state’s GRF.

Comparisons with Competitor States (as of July 21, 2022). Georgia, Kentucky, Indiana, Michigan, North Carolina, Pennsylvania, Tennessee, Texas, and West Virginia do not have comparable natural gas distribution- based taxes.

History of Collections

Table 1: Natural Gas Distribution Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Revenue
2018	\$69.6
2019	75.9
2020	59.7
2021	70.1
2022	69.0

Source: Office of Budget and Management financial reports.

History of Major Changes

2000	H.B. 287 created the tax effective July 1, 2001. The tax is designed to replace local tax revenue that was lost from a reduction in natural gas utility personal property tax assessment percentages.
2002	Distribution formula is changed. The share to the School District Property Tax Replacement Fund fell from 70 percent to 68.7 percent; the share to the Local Government Property Tax Replacement Fund increased from 30 percent to 31.3 percent.
2011	H.B. 153 enacted an allocation of 100 percent of the revenue to the General Revenue Fund effective July 1, 2011.

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Pass-through Entity and Trust Withholding Tax

Overview. The pass-through entity and trust withholding tax, enacted in 1998, is not so much a separate tax as it is a mechanism designed to collect individual income tax that is otherwise due and payable by equity investors in certain pass-through entities and nonresident beneficiaries of certain trusts. All the revenue collected from pass-through entities is included in the income tax revenue amounts shown in Table 1 in the Individual Income Tax section of this report.

Table 1: Pass-through Entity and Trust Withholding Tax Collections: fiscal year 2022 (in millions)

Form IT 1140	\$405.6
Form IT 4708	\$532.5

Source: Ohio Department of Taxation

Please note, refundable pass-through entity tax credits claimed on the IT 1040 for taxable year 2020 were approximately \$285.8 million.

A pass-through entity is an S corporation, a partnership, or a limited liability company (LLC) treated for federal income tax purposes as either a partnership or an S corporation. Each qualifying pass-through entity doing business in Ohio or otherwise having nexus with Ohio is subject to the pass-through entity withholding tax. Qualifying trusts are also subject to the withholding tax. See the **Special Provisions** section in this chapter for details. Many pass-through entities are not “qualifying pass-through entities” and, therefore, are not subject to the withholding or composite tax. Pass-through entities not subject to the withholding tax include entities whose investors are limited to full-year Ohio resident individuals or Ohio resident estates. A more complete listing of exempt pass-through entities is available in the **Exemptions and Exclusions** section of this chapter.

An explanation of two of the pass-through entity tax forms follows:

IT 1140 – The IT 1140 is a withholding form that the qualifying pass-through entity completes and files with the Department of Taxation. Through the IT 1140, a tax of 5 percent is withheld from the income of all qualifying individual investors and an entity tax of 8.5 percent is withheld from the income of qualifying investors that are not individuals. The entity tax, historically 8.5 percent, was phased out for most corporate investors as part of the phase-out of the corporation franchise tax but still applies to most investors who are themselves pass-through entities (see Entity Tax Phase-Out for Qualifying Investors). When completing their individual tax returns (IT 1040), a qualifying individual investor may claim a refundable income tax credit based on the investor’s proportionate shares of the pass-through entity withholding and entity tax reported on the IT 1140.

IT 4708 – This form is a composite return completed and filed by the pass-through entity on behalf of one or more of the entity’s investors for whom income tax has not been previously withheld. By being included in form IT 4708, nonresident investors meet their filing and payment obligation with respect to that income and need not file a separate individual income tax return unless they have other Ohio-source income. On the IT 4708, the tax is calculated at the highest individual income tax rate for nonbusiness income for the taxable year for which the return is filed.

Entity Tax Phase-Out for Qualifying Investors (R.C. 5733.41) The qualifying pass-through entity must compute the entity tax at the rate of 8.5 percent for certain investors, such as certain financial holding companies, bank holding companies and savings and loan holding companies, certain affiliates of these holding companies, and certain affiliates of financial institutions, certain affiliates of insurance companies, and securitization companies. The 8.5 percent entity tax rate also applies to investors that are estates, trusts, and other pass-through entities.

Taxpayer/Qualifying Entity (R.C. 5733.40(L), 5747.01(N)) A qualifying entity includes both qualifying pass-through entities and qualifying trusts. A pass-through entity is generally an S corporation, a partnership or an LLC treated for federal income tax purposes as a partnership or an S corporation. A qualifying trust is any trust required to file a federal 1041 that has at least one nonresident beneficiary during the tax year to whom it makes a distribution related either to real estate, or to tangible personal property, located in Ohio. See the Exemptions and Exclusions section of this chapter for a list of pass-through entities excluded from the definition of a qualifying pass-through entity.

A pass-through entity is a “taxpayer” if it files the IT 4708. A trust is not permitted to file the IT 4708.

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Tax Base (R.C. 5733.40, 5747.02, 5747.08, 5747.40-401)

Form IT 1140

The tax base for both qualifying pass-through entities and qualifying trusts is the “adjusted qualifying amount”, but it is calculated differently based on who is filing the return. For pass-through entities, the adjusted qualifying amount is the net sum of qualifying investors’ distributive shares of the pass-through entity’s income, gain, expense and loss apportioned to Ohio. For trusts, the adjusted qualifying amount is the net sum of each qualifying beneficiary’s share of the qualifying net income and qualifying net gain distributed by the qualifying trust that is apportionable to Ohio.

Form IT 4708

The tax base is the distributive shares of the pass-through entity’s taxable income to qualifying non-corporate investors, to the extent that such income was not reported on form IT 1140, that is allocable or apportionable to Ohio.

Rates (R.C. 5733.41, 5747.02, 5747.08, 5747.41)

Form IT 1140

A 5 percent withholding tax rate applied to adjusted qualifying amounts for those qualifying equity investors who are individuals. An 8.5 percent entity tax rate is applied to adjusted qualifying amounts for those qualifying equity investors that are not individuals. The entity tax does not apply to those “adjusted qualifying amounts” that pertain to qualifying investors subject to the phase-out of the corporate franchise tax. No tax is due if the total adjusted qualifying amount is \$1,000 or less.

Form IT 4708

The applicable rate is the highest marginal individual income tax rate, which was 3.990 percent for the 2021 taxable year.

Exemptions and Exclusions (R.C. 5733.40-402, 5747.08, 5747.401).

Form IT 1140

The following are not qualifying pass-through entities: entities having no qualifying investors (see below for a list of investors that do not qualify); pension plans and charities; publicly-traded partnerships; real estate investment trusts (REITs), regulated investment companies (RICs), and real estate mortgage investment conduits (REMICs);

The following investors are not qualifying investors:

- pension plans or charities;
- publicly-traded partnerships;
- colleges or universities;
- public utilities in Ohio and are required to pay the Ohio public utility excise tax;
- insurance companies, fraternal corporations, beneficial corporations, bond investment corporations, health maintenance organizations or any other corporation required to file an annual report with the Ohio superintendent of insurance;
- dealers in intangibles as defined in R.C. 5725.01(B);
- investors treated as a C corporation for federal income tax purposes for the entire qualifying taxable year of the qualifying pass-through entity in which it is an investor;
- REITs, RICs, and REMICs
- nonresident individuals or estates on whose behalf, the qualifying pass-through entity files Ohio form IT 4708, Pass-Through Entity Composite Income Tax return, for the taxable year;
- qualifying pass-through entities if the qualifying pass-through entity’s investors during the three-year period beginning 12 months before the first day of the investee entity’s taxable year are limited to those investors set forth in any of the items, above (or any combination thereof);
- pass-through entities, but only if the owners of those other pass-through entities are limited to (i) individuals who are full-year residents of Ohio, (ii) estates domiciled in Ohio, (iii) nonresident individuals on whose behalf those other pass-through entities file Ohio form IT 4708, Pass-Through Entity Composite Income Tax Return, and/or (iv) nonresident estates on whose behalf those other pass-through entities file Ohio form IT 4708, Pass-Through Entity Composite Income Tax Return, for the taxable year;
- trusts or funds whose beneficiaries are limited to the following during the taxable year of the qualifying pass-through entity: beneficiaries of a pension plan trust, profit-sharing trust, a stock bonus plan trust or similar retirement trust; beneficiaries of or the recipients of payments from a trust or fund that is a nuclear decommissioning reserve fund,

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a designated settlement fund, or any other similar trust or fund established to resolve and satisfy injury claims; or beneficiaries of a complex trust, but only if the trust irrevocably agrees in writing that, for the taxable year during or for which the trust distributes any of its income to any of its beneficiaries who are individuals residing outside Ohio, the trust will withhold tax as required under R.C. 5747.41 through 5747.453;

- trusts or funds whose beneficiaries are limited to the following during the taxable year of the qualifying pass-through entity:
 - persons that are or may be beneficiaries of a pension plan trust, profit-sharing trust, a stock bonus plan trust or similar retirement trust;
 - persons that are or may be beneficiaries of or the recipients of payments from a trust or fund that that is a nuclear decommissioning reserve fund, a designated settlement fund, or any other similar trust or fund established to resolve and satisfy similar injury claims;
 - persons who are or may be the beneficiaries of a complex trust, but only if the trust irrevocably agrees in writing that, for the taxable year during or for which the trust distributes any of its income to any of its beneficiaries who are individuals residing outside Ohio, the trust will be withholding tax as required under R.C. sections 5747.41 through 5747.453

Special Provisions (R.C. 5747.08, 5733.401, 5733.402, and 5733.40(M))

Form IT 1140

Qualifying trusts – Qualifying trusts are also subject to the 5 percent withholding tax. A qualifying trust is generally any trust that meets all four of the following tests: files the IRS form 1041, U.S. Income Tax Return for Estates and Trusts; has at least one beneficiary who is neither a full-year Ohio resident individual nor an Ohio resident estate; makes a distribution to a nonresident beneficiary; and the distribution directly or indirectly relates either to real estate or tangible personal property located in Ohio. If an entity is a trust whose beneficiaries are limited to full-year Ohio resident individuals or Ohio resident estates, then it is not a qualifying trust and is not subject to the trust withholding tax. The filing and payment provisions that apply to qualifying pass-through entities and investors also apply to qualifying trusts and beneficiaries.

Pass-through entity to pass-through entity – The 8.5 percent entity withholding tax does not apply to any pass-through entity to the extent that the pass-through entity’s distributive shares of income and gains pass through from that entity to another pass-through entity (referred to as the “investing entity”), as long as four conditions are met by the investing entity: 1) it is not an “investment pass-through entity” (see below); 2) it acknowledges that it has nexus with Ohio during the taxable year; 3) it makes a good faith effort to comply with the 8.5 percent entity tax or the 5 percent withholding tax, as applicable; and 4) it includes in its apportionment factors its proportionate share of each lower-tiered pass-through entity’s property, payroll, and sales.

Investment pass-through entities – Neither the 8.5 percent entity tax nor the 5 percent withholding tax applies to the items and income, listed below, that are earned by an “investment pass-through entity.” An investment pass-through entity is a pass-through entity having at least 90 percent of its assets represented by intangible assets and having at least 90 percent of its gross income from one or more of the following sources:

- transaction fees earned in connection with the acquisition, ownership or disposition of intangible property;
- loan fees;
- financing fees;
- consent fees;
- waiver fees;
- application fees;
- net management fees (management fees that the pass-through entity earns or receives from all sources reduced by the management fees that the pass-through entity incurs or pays to any person), but only if such net management fees do not exceed 5 percent of the pass-through entity’s profit;
- dividend income;
- interest income;
- net capital gains from the sale or exchange of intangible property;
- all types and classifications of income and gain attributable to distributive shares of income and gain from other pass-through entities.

Investment pass-through entity investors – An equity investor in an investment pass-through entity is deemed to be an equity investor in any other qualifying pass-through entity in which the investment pass-through entity is a direct investor. Each deemed investor’s portion of such qualifying pass-through entity’s adjusted qualifying amount is the product of the adjusted qualifying amount that would otherwise pass-through to the investment pass-through entity, multiplied by the percentage of the deemed investor’s direct ownership in the investment pass-through entity.

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Form IT 4708

A pass-through entity cannot claim nonbusiness exemptions or nonbusiness credits, such as the personal exemption credit. However, the pass-through entity can claim a proportionate share amount of business credits (such as the jobs creation and jobs retention credits) for those investors that are included on the pass-through entity's return. Also, the election to file a composite IT 4708 return applies only to the taxable year for which the election is made. Unless the Tax Commissioner provides otherwise, this election is binding and irrevocable for the taxable year for which the election is made.

Filing and payment dates (R.C. 5747.08-09, 5747.42-44, Ohio Admin. Code 5703-7-01)

Form IT 1140

Qualifying pass-through entities whose total "adjusted qualifying amounts" exceed \$10,000 must make estimated quarterly tax payments on Form IT 1140 ES. The IT 1140 must generally be filed by the 15th day of the fourth month following the end of the entity's taxable year. For taxpayers with a January 1 through December 31 taxable year, the return is due on April 15. If the entity has sought an extension of time to file its federal tax return (IRS form 1065 or 1120S), then the qualifying pass-through entity has the same extended due-date to file the Ohio tax return. The payment deadline, however, will not be extended.

Form IT 4708

The pass-through entity must make estimated tax payments on Form IT 4708 ES if the pass-through entity's tax due for the current year is more than \$500. The return is generally due by April 15 of the calendar year immediately following the calendar year in which the pass-through entity's taxable year ends. If the pass-through entity has sought an extension of time to file its federal tax return, then the pass-through entity has the same extended due date to file the Ohio return on form IT 4708, provided such extended due date is beyond its normal filing due date.

Disposition of Revenue (R.C. 5733.12, 5747.41). The revenue collected from the IT 1140 withholding tax and the form IT 4708 tax is treated as individual income tax revenue.

Comparisons with Competitor States (as of September 13, 2022). The states with a tax most closely approximating this tax are those states requiring withholding tax on the pass-through entity income of nonresident investors. These states include Georgia, Indiana, Kentucky, Michigan, North Carolina, Pennsylvania, and West Virginia.

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History of Collections

Table 2: Collections from IT 4708 and 1140: fiscal years 2018 - 2022 (in millions)

Fiscal Year	IT 1140	IT 4708
2018	\$263.0	\$247.1
2019	290.2	296.3
2020	236.1	255.2
2021	425.6	405.3
2022	532.5	405.6

Source: Ohio Department of Taxation

History of Major Changes.

1998	Withholding tax enacted at a rate of 5 percent on individual qualifying investors and 8.5 percent on non-individual qualifying investors.
2002	Ohio decoupled from federal accelerated depreciation laws requiring a 5/6 add back for bonus depreciation.
2003	H.B. 127 revised Ohio's method of situsing sales in Ohio as part of the sales factor for apportioning corporate and trust income.
2005	H.B. 66 launched a gradual phase-out of the 8.5 percent entity withholding tax rate for that portion of adjusted qualifying amounts pertaining to investors subject to the phase-out of the corporate franchise tax. The phase-out was completed in 2009.
2020	Sub. H.B. 197 authorized the Tax Commissioner to extend the deadline to file and pay state income tax without interest or penalty. The extension was granted to those filing the Ohio individual income tax, school district income tax, pass-through entity and fiduciary income tax, and also extends to municipal net profit taxpayers that have opted-in to the state's centralized filing system. Returns, payments and estimated payments with due dates from April 15, 2020 through June 15, 2020, including fiscal year filers, were extended without interest or penalty to July 15, 2020.
2021	Sub. S.B. 18 reduced both the 5 percent withholding tax rate and the 8.5 percent entity tax rate applied on form IT-1140 to equal the tax rate imposed on taxable business income under division (A)(4)(a) of section 5747.02 of the Revised Code (currently 3 percent). This is effective for taxable years beginning on or after 1/1/2023.
2022	Am. S.B. No. 246 creates a new entity level tax for qualifying pass-through entities (PTE) that are not disregarded entities that elect to be subject to the tax and creates a refundable credit for taxpayers who are owners of electing PTEs equal to the proportionate share of tax remitted by the electing PTE. This is effective for an electing PTE's taxable year that begins in 2022.

Petroleum Activity Tax (PAT)

Overview. For tax periods commencing on or after July 1, 2014, receipts from the sale, transfer, exchange, or other disposition of motor fuel became excluded from the definition of gross receipts for purposes of the commercial activity tax (CAT). At that time, suppliers of motor fuel began to pay the replacement motor fuel receipts tax measured by the supplier's gross receipts derived from the first sale of motor fuel within this state or "actual gross receipts." Beginning with tax periods commencing on or after July 1, 2015, the Petroleum Activity Tax (PAT) statute was amended to change the tax base from "actual gross receipts" to "calculated gross receipts." To determine "calculated gross receipts" the taxpayer sums, for each type of motor fuel sold, the product of taxable gallons sold multiplied by a statewide wholesale price per gallon that is updated each quarter. Total collections during fiscal year 2022 were approximately \$84.2 million. Of the amount remaining after 1 percent was deposited into the Petroleum Activity Tax Administration Fund (just over \$0.8 million), approximately \$74.2 million was deposited into the Petroleum Activity Tax Public Highways Fund and approximately \$9.3 million into the General Revenue Fund (GRF).

Taxpayer (R.C. 5736.01). The PAT is imposed on each "supplier" of motor fuel. A supplier is any person that meets any of the following: (1) sells, exchanges, transfers, or otherwise distributes motor fuel from a terminal or refinery rack to a location in this state and that point is outside of a distribution system; (2) imports or causes the importation of motor fuel for sale, exchange, transfer, or other distribution by the person to a location in this state and that point is outside of a distribution system; (3) knowingly purchases motor fuel from an unlicensed supplier.

Tax Base (R.C. 5736.01, 5735.01). For all sales of motor fuel, calculated gross receipts are the product of the total number of gallons first sold within this state by a supplier during the tax period multiplied by an average statewide wholesale price per gallon, by motor fuel type, for the calendar quarter that begins six months before the upcoming calendar quarter. With respect to sales of gasoline, the statewide average wholesale price of unleaded regular gasoline is utilized. With respect to sales of propane, the average wholesale price of propane is utilized. For sales of all motor fuel that is not gasoline or propane, the statewide wholesale price of diesel fuel is utilized. Motor fuel means gasoline, diesel fuel, kerosene, compressed natural gas, or any other liquid motor fuel, including, but not limited to, liquid petroleum gas or liquid natural gas, but excluding substances prepackaged and sold in containers of five gallons or less.

Tax Rate (R.C. 5736.02). The PAT is levied at a rate of 0.65 percent.

Exclusions (R.C. 5736.01). Any fuel sold by a supplier to a point outside of Ohio is not included in the supplier's tax base for purposes of the PAT. Motor fuel exchanges and the sale of fuel on which the supplier may claim a bad debt are also excluded from the tax base. Additionally, blend stock or additives on which the tax has previously been paid may be excluded from calculated gross receipts.

Credits (R.C. 5736.50). Two tax credits are available for PAT taxpayers. These are the refundable job creation tax credits and the refundable and non-refundable job retention tax credits. Information about these credits is available in the Business Tax Credits chapter of the Annual Report.

Publication of Average Wholesale Prices (R.C. 5736.02). The Tax Commissioner determines and publishes on the Department of Taxation's website the statewide average wholesale price of a gallon of unleaded regular gasoline, gallon of propane, and gallon of diesel fuel for each calendar quarter. The figure must be published at least 15 days before the beginning of the calendar quarter. The Commissioner bases the average wholesale price on pricing information available from the United States Energy Information Administration or, if such information is not available from that agency, from another publicly available source selected by the Commissioner. The Commissioner makes reasonable efforts to obtain data specific to Ohio before using national data to determine average wholesale price. The price does not include any federal or state excise taxes on the gasoline or diesel fuel, or the PAT. The price is rounded up to the nearest one-tenth of one cent.

Licensing (R.C. 5736.06). All motor fuel suppliers subject to PAT must apply for a license with the Tax Commissioner. All suppliers are required to renew their licenses annually on or before March 1st. Importers, applicants that solely import or cause the importation of motor fuel for sale, exchange, or transfer in this state, are subject to a \$300 license fee. Distributors, applicants that sell, transfer, exchange, or otherwise dispose of motor fuel to a point outside the distribution system, are subject to a \$1,000 license fee. Applicants operating as both an importer and a distributor are subject to a \$1,000 license fee.

Filing and Payment Dates (R.C. 5736.04). Taxpayers must file quarterly electronic returns through the Ohio Business Gateway. Quarterly returns are due by the 10th day of the second month after the end of each calendar quarter (May 10th, August 10th, November 10th, and February 10th).

Petroleum Activity Tax

Fiscal Year 2022

Disposition of Revenue (R.C. 5736.02 and 5736.13). All collections from the PAT are deposited in the Petroleum Activity Tax Fund. From that fund, one percent is dedicated to the Petroleum Activity Tax Administration fund. The portion of the remainder derived from the sale of motor fuel used for propelling vehicles on public highways and waterways is deposited in the Petroleum Activity Tax Public Highways Fund and must be used for the purposes of maintaining the state highway system, funding the enforcement of traffic laws, and covering the costs of hospitalization of indigent persons injured on public highways. All other revenue is deposited in the state General Revenue Fund.

Comparisons with Competitor States (as of July 21, 2022). No state selected for comparison in this publication imposes a tax measured by gross receipts from the sale or exchange of motor fuel.

History of Collections

Table 1: Petroleum Activity Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Revenue
2018	\$74.8
2019	96.2
2020	83.4
2021	42.8
2022	84.2

Source: Office of Budget and Management financial reports.

History of Major Changes

2013	H.B. 59 enacted the motor fuel receipts tax (MFRT) to replace the Commercial Activity Tax as it applies to receipts from the sale or exchange of motor fuel. MFRT began July 1, 2014.
2014	H.B. 492 renamed the MFRT the Petroleum Activity Tax and changed the basis of the tax from actual gross receipts to a per-gallon, average price-per-gallon basis.
2015	H.B. 64 changed the base upon which the tax is imposed in the case of propane by using the average market price of propane, instead of diesel, to calculate a taxpayer's gross receipts.
2019	H.B. 62 added compressed natural gas (CNG) to the definition of motor fuel thereby subjecting CNG to the motor fuel excise tax and the PAT as of July 1, 2019.
2020	Sub H.B. 404 extended PAT licenses set to expire March 1, 2021 to July 1, 2021.

Fiscal Year 2022

Public Utility Excise Tax

Overview. Ohio's public utility excise tax is a tax on the privilege of doing business in Ohio, measured by gross receipts, which dates to 1894. Classes of public utilities liable for the tax include natural gas, heating, pipeline, water transportation and water works companies. Companies liable for this excise tax do not pay the commercial activity tax. During fiscal year 2022, public utility excise tax collections were approximately \$156.3 million.

Taxpayer (R.C. 5727.01-02). Taxpayers include heating, pipeline (excluding businesses primarily consisting of producing or gathering natural gas - rather than supplying or distributing natural gas to consumers - or producing, refining, or marketing petroleum products), water transportation, water works and natural gas companies.

Tax Base (R.C. 5727.01, 5727.24, 5727.30). The tax is measured by taxable gross receipts.

Tax Rates (R.C. 5727.24-25, 5727.38). The tax rate is 6.75 percent for pipeline companies and 4.75 percent for all other taxpayers. A minimum tax of \$50 applies each tax year.

Exemptions and Deductions (R.C. 5727.02, 5727.05, 5727.30, 5727.33). Public utilities owned by municipal corporations are exempt from the tax. All telephone companies, inter-exchange telecommunications companies, electric companies, rural electric companies, nonprofit water companies, energy companies, and railroads are also exempt from the tax.

All companies receive a standard annual deduction of \$25,000. Natural gas companies paying quarterly receive a \$6,250 deduction on each return. Additionally, the following gross receipts are exempt from the tax:

- receipts derived wholly from interstate business;
- receipts from business done for or with the federal government;
- receipts from the sale of merchandise;
- receipts from sales to other public utilities for resale; and
- receipts billed on behalf of other entities by natural gas companies.

Credits (R.C. 5727.29 and 5727.241). Natural gas and combined electric and natural gas companies may claim a refundable venture capital investment credit against the tax imposed. The credit amount and tax year in which the credit may be claimed must be listed on a tax credit certificate issued by the Ohio Venture Capital Authority.

Filing and Payment Dates (R.C. 5727.25, 5727.31, 5727.38, 5727.42, 5727.48). For non-natural gas companies and combined electric and natural gas companies, annual statements (returns) are due to the tax commissioner by August 1st for the tax year ending April 30th. Taxpayers may request an extension of up to 30 days.

Tax assessments - By the first Monday in November, the tax commissioner may assess the amount of tax due for the year and certify that amount to the company.

Advance payments - Companies with a tax liability of \$1,000 or more during the preceding year are required to make three advance payments, each in an amount equal to one-third of the previous year's certified tax liability. These advance payments are due to the tax commissioner or treasurer of state on October 15th, March 1st and June 1st.

Final payments - When the current year's total tax liability exceeds the sum of the three advance payments, there is a deficiency, and the balance is paid with the annual statement. A refund is issued when advance payments exceed the total tax liability.

Natural gas and combined electric and gas companies - Companies that exceeded \$325,000 in annual liability pay the excise tax quarterly. Quarterly payments are due 45 days after the end of each calendar quarter. Companies below the \$325,000 threshold for the preceding calendar year pay 45 days after the 31st of December.

Disposition of Revenue (R.C. 5727.45). All revenues from the public utility excise tax are deposited into the General Revenue Fund.

Public Utility Excise Tax

Fiscal Year 2022

Comparisons with Competitor States (as of July 21, 2022).

Georgia	All electric, railroad, water, steam, and natural gas companies are subject to the state’s corporate income tax and franchise tax in the same manner as other non-utility corporations. Regulated public utilities are assessed additional fees.
Indiana	A 1.4 percent gross receipts tax is applied from all utility services consumed within the state.
Kentucky	Public utilities pay a utility gross receipts license tax for schools of up to 3 percent. In addition, telecommunications providers pay a 3 percent telecommunications tax on multi-channel video programming (MVP) services, a 2.4 percent gross revenues tax on MVP services, and a 1.3 percent gross revenues tax on communications services.
Michigan	The state does not levy a specific public utility excise tax. Utilities organized as C corporations are subject to Michigan corporate income tax. Cities that are organized as corporations with a population over 600,000 may levy a “utility users tax” on utility and intra-state communications service. Detroit levies such a tax at a 5 percent rate.
North Carolina	Water and sewerage, telecommunication, railroad, transportation, and electricity companies are subject to the state’s corporate income tax and general business franchise tax.
Pennsylvania	Electric companies are taxed at 5.9 percent on gross receipts from sales of electric energy. Transportation and telecommunications companies pay a rate of 5 percent on gross receipts.
Tennessee	Gas, water, and electric utilities pay a utility gross receipts tax rate of 3 percent on gross receipts from intra-state commerce. A separate gross receipts tax is imposed at a 3 percent rate on the gross receipts of other “public utilities.” Companies that manufacture or distribute manufactured gas or natural gas pay a rate of 1.5 percent on gross receipts. A credit is allowed against liability for franchise and excise taxes paid by the utility.
Texas	Three utility classes (gas, electric, and water) pay utility gross receipts tax rates ranging from 0.581 percent to 1.997 percent of gross receipts from business done in incorporated cities or towns, depending upon the population of the incorporated city or town in which the utility operates.
West Virginia	West Virginia levies business and occupation taxes measured by gross receipts on public utilities. Water companies pay tax at a rate of 4.4 percent. Natural gas companies and toll bridges pay tax at a rate of 4.29 percent. Other public service/utility businesses pay tax at a rate of 2.86 percent. Electric power companies (producers) pay a rate based on the generating capacity of their electric generating facilities.

History of Collections

Table 1: Public Utility Excise Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Total
2018	\$119.2
2019	143.2
2020	141.0
2021	124.7
2022	156.3

Source: Office of Budget and Management financial reports.

Fiscal Year 2022

History of Major Changes

1894	Legislature enacted tax.
1911	Current tax structure established.
1935	A 1 percent rate increase is applied to certain utilities.
1938	Rates increased for certain utilities.
1963	Advance payment system begins.
1966	Starting July 1, 1966, all revenue is allocated to the state's general revenue fund. Previously, close to half of the revenue was distributed to counties and cities for poor relief and other welfare programs.
1971	Rates are increased from 3 percent to 4 percent for most utilities.
1980	For 1981, rates are temporarily increased from 4 percent to 5 percent for most utilities.
1981	For 1982, rates are temporarily increased from 4 percent to 4.5 percent for most utilities. In addition, a 5.55 percent surtax is imposed on utilities' 1982 liabilities.
1982	For 1983, rates are temporarily increased from 4.25 percent to 4.5 percent for most utilities. In addition, a 5.55 percent surtax is imposed on utilities' 1983 liabilities.
1983	For 1983, rates are temporarily increased from 4.5 percent to 5 percent for most utilities. For 1984 and thereafter, rates are permanently increased from 4.25 percent to 4.75 percent for most utilities.
1987	Long-distance telephone companies are exempted from the public utility excise tax.
1991	In response to a 1987 federal court decision (<i>General American Transportation Corp. v. Limbach</i>) the legislature repealed the tax for freight-line and equipment companies as well as interstate toll bridge, artificial gas, union depot, cooling, express and messenger companies, starting with the 1990 tax year.
1999	Electric and rural electric companies shifted to the kilowatt-hour tax, effective May 1, 2001. Final public utility excise tax payments for such companies are due June 2001.
2000	Large natural gas companies required to begin paying the excise tax on a quarterly basis.
2003	Telephone companies shifted from the public utilities excise tax to the corporation franchise tax, effective after the 2004 tax year.
2017	H.B. 49 transferred collection and refund responsibilities related to this tax from the Treasurer of State to the Tax Commissioner. It requires all payments to be made to and all refunds to be made by the Tax Commissioner, except for tax payments required to be made by electronic funds transfer. It shortens the maximum filing extension from 60 to 30 days, removes a requirement that excise tax penalties not paid within 15 days be certified to the Attorney General for collection, and allows the Tax Commissioner to assess the excise tax against utilities.

Fiscal Year 2022

Replacement Tire Fee

Overview. The replacement tire fee generates revenue intended to defray the cost of regulating scrap tire facilities and to abate accumulations of scrap tires. Revenue from the fee also funds grants to promote research regarding alternative methods of recycling scrap tires and loans to promote the recycling or recovery of energy from scrap tires. During fiscal year 2022, total collections were approximately \$8.1 million.

Taxpayer (R.C. 3734.903). The tire fee is paid by any wholesale distributor of replacement tires or by any retail dealer acquiring tires on which the fee has not been paid.

Tax Base (R.C. 3734.90-901). The tire fee applies to the sales of new tires with rims of 13 inches or more designed for use on a motor vehicle and sold as replacements. Tires that are used, or retreads, or tires on a new motor vehicle are not subject to the tire fee.

Tax Rate (R.C. 3734.901). The tire fee is \$1.00 per tire.

Filing and Payment Dates (R.C. 3734.904). Returns and payments are due on the 20th day of each month. If the return and total fees due are filed and paid timely, the taxpayer is entitled to a discount of 4 percent on the total amount due.

Disposition of Revenue (R.C. 3734.901-9010). The Tire Fee Administration Fund receives 2 percent for appropriation to the Ohio Department of Taxation to cover administrative costs. The remaining 98 percent is distributed evenly between the Scrap Tire Management Fund and the Soil and Water Conservation District Assistance funds.

Comparisons with Competitor States (as of July 25, 2022).

Georgia	\$1 per tire.
Indiana	25 cents per tire on new tires.
Kentucky	\$2 per tire on new tires.
Michigan	\$1.50 tire disposal surcharge assessed on vehicle title transfers.
North Carolina	2% privilege tax on all tires sold that are less than 20 inches in bead diameter; 1% for tires with a bead diameter at least 20 inches.
Pennsylvania	\$1 per tire on new replacement tires.
Tennessee	\$1.35 per tire on new replacement tires.
Texas	No state fee ¹ . Local fees may apply.
West Virginia	\$5.00 imposed on each car registration ¹ .
¹ Texas and West Virginia: A disposal fee may be charged to customers by the retailer.	

History of Collections

Table 1: Replacement Tire Fee collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Collections
2018	\$8.6
2019	8.0
2020	7.4
2021	8.1
2022	8.1

Source: Office of Budget and Management financial reports.

Replacement Tire Fee

Fiscal Year 2022

History of Major Changes

1993	S.B. 165 created the fee effective December 1, 1993 with a sunset date of June 30, 2002.
1999	H.B. 283 extended the fee through June 30, 2006.
2001	H.B. 94 increased the fee from 50 cents to \$1 per tire.
2005	H.B. 66 extended the tire fee through June 30, 2011. The percentage of revenue distributed to the Tire Fee Administration Fund is reduced from 4 percent to 2 percent. The percentage to the Scrap Tire Management Fund rises to 98 percent.
2011	H.B. 153 extended the tire fee through June 30, 2013 and stipulated that a portion of the revenue be distributed to the Soil & Water Conservation District Fund.
2013	H.B. 59 extended the tire fee through June 30, 2016.
2015	H.B. 64 extended the tire fee through June 30, 2018.
2017	H.B. 49 extended the tire fee through June 30, 2020.
2019	Am. Sub. H.B. 166 extended the tire fee through June 30, 2022.
2021	H.B. 110 extended the tire fee through June 30, 2024.

Sales and Use Tax

Overview. The sales and use tax is the state’s primary source of revenue. The Ohio sales tax dates to 1934, when the General Assembly enacted a 3 percent sales tax effective January 1935. The use tax followed a year later. In 1967, the legislature adopted a 4 percent state rate and, for the first time, authorized county governments to levy piggyback taxes, subject to repeal by a majority vote of the county electorate. In 1974, transit authorities were also granted the authority, with voter approval, to levy piggyback taxes. The current state sales and use tax rate, 5.75 percent, was established on Sept. 1, 2013. During fiscal year 2022, the tax generated approximately \$13.3 billion in collections. Of that amount, approximately \$13.0 billion was distributed to the General Revenue Fund (GRF) and \$247.4 million to the Public Library Fund (PLF).

Taxpayer (R.C. 5739.01, 5739.03, 5739.031, 5739.17, 5741.01). The sales tax is called a “trust” tax because consumers entrust the tax to persons who make retail sales with the understanding that the tax will be reported and paid to the State of Ohio in a timely manner. Any person who makes a retail sale subject to tax, or stores, uses, or consumes tangible personal property, or realizes a benefit in this state from any taxable service on which sales tax has not been paid is required to file a return and remit the tax due. See Exhibit 1 for a description of taxpayers and applicable vendor’s licenses.

Exhibit 1: Sales and Use Taxpayers and License, Permit or Account Types

Taxpayer	Cost of License	Description
Vendor	\$25	Each person or business establishment located in Ohio making retail sales.
Transient vendor	\$25	Retailer who makes sales in any county in which they have no fixed place of business. The license is valid statewide.
Seller	No Fee	Retailer located outside of Ohio who makes retail sales of property or services for storage, use, or consumption in Ohio.
Direct pay permit holder	No Fee	Consumers authorized by the Tax Commissioner to remit tax directly to the state instead of to the vendor. This authority can only be issued upon application if the Commissioner determines that granting the authority would improve compliance and increase the efficiency of the administration of the tax.
Clerks of court	No Fee	Dealers remit taxes collected on sales of motor vehicles, watercraft, and outboard motors to county clerks of court when a title is issued. Clerks of court also collect the tax on casual sales of motor vehicles, and sales of watercraft and outboard motors required to be titled. Clerks of court remit these receipts to the state.
Consumer’s use tax account	No Fee	Purchasers who have not paid the tax to a vendor or seller (in most cases for out-of-state transactions) make payments directly to the state.
Streamlined sales and streamlined use tax accounts	No Fee	Out-of-state sellers that registered through the Streamlined Sales Tax Registration System to collect and remit sales tax. Many times these out-of-state sellers sell their products to customers in Ohio using platforms such as Internet, mail order, or telephone without having a physical presence in Ohio. A majority of the time, these out-of-state sellers utilize the services of a Certified Service Provider and file a Simplified Electronic Return.

Tax Base (R.C. 5739.01, 5741.01). State, county, and transit authority sales and use taxes apply to all retail sales of tangible personal property that are not specifically exempted by state law. The taxes also apply to the rental of tangible personal property, the rental of hotel rooms by transient guests, and certain sales of enumerated services including, but not limited to:

- repair and/or installation of tangible personal property;
- automatic data processing, computer services and electronic information services used in business;
- telecommunications services, inclusive of mobile telecommunications services;
- lawn care, landscaping, and snow removal services;
- building maintenance and janitorial services; and
- recreation and sports club services.

Taxable sales include, among others, transactions by which:

- the production or fabrication of tangible personal property for a consideration for consumers who furnish the materials used in the production of fabrication work;
- a warranty, maintenance or service contract is, or is to be, provided;
- all transactions by which tangible personal property is, or is to be, stored; and
- a specified digital product is provided for permanent use or less than permanent use, regardless of whether continued payment is required.

The use tax base is identical to that of the sales tax. Use tax applies to the storage, use or other consumption in this state of taxable tangible personal property and the benefit realized in this state of any taxable service provided the vendor did not charge sales tax. For additional information on the use tax, see the discussion in Tax Rates, below, under Sourcing.

Tax Rates (R.C. 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021-5741.023).

State rate. The state sales and use tax rate has been 5.75 percent since Sept. 1, 2013.

Local rates. Please see the section of this report entitled **Sales and Use Tax – County and Transit Authority** for a discussion of permissive sales and use taxes.

Sourcing. For taxable sales made by Ohio vendors and delivered to an Ohio consumer, the sales tax rate is based on the location where the vendor receives the order. Sales made by out-of-state sellers are generally sourced to the location where the consumer receives the tangible personal property. Exceptions include services where the rate is based on the location where the service is received. Special sourcing rules are in place for certain sales of electronic information services, electronic publishing services and software delivered electronically that are concurrently available for use by the consumer in multiple locations, for certain types of direct mail, for telecommunications services, and for leases. R.C. 5741.05 requires marketplace facilitators to source sales they facilitate (other than sales of titled motor vehicles, titled watercraft, or titled outboard motors) to the location where the consumer receives the property or service that is sold. Generally, the applicable use tax rate for all taxable sales on which no sales tax was paid to the vendor is based on the location of the purchaser.

A consumer has no additional use tax liability on the purchase of tangible personal property if the consumer paid sales tax to a vendor, regardless of whether the amount of sales tax invoiced is calculated at the rate where the consumer receives the property or the rate where the vendor received the order. Consumers do, however, have a liability on purchases made out-of-state, by catalog or via the Internet on which no sales tax has been paid. Taxpayers with an annual consumer's use tax liability exceeding \$1,000 must register for a consumer's use tax account and file returns. Other taxpayers can remit consumer's use tax either on state income tax returns or by filing a use tax voluntary payment form.

Exemptions and Exceptions (R.C. 122.175, 5709.25, 5739.01, 5739.011, 5739.02, 5741.02, 6121.16, 6123.041). Major exemptions and exceptions generally fall into the following categories. This list is not exhaustive but is illustrative of exemptions or exceptions with the largest impact on expenditures.

Exempt Entities:

- Sales to churches and certain other non-profit organizations (R.C. 5739.02(B)(9); R.C. 5739.02(B)(12))
- Sales to the state, any of its political subdivisions, and to certain other states (R.C. 5739.02(B)(1))

Exemptions for Property Used or Consumed to Produce a Product:

- Tangible personal property used primarily in manufacturing tangible personal property (R.C. 5739.011; R.C. 5739.02(B)(42)(g))
- Sales of tangible personal property used or consumed in agriculture (R.C. 5739.02(B)(42)(n))
- Sales of tangible personal property and services to electricity providers (R.C. 5739.02(B)(40))
- The sale, storage, use, or other consumption of computer data center equipment used or to be used at an eligible computer data center (R.C. 122.175(B))

Fiscal Year 2022

Exemptions Based Upon Specified Use of Property or Services:

- Building and construction materials and services used in certain structures (R.C. 5739.02(B)(13))
- Tangible personal property and services used in providing telecommunications and satellite services (R.C. 5739.02(B)(34))
- Tangible personal property used directly in providing a public utility service (R.C. 5739.02(B)(42)(a))

Exempt Products and Services:

- Prescription drugs and selected medical items (R.C. 5739.02(B)(18))
- Sales of materials and services for maintenance and repair of aircraft (R.C. 5739.02(B)(49))

Miscellaneous Provisions:

- Value of motor vehicle trade-ins (R.C. 5739.01(H)(2))
- Discount for vendors (R.C. 5739.12 (B)(11); R.C. 5741.12(A))

There are additional exemptions and exceptions within the Code, including those with an annual revenue impact below \$1 million, such as sales to veterans' headquarters (R.C. 5739.02(B)(33)), and sales of animals by non-profit animal shelters (R.C. 5739.02(B)(28)), among others.

Special Provisions

Cumulative filing (R.C. 5739.12). The Tax Commissioner may require a vendor that operates from multiple locations or has multiple vendor's licenses to report all liabilities on one consolidated return. Vendors with two or more places of business in Ohio may, upon approval by the Tax Commissioner, file a single monthly consolidated return reporting on one form the information that normally is required to be reported from each location.

Pre-arranged agreements (R.C. 5739.05 and Ohio Adm. Code 5703-9-08). Vendors, such as quick service restaurants, whose business is of a nature that keeping records of which sales are taxable and which are exempt would impose an unreasonable burden, may be authorized by the Tax Commissioner to pay an amount based on a test check conducted to determine the proportion of taxable sales to total sales.

Pre-determined agreements (R.C. 5739.05 and Ohio Adm. Code 5703-9-08). Vendors, such as coin-operated vending machine operators, whose business is of a nature that the collection of the tax from consumers would impose an unreasonable burden, may be authorized by the Tax Commissioner to pay the tax at a pre-determined rate based on an analysis of sales and prices.

Construction contractors (R.C. 5739.01 and Ohio Adm. Code 5739-9-14). Construction contractors are considered to be the consumers of property incorporated into the construction of or improvement to real property and, thus, are responsible for paying the tax on such property.

Payment by EFT (R.C. 5739.032, 5739.122, 5741.121). Vendors are required to remit payment by electronic funds transfer (EFT) in cases where annual liability exceeds \$75,000 per calendar year. Taxpayers required to use this payment method will be notified by the department.

Accelerated tax payment (R.C. 5739.032, 5739.122, 5741.121). Vendors required to remit tax by EFT are required to make advance payment of 75 percent of each month's anticipated tax by the 23rd day of that month. These vendors are still required to file a return by the 23rd of the next month and pay the balance of their tax due, along with that month's accelerated payment.

Filing and Payment Dates (R.C. 4505.06, 5739.031, 5739.12, 5739.17, 5741.12, Ohio Adm. Code 5703-9-10, 5703-9-13, 5703-9-25). (See Exhibit 2 on next page.)

Fiscal Year 2022

Exhibit 2: Types of Sales Tax Returns and Filing Payment Dates

Type of Return	Taxpayer	Payment Date
Weekly	Clerks of court	Payment on Friday for taxes collected during the preceding week on motor vehicles, and on watercraft and outboard motors, titled.
Semi-monthly	JobsOhio Beverage System	By the 15th day of the month for the tax collected during the last 15 days of the previous month, and by the last day of the month for the tax collected during the first 15 days of the month, on spirituous liquor sold in state-contracted liquor agency stores.
Monthly	Vendors, sellers, transient vendors, direct pay permit holders, consumer's use tax accounts, streamlined sales tax accounts, streamlined use tax accounts	By the 23rd day of the month following the close of the reporting period, which is the previous month. Taxpayers whose annual liability in a prior year exceeded \$75,000 are required to pay by EFT. These same taxpayers are required to make accelerated payments during each month.
Quarterly	Direct pay permit holders, consumer's use tax accounts	By the 23rd day of January, April, July, and October for their tax liability during the preceding three months, this method of payment may be authorized for accounts with less than \$5,000 in quarterly tax liability.
Semi-annual	Vendors, sellers, transient vendors	By the 23rd day of the month following the close of each semi-annual period (predetermined by filing schedule) for the tax collected during the preceding six-month period; this method of payment may be authorized for vendors and sellers whose tax liability is less than \$1,200 per six-month period.

Discount (R.C. 5739.12, 5741.12). Payments made on or before the due date entitle the vendor to a discount of 0.75 percent of the amount due. (Example: \$5,000 tax due – \$37.50 discount = \$4,962.50 net tax due.)

Disposition of Revenue (R.C. 5739.21, 5741.03). The amount of state sales tax revenue deposited into the Public Library Fund (PLF) varies from year-to-year based on a fixed percentage of all tax revenues deposited into the GRF. One half of each monthly transfer from the GRF to the PLF is credited against the state sales tax portion of GRF revenues.

Comparisons with Competitor States (as of July 28, 2022).

State	State Rate	Maximum Local Rate	Maximum Total Rate
Georgia	4.00%	Up to 5.00%	9.00%
Indiana	7.00	---	7.00
Kentucky	6.00	---	6.00
Michigan	6.00	---	6.00
North Carolina	4.75	2.75	7.50
Pennsylvania	6.00	2.00	8.00
Tennessee	7.00	2.75	9.75
Texas	6.25	2.00	8.25
West Virginia	6.00	1.00	7.00

History of Collections**Table 1: State Sales and Use Tax collections: fiscal years 2018-2022 (in millions)**

Fiscal Year	Total
2018	\$10,343.0
2019	10,777.3
2020	10,884.8
2021	12,419.2
2022	13,277.0

Source: Office of Budget and Management fiscal reports.

History of Major Changes

1934	General Assembly enacted a 3 percent sales tax effective Jan. 1, 1935.
1935	General Assembly enacted a companion use tax effective Jan. 1, 1936.
1936	Ohio voters approved a constitutional amendment exempting food for human consumption off the premises where sold.
1962	The use of sales tax stamps is discontinued.
1967	General Assembly increased rate to 4 percent and broadened the tax base to include cigarettes and beer.
1971	Cigarettes again became exempt.
1980	State sales tax rate temporarily increased to 5 percent from Jan. 1 through June 30, 1981.
1981	H.B. 694 increased the state sales tax rate from 4 percent to 5.1 percent. Some vendors claimed the new rate was incompatible with their registers. Subsequently, H.B. 552 lowered the state rate to 5 percent. Other provisions of H.B. 694 were retained, including broadening the base to again include cigarettes, as well as repairs and other selected services. Other legislation established a credit for trade-ins on new motor vehicles.
1983	Tax base broadened to include business data processing services.
1987	Purchases made with food stamps exempted from the tax; long distance telecommunications service made taxable.
1990	Tangible personal property primarily used in manufacturing operations exempted from the tax, replacing a direct use exemption for manufacturers. Also, a credit is established for trade-ins on new or used watercraft.
1991	Tax base broadened to include lawn care, landscaping, private investigation, and security services.
1993	General Assembly broadened tax base to include building cleaning and maintenance, exterminating, employment agency and personnel supply services as well as memberships in physical fitness facilities and recreation and sports clubs. Exemptions established for qualified property used in research and development and for nonprofit scientific organizations. Vendor discount lowered from 1.5 percent to 0.75 percent of tax collections.
1994	Purchases made by organizations defined under Internal Revenue Code 501(c)(3) exempted.
1997	Sale of personal computers and qualified equipment to licensed and certified teachers exempted.
1999	Sale of used manufactured and mobile homes exempted, effective Jan. 1, 2000.
2000	For the purposes of the sales and use tax, sales of new manufactured or mobile homes are no longer considered motor vehicle sales.
2000	Transient vendor's license fee reduced from \$100 to \$25. Definition of an exempt casual sale is changed to include items that had been subject to the taxing jurisdiction of another state.
2001	The application of the sales and use tax on certain leased motor vehicles, watercraft, aircraft, and on the lease of tangible personal property by businesses is changed so that the tax is paid upon consummation of the lease.
2002	Refunds allowed to be issued directly to consumers in cases where the consumer illegally or erroneously paid tax to the vendor.

Sales and Use Tax

Fiscal Year 2022

2003	State sales tax rate temporarily increased from 5 percent to 6 percent from July 1, 2003 to June 30, 2005. Vendor discount temporarily increased from 0.75 percent to 0.9 percent during the same period. Also: <ul style="list-style-type: none"> • tax base expanded to laundry and dry cleaning, satellite broadcasting service, personal care services, intrastate transportation of persons by motor vehicle or aircraft, towing service, snow removal and the storage of tangible personal property. • threshold increased for mandatory payment by electronic funds transfer from \$60,000 annual tax liability to \$75,000, and such taxpayers begin paying on an accelerated schedule. • some definitions of food, beverages and medical supplies changed to conform to the provisions of the multistate Streamlined Sales Tax Project.
2005	State sales tax rate reset to 5.5 percent and temporary vendor discount rate of 0.9 percent extended through June 30, 2007.
2006	Property withdrawn from inventory and donated to a charitable organization exempted from the use tax.
2008	General Assembly enacts H.B. 429, which allows Ohio to retain origin sourcing for most sales of tangible personal property made by Ohio vendors to Ohio consumers effective Jan. 1, 2010.
2009	Electronic filing of sales tax returns became mandatory. General Assembly, in H.B. 1, applied sales tax to monthly Medicaid premiums received by health insuring corporations in lieu of a former 5.5 percent franchise fee.
2013	State sales and use tax rate increased to 5.75 percent, effective Sept. 1, 2013.
2014	Ohio became a full member of the Streamlined Sales Tax Project.
2015	H.B. 64 prescribed new criteria for determining whether sellers have substantial nexus with Ohio and permits sellers to rebut the presumptions.
2016	S.B. 172 exempted the sale or use of investment metal bullion and investment coins. H.B. 390 exempted sales of natural gas by a municipal gas company.
2017	H.B. 49 enacted law requiring an out-of-state seller with annual Ohio sales in excess of \$500,000 or 200 or more Ohio transactions, and if the seller either uses in-state computer software to make Ohio sales or has an agreement with a third party to provide content distribution networks in Ohio to accelerate or enhance delivery of the seller's website to Ohio consumer, to collect and remit use tax, regardless of whether or not those sellers have a physical presence or a substantial nexus with Ohio. It exempted purchases of digital music purchased from and played by a single-play commercial music machine (jukebox).
2018	<ul style="list-style-type: none"> • S.B. 226 enacted a permanent sales tax "holiday" occurring on the first Friday of August and the following Saturday and Sunday of each year, beginning in 2018. On those days, sales taxes are not levied on the sale of an item of clothing priced \$75 or less, an item of school supplies priced \$20 or less, or an item of school instructional material priced \$20 or less. Sales tax holidays covering the same items and same price thresholds took place on Aug. 7-9, 2015, Aug. 5-7, 2016; and Aug. 4-6, 2017. • S.B. 8 amended the definition of an exempt prosthetic device to include corrective eyeglasses or contact lenses, on or after July 1, 2019. • H.B. 430 enumerated a separate exemption for tangible property used or consumed directly in production of crude oil and natural gas for sale. This separate exemption maintains current practice. • H.B. 133 eliminated the application of use tax to equipment used in this state by an out-of-state disaster business during a disaster response period under certain conditions.
2019	<ul style="list-style-type: none"> • S.B. 51 enacted an exemption for exports temporarily stored in Ohio. • H.B. 62 expanded the exemption for motor fuel to include fuel used for a refrigeration unit on the vehicle other than one used primarily for the comfort to the operator or occupants (i.e., refrigerator trucks). • H.B. 166 eliminated the exemption for qualified TPP sales to motor racing teams and the exemption for sales of investment bullion and coins; expanded manufacturer's exemption to include equipment and supplies to clean processing equipment that is part of a continuous manufacturing operation to produce food; modified activities sufficient to create a presumption an out-of-state seller has substantial nexus with Ohio including the addition of economic nexus thresholds, requiring the seller to collect use tax; required that persons with substantial nexus that own, operate, or control a marketplace through which retail sales are facilitated to register as a seller and collect and remit use tax on all transactions through the marketplace; allowed counties to levy a sales and use tax rate in increments of 0.05 percent, allowed counties to levy up to a 0.5 percent tax to construct, acquire, equip or repair detention facilities, and specified that a peer-to-peer car sharing program operator is a vendor for sales and use tax purposes.
2020	<ul style="list-style-type: none"> • S.B. 26 and H.B. 197 authorized a tax exemption for qualified sales of prescription adult diapers and incontinence pads; authorized tax exemption for feminine hygiene products. • H.B. 197 made numerous technical corrections.
2021	H.B. 110 removed employment services and employment placement services from the list of taxable services; created an exemption for metal bullion and coins from tax; and created an exemption for tangible personal property for research and development at the site of a megaproject per R.C. 122.17.

Severance Tax

Overview. The severance tax, effective in 1972, is paid by persons or firms that extract, or sever, certain natural resources from the soil or waters of Ohio. Severers are licensed by the tax commissioner and other designated state agencies. In FY 2022, severance tax collections totaled \$61.0 million (excluding \$13.2 million from the oil and gas cost recovery assessment fee).

Tax Base (R.C. 5749.02). The tax is levied on the weight or volume of certain natural resources extracted from the soil or water of Ohio.

Tax Rates (R.C. 5749.02). The tax rates on the severance of most natural resources are as follows:

Resource	Tax Rate
Clay, sandstone, shale, conglomerate, gypsum and quartzite	1 cent per ton
Dolomite, gravel, sand and limestone	2 cents per ton
Natural gas	2.5 cents per Mcf
Oil	10 cents per barrel
Salt	4 cents per ton

Coal: The base tax rate on coal is 10 cents per ton. It does not include two additional levies that have applied since April 1, 2007:

- an additional 1.2 cents per ton from surface mining operations.
- an additional 12, 14 or 16 cents per ton reclamation tax on operations without a full cost bond, depending on the amount. This rate varies based on the amount remaining in the state Reclamation Forfeiture Fund at the end of each state budget biennium. The rate is 12 cents if the balance of the fund is \$10 million or more; 14 cents if it is between \$10 million and \$5 million; and 16 cents if it is \$5 million or less.

Exemptions and Credits (R.C. 5749.03). Natural resources severed from an exempt domestic well are not subject to tax.

Special Provisions. The Chief of the Division of Mineral Resources Management (Ohio Department of Natural Resources) certified on July 28, 2021 that the balance of the Reclamation Forfeiture Fund was greater than \$10 million. Thus, the reclamation tax rate on coal mining operations without a full cost bond remains at 12 cents per ton. Although not part of the severance tax, certain non-exempt oil and gas well owners are subject to the oil and gas regulatory cost recovery assessment. The assessment is based on production of non-domestic wells at 10 cents per barrel of oil and a ½ cent per thousand cubic feet of natural gas, and is reported on the severance tax return by either the owner or severer.

Filing and Payment Dates (R.C. 5749.06). Payments are due May 15th, August 15th, November 15th, and February 15th for the quarterly periods ending the last day of March, June, September and December, respectively. Annual returns are due February 15th. Electronic filing and payment are required.

Severance Tax

Fiscal Year 2022

Disposition of Revenue (R.C. 5749.02).

Fund	Revenue Source
Geological Map Fund	4.76 percent of the 10 cent per ton base severance on coal
	10 percent of oil and gas severance tax collections
	All salt severance revenue
	7.5 percent of limestone, dolomite, sand and gravel severance tax collections
Unreclaimed Lands Fund	14.29 percent of the 10 cent severance tax on coal
	42.5 percent of limestone, dolomite, sand and gravel severance tax collections
	All of the 1.2 cent tax on coal mined using surface mining methods
Oil and Gas Well Fund	90 percent of the oil and gas severance tax collections
Coal Mining Administration Fund	80.95 percent of the 10 cent tax on coal
Reclamation Forfeiture Fund	All revenue from the tax on coal operations without a full cost bond, which may vary from 12 cents to 16 cents depending upon the amount in the fund.

Comparisons with Competitor States (as of July 20, 2022).

Georgia	Oil – 3 cents per barrel of oil. Gas – 1 cent per Mcf. County and municipal governments are authorized to collect a severance tax in an amount not to exceed 9 cents per barrel of oil and an amount not to exceed 2 cents per Mcf of gas.
Indiana	Oil & gas – greater of either 1 percent of the petroleum value or 3 cents per Mcf from natural gas and 24 cents per barrel of oil.
Kentucky	Oil – 4.5 percent of market value of all crude petroleum produced. Gas and other minerals – 4.5 percent of the gross value of the natural resource severed, with a minimum tax of 50 cents per ton of coal.
Michigan	Oil – 7.6 percent of gross cash market value; marginal/stripper wells taxed at 5 percent. Gas – 6 percent of the gross cash market value; secondary/enhanced recovery taxed at 5 percent. Nonferrous metallic minerals – 2.75 percent of the taxable mineral value.
North Carolina	Oil and condensate – 5 percent of gross price paid. Gas – 0.9 percent on Mcf valued up to \$3 and 5 percent on Mcf valued over \$7.01.
Pennsylvania	Impact fee on horizontal wells varies with the price of natural gas; for natural gas at the average annual price the fee ranges from \$54,000 in the first year to \$10,900 in years eleven through fifteen. The fee for vertical wells is 20 percent of the horizontal well fee for ten years.
Tennessee	Crude oil & gas – 3 percent of sales price. Coal – \$1 per ton. Mineral – Counties may tax up to 15 cents per ton.
Texas	Oil – 2.3 to 4.6 percent for oil. Gas – 7.5 percent of market value.
West Virginia	Oil – 5 percent of gross value at wellhead. Natural gas – 5 percent of gross value at wellhead. Coal – 5 percent of gross value. ¹

¹ There is a minimum severance tax of 75 cents per ton of coal and different rates may be levied depending upon the coal.

Severance Tax

Fiscal Year 2022

History of Collections

Table 1. Severance Tax collections:¹ fiscal years 2018 - 2022 (in millions)

Natural Resource	Tax Rate	Measurement	2018	2019	2020	2021	2022
Coal	25.2	cents per ton	\$2.8	\$1.9	\$1.5	\$0.6	\$0.6
Natural Gas	2.5	cents per Mcf	58.4	61.6	60.3	57.9	56.3
Limestone	2	cents per ton	1.4	1.4	1.5	1.3	1.4
Oil	10	cents per barrel	2.4	2.8	2.4	2.3	1.8
Gravel	2	cents per ton	0.3	0.3	0.3	0.3	0.3
Sand	2	cents per ton	0.4	0.4	0.4	0.4	0.4
Dolomite	2	cents per ton	<0.1	<0.1	<0.1	<0.1	<0.1
Salt	4	cents per ton	0.2	0.2	0.2	0.2	0.2
Clay	1	cents per ton	<0.1	<0.1	<0.1	<0.1	<0.1
Sandstone	1	cents per ton	<0.1	<0.1	<0.1	<0.1	<0.1
Shale	1	cents per ton	<0.1	<0.1	<0.1	<0.1	<0.1
Quartzite	1	cents per ton	<0.1	<0.1	<0.1	0	0
Severance Tax Receipts Fund ²			(14.1)	<0.1	<0.1	<0.1	>(0.1)
Total			\$52.1	\$68.6	\$66.7	\$63.0	\$61.0

¹Excludes revenue from Oil and Natural Gas Regulatory Cost Recovery assessments.

²Severance taxes are paid into this holding account and then allocated by using tax returns.

Source: Office of Budget and Management fiscal reports.

History of Major Changes

1971	The General Assembly enacted H.B. 475 creating the severance tax effective Jan. 1, 1972.
1981	H.B. 1051 enacted an additional temporary 1 cent per ton tax on coal to be collected depending on the balance in the Defaulted Areas Fund.
1983	H.B. 291 increased the rate from 3 cents to 10 cents per barrel of oil and from 1 cent to 2.5 cents per Mcf of natural gas.
1985	H.B. 238 increased the permanent rate on coal from 4 cents to 7 cents per ton and included an additional 1 cent per ton temporary tax on coal, also conditioned on the balance of the Defaulted Areas Fund.
1989	Effective July 1, 1989, H.B. 111 increased the rate on limestone, dolomite, shale, conglomerate, gypsum, and quartzite.
1998	The 122 nd General Assembly enacted S.B. 187, making permanent one of the temporary 1 cent per ton coal levies.
2006	H.B. 433 changed the base rate on coal to 10 cents per ton. The bill also levied an additional 1.2 cents per ton for surface mining operations and an additional levy of up to 16 cents per ton on operations without a full cost bond.
2009	H.B. 1 directed all revenue from the salt component of the tax to the Geological Mapping Fund where previously the fund received 15 percent of the revenue.
2010	S.B. 165 created an oil and gas “regulatory cost recovery assessment” effective July 1, 2010. While not part of the severance tax, the assessment is reported on severance tax returns.
2013	H.B. 59 required electronic filing and payment of the tax.
2017	H.B. 49 removed the existing \$1,000 limit on a severance tax exemption for resources severed from land owned by the severer and instead exempts gas severed by an exempt domestic well on and after Oct. 1, 2017.
2019	H.B. 166 alters the manner in which the oil and gas cost recovery assessment is calculated, effective Jan. 1, 2020, to a formula based on production from a flat-rate assessment.

Fiscal Year 2022

Wireless 9-1-1 Charge

Overview. The wireless 9-1-1 charge provides state level funding for local wireless 9-1-1 services. Current law imposes a 9-1-1 charge on each wireless phone number of a wireless service subscriber with a billing address in Ohio at the rate of 25 cents per month and on the purchase of prepaid wireless services occurring in Ohio at the rate of 0.5 percent of the purchase price. During fiscal year 2022 approximately \$27.4 million was collected for the Wireless 9-1-1 Government Assistance Fund, \$0.6 million for the 9-1-1 Program Fund, and just under \$0.3 million for the Wireless 9-1-1 Administration Fund.

Taxpayer (R.C. 128.42). Each wireless service subscriber of a wireless telephone number with a billing address in Ohio pays a monthly charge of 25 cents. Each retail purchaser of a prepaid wireless calling service occurring in Ohio pays a wireless 9-1-1 charge of 0.5 percent of the sale price. The charge is collected by the retailer at the point of sale for prepaid wireless services.

Tax Base (R.C. 128.42). For post-paid wireless, it is each wireless phone number of a wireless service subscriber with a billing address in Ohio. For prepaid wireless service, it is the sales price.

Tax Rates (R.C. 128.42). For post-paid wireless, 25 cents per month. For prepaid wireless, 0.5 percent of the purchase price.

Special Provisions (R.C. 128.44 and 128.46). Wireless service providers, resellers and sellers can retain 3 percent of the wireless 9-1-1 charge as a collections fee. Returns and payments of charges must be remitted electronically except upon showing of good cause. The Department of Taxation must provide not less than 30 days advance notice to known wireless service providers, resellers, and sellers of prepaid wireless calling services of any increase or decrease in 9-1-1 charges.

Filing and payment dates (R.C. 128.46). Returns and payments are due on the 23rd day of each month.

Disposition of Revenue (R.C. 128.54-.55, 128.57). Revenue from the charges is allocated as follows:

- 97 percent to the Wireless 9-1-1 Government Assistance Fund;
- 2 percent to the 9-1-1 Program Fund; and
- 1 percent to the Wireless 9-1-1 Administrative Fund.

Counties receive a monthly distribution from the Wireless 9-1-1 Government Assistance Fund. The distribution is to occur by the end of each month. The counties receive the same amount as they received in the same month during calendar year 2013. If there are insufficient funds, each county receives a distribution in proportion to the county's share during the same month in calendar year 2013. Any shortfall in distributions from a previous month must be remedied in the following month. The Next Generation 9-1-1 Fund is to receive from the Wireless 9-1-1 Government Assistance Fund any remainder in the administration funds at the end of each fiscal year.

Comparisons with Competitor States (as of June 22, 2022).

Georgia	Pre- and post-paid \$1.50
Indiana	Prepaid \$1.00 Post-paid \$1.00
Kentucky	Prepaid \$0.93 Post-paid \$0.70
Michigan	Prepaid 5 percent of the sale price Post-paid \$0.25 state fee and \$0-\$3.00 county fee
North Carolina	Pre- and post-paid \$0.65
Pennsylvania	Pre- and post-paid \$1.65
Tennessee	Pre- and post-paid \$1.16
Texas	Prepaid 2 percent of sale price Post-paid \$0.50
West Virginia	Prepaid 6 percent of sale price. Post-paid \$3.47

Wireless 9-1-1 Charge

Fiscal Year 2022

History of Collections

Table 1: Wireless 9-1-1 Charge collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Wireless 9-1-1 Government Assistance Fund	9-1-1 Program Fund	Wireless 9-1-1 Administrative Fund	Total
2018	\$25.2	\$0.5	\$0.3	\$26.0
2019	25.6	0.5	0.3	26.4
2020	25.1	0.5	0.3	26.9
2021	26.7	0.6	0.3	27.6
2022	27.4	0.6	0.3	28.3

Source: Office of Budget and Management financial reports.

History of Major Changes

2004	H.B. 361 established a service charge of 32 cents per month to be billed on each wireless number of a subscriber with a billing address in the state.
2008	S.B. 129 reduced the wireless 9-1-1 charge from 32 cents per month to 28 cents per month.
2012	H.B. 360 decreased the post-paid monthly wireless 9-1-1 charge from 28 cents to 25 cents. The enactment required the prepaid wireless charge to be 0.5 percent of the retail price imposed at the point of sale.
2012	H.B. 472 required the monthly wireless 9-1-1 charge to be continuously imposed on prepaid subscribers until the new prepaid charge imposed at the point of sale took effect on January 1, 2014.
2013	H.B. 59 codified 9-1-1 service law into Chapter 128 of the Ohio Revised Code.
2014	H.B. 483 enacted the wireless 9-1-1 charge to the list of taxes and fees that can be refunded from the refund fund.
2015	H.B. 64 replaced the monthly transfer to the Next Generation 9-1-1 Fund with an annual transfer of any excess remaining in the Wireless 9-1-1 Government Assistance Fund after the monthly transfers to counties are made. Additionally, any shortfall in monthly distribution from the Wireless 9-1-1 Government Assistance Fund to counties resulting from insufficient funds from a previous month must be remedied in the following month.
2017	H.B. 49 established that interest is charged for late wireless 9-1-1 charge remittances and is payable on refunds of overpaid charge remittances. It specified that the interest does not have to be paid if the amount due is \$1.00 or less.

Local Government Fund

Overview. The Local Government Fund (LGF) dates to the Jan. 1, 1935 establishment of the state sales tax. The fund has undergone many changes in the ensuing decades, but the basic elements remain: a designated portion of state revenues is deposited into the LGF; a statutory formula is used to allocate revenue monthly to the undivided LGFs of each of Ohio's 88 counties, and county budget commissions determine the distribution of the undivided moneys to local subdivisions. In 1972, the state added a new element by allowing municipalities to receive a share of the LGF because the state enacted a personal income tax.

Recent changes (R.C. 131.51, 5747.502, and 5747.503). Beginning in August 2013, the LGF began to receive 1.66 percent of all General Revenue Fund tax collections of the previous month, and a guaranteed minimum distribution amount for counties was codified by H.B. 59 (130th General Assembly). Am. Sub. H.B. 166 (133rd General Assembly) temporarily increased the percentage of GRF revenue the fund is to receive to 1.68 percent for the FY 2020-FY 2021 biennium. For FY 2022-23, the percentage returned to 1.66 percent. In calendar year 2021, the county undivided local government funds received \$423.3 million in distributions (inclusive of withholding for fines derived from traffic enforcement cameras). H.B. 49 (132nd General Assembly) made permanent a temporary redirection of direct municipal LGF distributions to the small villages and townships (for villages with less than 1,000 in population in the 2020 Census of Population) beginning in July 2017 equal to \$12.0 million annually. Each month, \$833,333 is to be redirected and split among townships and \$166,667 redirected to and split among small villages. In calendar 2021, small villages received nearly \$2.0 million in distributions and townships received just under \$10.0 million (net of withholding for fines derived from traffic enforcement cameras). After this redirection, the direct municipal LGF received approximately \$24.7 million in calendar year 2021 (net of withholding for fines derived from traffic enforcement cameras).

Additionally, Am. Sub. H.B. 62 (133rd General Assembly) requires every local authority (township, municipality, county) that operates a traffic camera during a fiscal year to file a report with the Tax Commissioner by the following July 31 (first reports were due July 31, 2019), showing civil fines collected for traffic violations recorded by traffic cameras and the gross amount of traffic camera fines collected, regardless of whether the local authority complied with state traffic camera law. If the local authority does not file the report, the Tax Commissioner shall withhold all LGF payments (direct municipal local government fund and its portion of the county undivided local government fund distribution) until such a time as the local authority files its report. Upon receipt of a report, the Tax Commissioner shall reduce each month the LGF funding to the local authority by an amount equal to one-twelfth of the gross amount of all such reported fines. If the fines were collected within a school zone, the funds are returned to the local authority, but must be used for school safety purposes only. If the fines were collected outside a school zone, the funds are deposited into the Ohio Highway and Transportation Safety Fund (created by the HB 62) and requires the amount credited with respect to a local authority to be allocated for the transportation district in which that local authority is located and used exclusively to enhance public safety on public roads and highways within that transportation district. Reported fines that exceed the allocated LGF funding to the local authority for a given year are carried forward to the succeeding year.

Distributions (R.C. 5747.50). Starting with the 2008 calendar year and thereafter:

- Subject to available resources, each county's undivided LGF fund receives at least what it received in combined distributions from the LGF and LGRAF during the 2007 calendar year.
- Subject to available resources, each municipality with a population of 1,000 or more shall receive a distribution based on its population share from the most recent decennial census or the most recent U.S. Census Bureau estimates, whichever represents the most recent year. Cities with a population of more than 50,000 would be capped at that number, so that they are each considered to have a population of 50,000. The distribution is after the transfer made to the Small Villages and Townships Supplement.
- When additional revenue is available once these distributions have been made, it is distributed to the 88 counties undivided LGFs based on each county's proportionate share of the state population, using U.S. Census Bureau estimates from the previous year. No additional revenue would be allocated directly to municipalities.
- Counties are guaranteed an amount not less than \$750,000 or the amount they received during fiscal year 2013.
- Any additional money required to bring a county to the guarantee would be contributed by counties that received more than the \$750,000 floor in proportion to their fiscal year 2013 distributions.
- Any reduction due to the withholding of traffic camera fines may take a county below its guaranteed amount.
- Distributions from the state LGF to counties and municipalities occur on or before the 10th day of each month.

Use of the Funds (R.C. 5747.50). The amount that each county receives from the state's LGF is expressly designated for deposit into the county's undivided LGF. The Department of Taxation does not determine distributions from the county's undivided LGF. The amount received by a municipal corporation directly from the state LGF is paid into the municipality's general fund to be used for any lawful purpose.

History of Major Changes.

1934	The Local Government Fund (LGF) was created in December 1934. Revenue from the new three percent state sales tax was used for a county poor relief excise fund and a state public school fund, with remaining revenue to be used for the new "Local Government Fund." State LGF was distributed to 88 county undivided LGFs based on each county's proportionate share of municipal valuation.
1939	The earmarking concept was replaced by annual appropriations.
1945	LGF was distributed 75 percent based on each county's share of municipal valuation and 25 percent based on population.
1972	Municipalities imposing an income tax receive 1/12th of the LGF.
1973	Fixed-dollar LGF allocations were replaced by revenue sharing concept; 3.5 percent of the state income tax, sales tax and corporate franchise tax were dedicated to the LGF. Minimum annual county undivided LGF distribution of \$150,000.
1982	The portion of the corporate franchise tax earmarked for the LGF was increased: 3.5 percent of franchise tax was earmarked for state LGF and 7.75 percent of the franchise tax was distributed to counties based on their share of 1981 intangibles tax revenues. Minimum LGF distribution increased to \$225,000.
1983	H.B. 291 repealed the special contribution schedule for the franchise tax; 14.5 percent of the franchise tax was dedicated to the LGF with no special allocations to counties based on historical intangibles tax. S.B. 293 remedied distributional inequalities and increased the fund by changing the corporate franchise tax share from 14.5 to 15.4 percent.
1987	H.B. 171 created the Local Government Revenue Assistance Fund (LGRAF). The percentage earmarked for the LGF, increased to 4.5 percent in February 1988 and to 4.6 percent in July 1989. The LGRAF and LGF received monies from two additional state revenue sources: the use tax and the public utility excise tax.
1989	Funding for the LGRAF began in July 1989, comprised of 0.3 percent of the same major tax sources that fund the LGF; this share was scheduled to increase to 0.6 percent in FY 1991, 0.65 percent in FY 1992, and 0.70 percent in FY 1993. H.B. 111 stipulated that the LGRAF would be distributed based on population.
1991	H.B. 298 and H.B. 904 temporarily suspended the LGF and LGRAF funding percentages from January 1992 through July 1993, constituting a "freeze" on distributions.
1994	The "freeze" was lifted beginning in FY 1994, and the respective LGF and LGRAF funding percentages were reduced to 4.2 percent and 0.6 percent.
2001	S.B. 3 enacted a kilowatt hour tax with a portion of revenues earmarked for the LGF (2.464 percent) and the LGRAF (0.378 percent). H.B. 94 enacted a "freeze" in which each county undivided LGF (as well as each municipality receiving a direct LGF distribution) and each county undivided LGRAF would receive the same amount that it received in FY 2001. The 125th and 126th General Assemblies continued the freeze.
2007	H.B. 119 extended the freeze through the end of calendar year 2007 and restructured LGF and LGRAF; LGRAF was consolidated into the LGF. LGF is funded based on 3.68 percent of all general revenue tax collections.
2012	H.B. 153 funded LGF at a percentage of prior year distributions in FY 2012 and FY 2013 with an additional appropriation in FY 2012. Beginning with the August 2013 distribution, the LGF receives 1.66 percent of all GRF tax revenue collections of the prior month. Guarantee that no county that received less \$750,000 in FY 2011 would have zero reduction in FY 2012 and FY 2013. Any county that received over \$750,000 after the "freeze" would receive no less than \$750,000.
2013	H.B. 59 codified that counties are guaranteed an amount not less than \$750,000 or the amount received in FY 2013.
2015	H.B. 64 redirected most of the revenue from the direct municipal LGF distribution to townships and qualifying villages and to the Law Enforcement Assistance Fund for the 2016-2017 biennium. Additionally, it provided for withholding Local Government Fund distributions for those maintaining red-light traffic cameras under certain circumstances.
2017	H.B. 49 codified the redirected direct municipal LGF distributions to the Small Villages and Township Supplement. It additionally redirected the remaining distribution to the Targeting Addiction Assistance Fund. Additionally, S.B. 299 provided for supplemental payments to a township or fire district where a nuclear generating plant lost 30% or more of its taxable value over one year through the Local Government Fund distribution.
2019	Am. Sub. H.B. 62 added the withholding and redirection of traffic camera fines from the Local Government Fund. H.B. 166 temporarily increased the percentage of tax revenue to be allocated to the Local Government Fund to 1.68 percent for the FY 2020-FY 2021 biennium and modified the distribution method for the direct municipal local government fund.

Public Library Fund

Overview. The Public Library Fund (PLF) was created by the General Assembly in 1985 as the Library and Local Government Support Fund. Its creation was part of a broader effort to phase out the intangible personal property tax. The PLF was designed to offset the loss of revenue from the intangible personal property tax, then a significant source of revenue for local libraries. A share of state income tax collections was distributed to a fund established in each county. In turn, county officials distributed the revenue from that county fund to libraries and local governments. The Library and Local Government Support Fund was renamed the PLF by the 127th General Assembly. In calendar year 2021, distributions totaled approximately \$464.4 million.

Distributions (R.C. 131.44, 151.51, and 5747.47). Beginning in August 2013, the PLF receives 1.66 percent of all General Revenue Fund tax collections of the previous month. Am. Sub. HB 166 (133rd General Assembly) temporarily increased the percentage of GRF revenue the fund receives to 1.70 percent for the FY 2020-FY 2021 biennium. This increase was carried through the FY 2022 - FY 2023 biennium by Am. Sub. HB 110 (134th General Assembly). Distributions from the state PLF to counties are made on or before the 10th day of each month. In July of each year, the Department of Taxation certifies an estimate of each county's total entitlement for the following calendar year. Estimates reflect the best projection of state tax revenues for the subsequent calendar year and incorporate updated county population estimates and an inflation factor. Each December, the Department certifies (1) the amounts that each county was entitled to receive under the distribution formula during the current calendar year, (2) the amount each county received, and (3) the difference between the two. The amount of PLF to which a county is entitled is not known until the end of each year when the total amount of revenue into the PLF is known. During the first six months of the following year, each county's distribution is adjusted for any overpayment or underpayment received in the preceding year. Each June, the estimates for the current calendar year distributions are revised to account for recent actual state tax revenues and any revised projections of tax revenues.

Use of Funds (R.C. 3375.05, 3375.121, 3375.40, 3375.404, 3375.82, 3375.85, 5705.32). County budget commissions determine the amounts to be allocated to all libraries. The amount is given to each library based on its needs for building construction and improvement, operations, maintenance, and other expenses required by the library and its branches. By law, libraries collectively may never receive a smaller share of county PLF distributions than the average percentage of the county's intangible property taxes that were distributed to all libraries in 1982, 1983, and 1984. After fixing the amount to be distributed to libraries within the county, the county budget commission fixes an amount to distribute to municipal corporations in the county. By law, each municipal corporation receives a percentage of the remainder equal to the percentage share of all classified, or intangible, property taxes originating from that municipality in 1984. Most revenue distributed from the PLF is provided to libraries with the remainder provided to other local governments.

1933	Local situs intangible tax was levied on the intangible property of individuals, unincorporated businesses and single county corporations. Revenues went to libraries and local governments.
1984	H.B. 291 eliminated the local situs intangible tax and established the Library and Local Government Support Fund (LLGSF).
1986	Funding for LLGSF began consisting of 6.3 percent of the state income tax.
1991	H.B. 298 and H.B. 904 temporarily suspended the LLGSF funding percentage from January.
1993	"Freeze" lifted beginning in fiscal year 1994 and the funding percentage reduced to 5.7 percent.
2001	H.B. 94 enacted a "freeze" in which each county undivided LLGSF received the same amount received in FY 2001. The 125th and 126th General Assemblies continued the freeze.
2007	H.B. 119 funded public libraries with 2.22 percent of the state's total general revenue tax collections.
2008	S.B. 185 changed the name of the LLGSF to the Public Library Fund (PLF).
2009	H.B. 1 temporarily reduced the fixed percentage of GRF to the PLF to 1.97 percent from August 2009 through June 2011.
2011	H.B. 153 reduced the amount credited to the PLF to 95 percent of the monthly amount received during July 2010 through June 2011.
2012	Beginning with the August 2013 distribution, the PLF receives 1.66 percent of all GRF tax revenue collections of the prior month.
2015	Beginning with the August 2015 distribution, the PLF receives 1.70 percent of all GRF tax revenue collections of the prior month for fiscal years 2016-2017.

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2017	Beginning with the July 2017 distribution, the PLF receives 1.68 percent of all GRF tax revenue collections of the prior month for fiscal years 2018-2019.
2019	H.B. 166 temporarily increased the percentage of tax revenue to be allocated to the Public Library Fund to 1.70 percent for the FY 2020-FY 2021 biennium.
2021	H.B. 110 maintained the temporary increase in the percentage of tax revenue to be allocated to the Public Library Fund at 1.70 percent for the FY 2022-FY 2023 biennium.

Tangible Property Tax Replacement Funds

Overview. This chapter deals with two revenue sharing funds, the School District Tangible Property Tax Replacement Fund and the Local Government Tangible Property Tax Replacement Fund. The tangible property tax replacement funds were created by the 126th General Assembly as part of H.B. 66, the biennial budget bill for fiscal years 2006-07. The funds are used to make distributions to schools and local governments to replace local property tax revenue reduced by H.B. 66 and S.B. 3 as passed by the 123rd General Assembly and amended by S.B. 287. During fiscal year 2022, approximately \$84.5 million was distributed to school districts from the School District Tangible Property Tax Replacement Fund. Approximately \$7.6 million was distributed to counties, municipalities, townships, and special districts from the Local Government Tangible Property Tax Replacement Fund in fiscal year 2022.

Distributions to Schools and Local Governments (R.C. 5709.92, 5709.93).

Fixed-rate operating levy loss reimbursement

Payments to schools and joint vocational (JVS) districts in fiscal year 2017 for fixed-rate operating levies were equal to fiscal year 2015 payments less a percentage of calculated total resources. Reductions ranged from 2 to 4 percent and were assigned by ranking districts into reliance quintiles. In fiscal year 2018 and subsequent years, payments to schools for fixed-rate operating levies were reduced by 1/16th of 1 percent of the district's average total taxable valuation for tax years 2014, 2015, and 2016.

For fiscal year 2022, replacement payments for the qualifying levies of counties, townships, municipalities, and special districts were equal to the sum of 2013 reimbursements less 14 percent of calculated total resources. Additionally, R.C. 5709.93 provides that a municipal corporation with an end user consuming at least 7 million kilowatts of electricity generated by a renewable resource using wind energy and subject to the kilowatt hour tax receives a payment equal to the kilowatt-hour tax paid by the end-user; currently, this provision is only applicable to the city of Columbus.

Fixed-sum operating levy loss reimbursement

ORC Section 5709.92(D)(1) provides that in FY16 and the ensuing fiscal years, reimbursement for Fixed Sum Operating levies, which amounts to all emergency and substitute levies, will be calculated separately from bond and facilities levy loss reimbursements. Under this section of the law, for each year, districts will receive reimbursements based on a phase-out schedule that progressively reduces the portion of the FY15 reimbursement in each fiscal year. The law provides for a reimbursement calculation based on tax years, however since the reimbursement distributions are based on fiscal years, this requires adjusting the tax year based reimbursement amounts to reflect exactly what districts should receive in each fiscal year. The phase-out schedule is as follows:

$$\begin{aligned} \text{TY16} &= (\text{FY15 Operating TPP fixed-sum reimb. X 1.0}) + (\text{FY15 Operating S.B. 3 fixed-sum reimb. X 1.0}) \\ \text{TY17} &= (\text{FY15 Operating TPP fixed-sum reimb. X 1.0}) + (\text{FY15 Operating S.B. 3 fixed-sum reimb. X 0.8}) \\ \text{TY18} &= (\text{FY15 Operating TPP fixed-sum reimb. X 0.8}) + (\text{FY15 Operating S.B. 3 fixed-sum reimb. X 0.6}) \\ \text{TY19} &= (\text{FY15 Operating TPP fixed-sum reimb. X 0.6}) + (\text{FY15 Operating S.B. 3 fixed-sum reimb. X 0.4}) \\ \text{TY20} &= (\text{FY15 Operating TPP fixed-sum reimb. X 0.4}) + (\text{FY15 Operating S.B. 3 fixed-sum reimb. X 0.2}) \\ \text{TY21} &= (\text{FY15 Operating TPP fixed-sum reimb. X 0.2}) \end{aligned}$$

To convert the tax year based reimbursement calculation to fiscal year reimbursement distribution, for each scheduled payment in a fiscal year (November and May), we correspond the half of the tax year based calculation with the fiscal year with which the tax year overlaps. In this manner, in FY17, half of the tax year 2016 calculation is distributed in November 2016 and half of the tax year 2017 calculation is distributed in May 2017. The same distribution methodology is applied to the ensuing fiscal years.

Fixed-sum debt purpose reimbursement

ORC section 5709.92(E) provides that fixed-sum levies for debt purposes are to be reimbursed at one hundred percent of the FY15 combined TPP and S.B. 3 reimbursements for such levy losses. Reimbursement continues until qualifying levies are no longer charged and payable.

Revenue Sources (R.C. 5751.02 (C) & (D)). After required transfers to the Revenue Enhancement Fund and the Commercial Activity Tax Motor Fuel Receipts Fund, the School District Tangible Property Tax Replacement Fund receives 13.0 percent of commercial activity tax receipts and the Local Government Tangible Property Tax Replacement Fund receives 2.0 percent. A transfer from the General Revenue Fund will be made if the replacement funds are insufficient to make the calculated reimbursement payments. Any balance in the replacement funds, after reimbursements are distributed, will be allocated to the General Revenue Fund.

Fiscal Year 2022

Distribution Procedure (R.C. 5709.93, 5709.92). Distributions for tangible property losses are made from the state to counties on or before the last day of August and February. The county treasurer and auditor then distribute payments to the appropriate local government within 30 days. Direct payments from the Ohio Department of Education are made to schools and joint vocational districts. Reimbursements to schools and local governments are to be utilized for the purpose of the originally qualifying levy. Distributions to qualifying municipalities based on qualifying kilowatt hours - currently only the city of Columbus - are made directly to the qualifying municipal corporation and are to the credit of a special fund dedicated to the benefit of the qualified end user.

1999	S.B. 3 enacted. Beginning Jan. 1, 2001, all electric and rural electric personal property – except for transmission and distribution property – is assessed at 25 percent of true value.
2000	S.B. 287 enacted, beginning Jan. 1, 2001, the assessment percentage of natural gas personal property is lowered from 88 percent to 25 percent of true value.
1999	Effective May 1, 2001, kilowatt-hour (kWh) tax replaced the public utility excise tax on electric and rural electric companies; it was also designed to replace revenues lost from the reduction of assessment rates on electric and rural electric tangible personal property.
2001	The natural gas distribution tax was enacted effective July 1, 2001 as part of a larger series of tax changes involving the natural gas industry; the tax was designed to replace the revenue lost by school districts and local governments when the assessment rate on the personal property of natural gas distribution companies was reduced.
2003	Beginning Jan. 1, 2005, the assessment rate of telephone personal property acquired before 1994 is phased down from 88 percent to 25 percent of true value over a three-year period.
2005	H.B. 66 includes the following changes effective Jan. 1, 2006: <ul style="list-style-type: none"> • Lowered the assessment percentages on electric transmission and distribution personal property from 88 percent to 85 percent and on electric production personal property from 25 percent to 24 percent; • Began phase-out over three years of the tax on railroad personal property and general business tangible personal property; listing percentages of 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and 0 thereafter; • Repeals the corporate franchise tax and enacts the commercial activities tax on gross receipts with a portion of revenue dedicated to replacement funds.
2007	Beginning Jan. 1, 2007, classified telephone companies and inter-exchange telecommunications companies classified as general business taxpayers, with the personal property for these companies to be phased on a four-year schedule.
2012	H.B. 153 altered the formula for fixed-rate levy replacement payments to a reliance-based calculation. In general, local governments operating levies were to experience an annual reduction equal to 2 percent of calculated total resources for three years; school fixed-rate operating reimbursements were to decline by 2 percent of total resources for two years.
2015	H.B. 64 combines calculation and distribution of payments to schools and local governments related to the phase-out of the tax on general business tangible personal property and reductions in the tax on public utility tangible personal property. The bill resumes a reliance-based phase-out for reimbursements of fixed-rate operating levies. Also, the bill ends reimbursement of municipal non- operating levies in fiscal year (FY) 2015 and school and JVS non-operating levies in FY 2016. Additionally, reimbursement of school fixed-sum levies is extended. Effective July 1, 2015, the School District Property Tax Replacement Fund and Local Government Property Tax Replacement Fund are eliminated. In FY 2016 and thereafter, distributions to schools and joint vocational schools are paid from the School District Tangible Property Tax Replacement Fund. Distributions to local governments are made from the Local Government Tangible Property Tax Replacement Fund. In FY 2016 and thereafter, distributions to schools are funded by 20 percent of CAT revenue and distributions to local governments are funded by 5 percent of CAT revenue. H.B. 64 created a payment to municipalities with a qualifying end-user of wind generated electricity.
2015	For FY 2018 and thereafter, S.B. 208 replaces the reliance-based phase-out for school and JVS districts with an annual reduction equal to 1/16th of 1 percent of the district’s average taxable value for tax years 2014, 2015, and 2016.
2017	H.B. 49 of the 132nd General Assembly alters the disposition of CAT revenue; in FY 2018 and thereafter, distributions to schools are funded by 13 percent of CAT revenue and distributions to local governments are funded by 2 percent of CAT revenue.
2018	S.B. 8 provides for a supplemental reimbursement payment to schools and JVS in FY 2018 and 2019.
2020	H.B. 166 of the 133rd General Assembly provides that any school district with a nuclear power plant located within its territory shall receive in FY 2020 and FY2021 the same payment under 5709.92 as it received in FY 2017
2021	HB 110 of the 134th General Assembly Specifies that in FY 2022 and FY 2023, any school district that has a nuclear power plant located within its territory is to receive the same payment amount under section 5709.92 of the Revised Code as in FY 2017.

Admissions Tax

Overview. Municipal corporations are permitted to levy a tax on admissions to places of amusement or entertainment such as movies, theme parks, and professional sporting events. A tourism development district (“TDD”) is authorized to levy a tax on admissions within the TDD. The tax is generally charged as a percent of the cost of entrance, though one municipality charges a nominal flat rate per ticket.

H.B. 64 (131st General Assembly) authorized the creation of a “tourism development district” (TDD). A township creating a TDD is authorized to levy up to a 5 percent tax on admissions within the TDD. Every person receiving an admission payment located in the TDD is required to collect the tax from the person making the payment.

A tourism development district (TDD) was defined in H.B. 64 as:

- Only a township or municipality located in a county that has a population between 375,000 and 400,000 and levies a county sales tax in which the aggregate rate does not exceed 0.50 percent as of the effective date of H.B. 64 (Stark Co.).
- The district is not more than 200 contiguous acres (increased to 600 by H.B. 49 of the 132nd General Assembly).

Taxpayer (R.C. 503.57 and 715.013). The tax applies to operators of movie theaters, theme parks, professional sporting events, and other activities for which there is an admissions charge. A TDD is authorized to levy up to a 5 percent tax on admissions within the TDD.

Tax base (R.C. 503.56 and 715.014). The base of the tax varies but commonly includes admissions charges to theaters, sporting events, and other places of amusement as well as country club dues. A TDD is limited to a township or municipality located in a county that has a population between 375,000 and 400,000 and that levies a county sales tax in which the aggregate rate does not exceed 0.50 percent as of the effective date of

H.B. 64 of the 131st General Assembly (i.e., in Stark County). The district may not be more than 200 contiguous acres (increased to 600 by H.B. 49 of the 132nd General Assembly).

Tax Rates. Admissions tax rates vary among municipalities

History of Collections

**Table 1: Revenue to Municipal Corporations from Admissions Tax: 2016-2020
(in millions)**

Calendar Year	Total
2016	\$37.9
2017	41.7
2018	41.8
2019	38.0
2020	13.4

Source: Surveys completed for the Ohio Department of Taxation.

History of Major Changes

1998	General Assembly enacted H.B. 770, which explicitly permits municipalities to levy taxes on admissions; though some municipalities had been taxing admissions for decades.
2015	General Assembly enacted H.B. 64, which allowed admissions taxes to be levied in a tourism development district (TDD).
2017	H.B. 49 extended the maximum size of a TDD from 200 to 600 acres, authorized municipal corporations and townships (i.e., in Stark County) to designate new TDDs until 2021, expanded the improvements toward which revenues can be spent or pledged, and clarified that revenue used to fund permanent improvements located in a TDD must be from collections as a result of activities occurring in the TDD.

Fiscal Year 2022

Alcoholic Beverage Taxes – County

Overview. Cuyahoga County is the only county in the state that levies a separate local tax on alcoholic beverages. In 2008, the General Assembly prohibited localities from levying any new taxes on alcoholic beverages. However, in 2013, the General Assembly authorized Cuyahoga County to extend its existing levy subject to a resolution adopted by the County Council (Cuyahoga County has a charter form of government) and approved by a majority of voters in the county. Cuyahoga County voters last approved an extension of their alcoholic beverage taxes (along with cigarette taxes) in May 2014, for a 20-year period. Cuyahoga County levies the maximum rates specified in state law on gallons of beer, wine, mixed drinks, cider and liquor. Revenues from these taxes (along with a portion of the county’s revenues from cigarette taxes) are used for construction and renovation costs for professional sports facilities in the county along with related economic development projects. During fiscal year 2022, the Department’s collections of county alcoholic beverage taxes were approximately \$12.8 million.

Taxpayer (R.C. 4301.422, 4301.01, 4301.102). The tax is paid by manufacturers, importers, and wholesale distributors of beer, wine, cider and mixed beverages - up to 21 percent alcohol by volume (ABV). The tax also is paid by the Ohio Department of Commerce’s Division of Liquor Control, the state’s sole purchaser and distributor of liquor containing more than 21 percent ABV. The Division of Liquor Control administers the taxes on liquor.

Tax Base (R.C. 4301.421, 4301.01). The tax applies to beer, wine, mixed beverages, cider and liquor, defined as follows:

- Beer includes all beverages brewed or fermented wholly or in part from malt products containing at least 0.5 percent ABV.
- Mixed beverages include bottled and prepared cordials, cocktails, highballs, and solids and confections that are obtained by mixing any type of whiskey, neutral spirits, brandy, gin, or other distilled spirits with, or over, carbonated or plain water, pure juices from flowers and plants, and other flavoring materials; the completed product shall contain not less than 0.5 percent ABV and not more than 21 percent ABV.
- Wine, including sparkling wine and vermouth but excluding cider, consists of fermented juices of grapes, fruits or other agricultural products; it contains at least 0.5 percent and not more than 21 percent ABV.
- Cider consists of fermented juices of apples, including flavored, sparkling or carbonated cider; it contains at least 0.5 percent and not more than 6 percent alcohol by weight.
- Liquor or “spirituous liquor” includes all intoxicating liquors that contain more than 21 percent ABV.

Tax Rates (R.C. 4301.421, 4301.424).

Maximum Rates Established in State Law for County Alcoholic Beverage Taxes	
Beverage	Rate per gallon
Beer	\$0.16
Wine and mixed drinks	\$0.32
Cider	\$0.24
Liquor	\$3.00

Exemptions (R.C. 4301.421). The tax does not apply to sacramental wine or sales to the federal government.

Disposition of Revenues (R.C. 4301.423). The county receives 98 percent of the revenues the month after the revenues are collected by the Department of Taxation. Two percent of beer, wine, and mixed beverage tax revenues are allocated to the Department of Taxation to administer the tax.

Payment Dates (R.C. 4301.422). Returns and payments must be received by the last day of the month following the reporting period.

Discounts (R.C. 4301.422). Taxpayers receive a 2.5 percent discount for timely payment of taxes.

Fiscal Year 2022

Table 1: Cuyahoga County Alcoholic Beverage Taxes collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Beer	Wine & Mixed Beverages	Liquor	State Administrative Fee	Total
2018	\$3.9	\$1.3	\$6.6	\$0.1	\$11.9
2019	3.9	1.4	6.8	0.1	12.1
2020	3.8	1.4	7.1	0.1	12.4
2021	3.6	1.5	7.5	0.1	12.7
2022	3.5	1.6	7.6	0.1	12.8

Source: Office of Budget and Management fiscal reports.

Fiscal Year 2022

Cigarette Tax – County

Overview. In 1990, Cuyahoga County became the first and only county in the state to levy a local tax on cigarettes. In 2008, the General Assembly prohibited localities from levying any new taxes on cigarettes. However, in 2013, the General Assembly authorized Cuyahoga County to extend its existing levy subject to a resolution being adopted by the County Council (Cuyahoga County has a charter form of government) and approved by a majority of voters in the county. Cuyahoga County voters approved a cigarette tax (along with alcohol taxes) in May 2014 for a 20-year period. Cuyahoga County levies the maximum rates specified in state law. Revenues from these taxes generally may be used for funding a regional arts and cultural district; some revenues are used for the construction and renovation costs for professional sports facilities in the county along with related economic development projects. During fiscal year 2022, the Department of Taxation collected approximately \$13.4 million in county cigarette taxes.

Taxpayer (R.C. 5743.025). The tax is paid by cigarette dealers (primarily wholesalers), who must be licensed and who pay the tax by purchasing tax indicia (stamps or impressions). The indicia must be affixed to all packs of cigarettes before sale at retail in a county that levies such taxes.

Tax Base (R.C. 5743.026). The tax is assessed per each cigarette sold.

Tax Rates (R.C. 5743.021, 5743.026). Cuyahoga County levies two separate cigarette taxes at the maximum rates permitted under state law:

- Up to 1.5 cents per cigarette (30 cents per pack of 20 cigarettes) for funding a regional arts and cultural district; and
- Up to 0.225 cents per cigarette (4.5 cents per pack of 20 cigarettes) for construction of a sports facility.

For one pack of 20 cigarettes purchased, a total of 34.5 cents is assessed.

Disposition of Revenue (R.C. 5743.021, 5743.024). The county receives 98 percent of revenue from each tax to use for the specified purposes listed above. The remaining two percent of revenue is allocated to the Department of Taxation to administer the tax.

Payment Dates and Special Provisions. See the Cigarette and Other Tobacco Products Tax chapter in the State Taxes section.

History of Collections

Table 1: Cigarette Tax collections for Cuyahoga County: fiscal years 2018-2022 (in millions)

Fiscal Year	Total Revenue	Cuyahoga County Revenue	Cuyahoga County Arts District Allocation ¹	Cuyahoga County Sports Facilities Allocation ¹	State Administration Fee
2018	\$16.4	\$16.1	\$14.0	\$2.1	\$0.3
2019	15.3	15.0	13.1	2.0	0.3
2020	14.7	14.4	12.5	1.9	0.3
2021	14.7	14.4	12.5	1.9	0.3
2022	13.4	13.2	11.4	1.7	0.3

Source: Office of Budget and Management fiscal reports, calculations by the Department of Taxation.

¹ Allocation by purpose calculated by Department of Taxation based on proportion of respective tax rates.

History of Major Changes

1986	General Assembly authorizes county sports facility cigarette taxes.
1990	Cuyahoga County voters approve 4.5 cents per pack cigarette tax through July 31, 2005, with revenue designated to finance sports facilities for the Cleveland Indians and Cleveland Cavaliers.
1995	General Assembly permits counties to extend cigarette taxes that have not yet expired. Later, Cuyahoga County voters extend the cigarette tax for 10 years to support facility improvements for the Cleveland Browns.
2006	General Assembly permits counties with a population of 1.2 million or more to levy a cigarette tax to fund a regional arts and cultural district. Cuyahoga County voters approve the tax at a rate of \$0.30 per pack (effective February 2007).
2008	H.B. 562 includes a provision that prohibits future local taxes on cigarettes (and alcoholic beverages).
2013	H.B. 59 authorizes Cuyahoga County to renew county cigarette and alcoholic beverage taxes for up to 20 years, by adopting a resolution, subject to voter approval.
2014	Cuyahoga County voters extend the cigarette and alcoholic beverage taxes for 20 years.

Fiscal Year 2022

Individual Income Tax – School District

Overview. The authority for school districts to levy an income tax dates to 1979 when the Ohio General Assembly permitted such a tax solely to repay a state loan. Two years later, lawmakers repealed this law which had not been used, and enacted Chapter 5748, granting broader authority for school districts to levy an income tax, subject to voter approval. In 1983, after voters in six districts approved such taxes, the legislature blocked other districts from enacting new income taxes by repealing most of the chapter. The ability of a school district to enact an income tax was restored in 1989. Unlike state or municipal income taxes, school district income tax may be levied only on the income of residents of the school district.

At the end of April 2022, the Department made quarterly school district income tax distributions to 210 school districts. Of these districts with active school district income tax levies, 147 levied the tax on the “traditional” tax base, and the remaining 63 districts levied the tax on the “earned income” tax base.

The Department of Taxation administers the school district income tax, including collections through employer withholding, individual quarterly estimated payments, and annual returns. During fiscal year 2022, school district income tax collections totaled approximately \$652.1 million, a figure that includes approximately \$9.8 million for the administrative fee, and net distributions totaled \$642.3 million.

Taxpayer (R.C. 5748.01). The tax applies to every individual who receives taxable income while residing in a taxing school district. In districts that levy tax on the traditional base, the tax also is levied on the taxable income of the estates of persons who, at the time of their death, were domiciled in such taxing school district.

Tax Base (R.C. 5748.01).

“Traditional base” school districts

The “traditional base” of the tax is Ohio adjusted gross income less the exemptions provided by R.C. 5747.02 plus any amount deducted under R.C. 5747.01(A)(28) (Ohio business income deduction). This is also known as modified adjusted gross income less exemptions. In the case of the estate of a decedent who was domiciled in the school district, the base is Ohio taxable income for the taxable year as defined in R.C. 5747.01(S).

“Earned income” school districts

Earned income includes wages, salaries, tips, and other employee compensation to the extent included in Ohio modified adjusted gross income as defined in section 5747.01(II) of the Revised Code, and net earnings from self-employment, as defined in section 1402(a) of the Internal Revenue Code, to the extent included in Ohio modified adjusted gross income.

Tax Rates (R.C. 5748.02). Rates are proposed by the school district board of education and must be approved by voters in the school district. Rates are set in increments of 0.25 percent. During fiscal year 2022, rates ranged from 0.25 percent to 2 percent.

Special Provisions.

Senior citizen credit (R.C. 5748.06). A taxpayer 65 years of age or older during the taxable year receives a \$50 credit against the amount of school district income tax due. Only one credit is allowed for each return.

Filing and Payment Dates (R.C. 5747.06 - 5747.09).

For individuals, estates, and trusts

Annual return – The annual return is generally due by April 15th for calendar year taxpayers without an extension.

Quarterly – Taxpayers must file quarterly declarations when they expect their tax to be under withheld by more than \$500. Such calendar year taxpayers must typically make estimated payments by April 15th, June 15th and September 15th of the current year and by January 15th of the following year. For fiscal year taxpayers, quarterly payments of tax must be made on the 15th day of the fourth, sixth and ninth months of the fiscal year and on the 15th day following the end of the fiscal year.

Fiscal Year 2022

Electronic filing – Tax return preparers who file more than 11 original income tax returns, reports, or other tax payment documents must file electronically.

For employers that withhold taxes

An employer accumulating undeposited taxes of \$100,000 or more is required to make payment within one banking day by electronic funds transfer (EFT). Otherwise, the following rules apply:

- if an employer withheld no more than \$2,000 during the 12 months ending on June 30 of the preceding year, payments are due within 30 days after the quarter ending in March, June, September and December.
- if an employer withheld more than \$2,000 and less than \$84,000 during the 12 months ending on June 30 of the preceding year, payments are due within 15 days after the end of the month.
- if an employer withheld at least \$84,000 during the 12 months ending on June 30 of the preceding year, payments are due within three banking days after the end of the partial weekly period and must be made by electronic funds transfer.

Disposition of Revenue (R.C. 5747.03). Collections are deposited into the School District Income Tax Fund for distribution to school districts, less 1.5 percent retained for state administrative purposes. Deposited amounts accrue interest. Distributions are made to school districts on the last day of April, July, October and January. Payments are for the net amount in each school district’s account, after refunds and administrative fees, as of the end of the prior calendar quarter.

History of Collections

Table 1: School District Income Tax collections: fiscal years 2018-2022 (in millions)

Fiscal Year	School District Income Tax Fund	School District Income Tax Administration Fund	Total Revenue
2018	\$448.0	\$6.8	\$454.8
2019	480.9	7.3	488.2
2020	460.1	7.0	467.1
2021	585.3	8.9	594.2
2022	642.3	9.8	652.1

Source: Office of Budget and Management financial reports.

Fiscal Year 2022

History of Major Changes

1979	General Assembly enacts law granting school districts authority to levy an income tax solely for repaying a state loan.
1981	General Assembly enacts law repealing 1979 law and enacts Chapter 5748 of the Ohio Revised Code, authorizing school districts to levy a school district income tax based on Ohio taxable income (meaning Ohio adjusted gross income, less personal and dependent exemptions claimed on the Ohio individual income tax return).
1983	General Assembly enacts law prohibiting additional school districts from enacting the tax by repealing most of Chapter 5748, but permits the six districts that had enacted the tax before Aug. 3, 1983 to continue levying the tax.
1989	General Assembly enacts law reinstating portions of Chapter 5748, allowing additional school districts to levy the tax. Lawmakers also enact a \$50 senior citizen credit.
1991	For the first time, school districts are permitted to seek voter approval for income taxes for finite periods of time. Previously, all levies had to be continuing levies.
1992	General Assembly enacts law permitting districts to submit to voters an income tax levy and property tax reduction with a single ballot issue.
2000	Personal exemptions become indexed to inflation.
2005	General Assembly enacts law allowing districts the option of levying the tax on earned income – meaning, only wages and self-employment income – instead of on the traditional base of Ohio taxable income.
2009	The Congressional “Military Spouses Residency Relief Act of 2009” extended the principle of domicile that applies to service members to their spouses.
2017	H.B. 49 enacts law prescribing the way the school district income tax applies to a school district resulting from the consolidation of territory of two or more districts by specifying that the tax will be levied at the rate, and according to the other terms, of the “surviving” school district into which territory of another district is merged and requiring the board of education of a surviving school district to report certain tax-related information to the Tax Commissioner before such a consolidation takes effect.
2019	Am. Sub. H.B. 166 requires that, for purposes of school district income taxes that use the earned income tax base, amounts subject to the state business income deduction must be added back when computing a taxpayer’s taxable income. Am. Sub. H.B. 197 authorized the Tax Commissioner to delay the filing and payment date to July 15, 2020.
2021	Sub. S.B. 18, effective March 31, 2021, amended R.C. 5701.11 to incorporate federal tax law changes into Ohio income tax law, including the changes to federal law by the “Consolidated Appropriations Act, 2021” and the “American Rescue Plan Act of 2021.”

Lodging Tax

Overview. Local governments may levy a tax on lodging furnished to transient guests by hotels and motels. Municipalities or townships may levy a lodging tax of up to 3 percent plus an additional tax of up to 3 percent when located wholly or partly in a county that has not levied a lodging tax. Counties may levy a lodging tax of up to 3 percent but may not levy such a tax in any municipality or township that already has levied the additional lodging tax. State law also permits local governments to levy lodging taxes for special purposes (e.g., convention centers). In calendar year 2020, local governments collected approximately \$124.2 million in lodging taxes.

Tax rates (R.C. 307.672, 5739.08, 5739.09). The maximum combined rate permitted in most jurisdictions is 6 percent. However, due to the enactment of special lodging taxes in some jurisdictions, the maximum combined rate might exceed 6 percent.

Municipalities and townships

Under House Bill 519 enacted in 1967, municipalities and townships are permitted to enact a lodging tax of up to 3 percent. Under H.B. 355 enacted in 1980, municipalities and townships may levy an additional lodging tax of up to 3 percent, but only if the county in which the municipality or township is located has not already imposed a tax under this same law. Therefore, with one exception, noted below, municipal and township lodging taxes have a maximum 6 percent rate.

In 2002, the legislature enacted H.B. 518, which permitted a municipality to levy an additional 1 percent tax for funding a convention center, contingent on the county in which the municipality is located also enacting a special lodging tax for funding a convention center.

Counties

Under H.B. 355 enacted in 1980, counties may levy a lodging tax of up to 3 percent, except in those townships and municipalities that have already enacted their own lodging tax under the same law. In addition, various special county lodging taxes have been authorized under state law. Most of these special taxes could only be adopted by a board of county commissioners during a limited time period. Furthermore, revenue produced from these special taxes may only be used for specified purposes. Most of the special county lodging taxes have been restricted to a narrow class of counties, such as counties meeting certain population levels and counties that already had an existing lodging tax imposed for specific purposes.

County Convention Facility Authorities

In H.B. 772 enacted in 1988, the General Assembly permitted convention facility authorities to enact an additional lodging tax of up to 4 percent only during a designated six-month period of that calendar year. The legislature also permitted an additional 0.9 percent rate during this time period if this tax and the municipal or township tax authorized by the 1967 law did not exceed 3 percent.

Also, in 2005, H.B. 66 allowed convention facility authorities in certain Appalachian counties (those with populations of less than 80,000 and already lacking a lodging tax) for a limited time to enact a tax of up to 3 percent to pay the cost of constructing, equipping or operating a convention, entertainment, or sports facility.

In 2019, H.B. 166 permitted convention facilities authorities created between July 1, 2019, and December 31, 2019 to levy an additional 3 percent tax by resolution adopted on or before December 30, 2020.

Disposition of Revenue (R.C. 5739.08, 5739.09). Under the lodging tax authorized in 1967, all tax collections are deposited in the general revenue fund of the municipality or township. Under the lodging tax authorized in 1980, counties are required to return to municipalities and townships that do not levy any hotel/motel tax a uniform percentage (not to exceed one-third) of revenue generated within the municipality and township. The remainder of the revenue is to be deposited in a separate fund to be used for county convention and visitor bureau expenses. Municipalities and townships are required to allocate at least one-half of the revenues from the lodging tax authorized in 1980 for convention and visitors bureaus located within the county. Remaining revenues are retained by the municipality or township and deposited into the local general revenue fund. All revenue from a convention facility authority lodging tax levy is for constructing, equipping, and operating a convention or sports center. Revenue from a special county or municipal lodging tax is to be used for the purpose designated for that tax levy in state law.

Fiscal Year 2022

Special Provisions/Credits (R.C. 505.56 and 5739.09). The General Assembly has permitted certain special lodging taxes for various projects and durations. Usually, the General Assembly specifies a time period within which a local jurisdiction may authorize a special levy. Recent ones are listed below.

- Hamilton County – H.B. 49, in 2017, required Hamilton County to distribute annual revenue in excess of \$6 million, that is derived from the increased hotel rate of 3.5 percent in 2002, to townships and municipal corporations in proportion to the tax generated in each subdivision. Distribution began in 2019. The General Assembly also requires that the townships and municipal corporations use the revenue to promote travel and tourism.
- Summit County – H.B. 49, in 2017, authorized Summit County to extend the term of an existing 1 percent lodging tax for an additional 10 years by vote of the county legislative authority. The original authority for the tax was set to expire in calendar year 2017.
- Stark County – H.B. 49, in 2017, authorized the county to increase the current county lodging tax rate by up to an additional 3 percent.
- Municipal Corporations within Lorain County – H.B. 49 authorized a municipal corporation in Lorain County that currently levies a 3 percent municipal lodging tax to increase the rate of the municipal lodging tax by up to an additional 3 percent.
- Clermont County – H.B. 49, in 2017, authorized the county to increase the current county lodging tax rate by up to an additional 1 percent, but only after the county’s convention and visitor’s bureau enters a contract for the construction, improvement, or maintenance of a sports facility intended to house a professional sports team. If the convention and visitor’s bureau has not entered such a contract before January 1, 2019, the authority to levy the tax expires on January 1, 2019. S.B. 51, effective in March of 2019, extended the deadline to enter into such a contract to December 31, 2019.
- Warren County – H.B. 49, in 2017, specified that proceeds of a special 1 percent county lodging tax may be used to pay the construction and maintenance costs of a sports facility owned by a port authority, and authorized Warren County to use or pledge any or all of the proceeds from its special 1 percent or its general 3 percent county lodging tax that to service securities issued to construct, operate, or maintain such sports facilities, including any portion of the general lodging tax currently required to be returned to townships and municipal corporations in the county that do not levy a lodging tax.

Responsibility for Administration. County commissioners, township trustees, the legislative authority of a municipality, and/or convention facilities authorities are responsible for administering the taxes.

History of Collections.

Table 1: Lodging Tax collections by local governments: 2016-2020 (in millions)

Calendar Year	Total Local Collections
2016	\$202.2
2017	202.9
2018	214.3
2019	229.8
2020	124.2

Source: Amounts reported by counties, townships, and municipalities in surveys sent by the Department of Taxation.

Municipal Income Tax

Overview. The first municipal income tax predated the state's income tax. During 2020, 648 municipalities in Ohio levied a municipal income tax.

Taxpayer (R.C. 718.01, 718.03, and municipal ordinances). Generally, for municipalities that levy an income tax, taxpayers are residents, nonresidents earning income or receiving net profits in a municipality, and businesses that have net profits situated or apportioned to the municipality. Withholding requirements generally apply to employers located or doing business in municipalities that levy an income tax.

Tax Base (R.C. 718.01 and municipal ordinances). The municipal income tax base is income and net profits of residents and of nonresidents that is earned or received in the municipal corporation, including residents' distributive shares of net profit of pass-through entities, and the net profits of businesses (i.e., partnerships, limited liability companies, and corporations) situated or apportioned to the municipality. Under a grandfathering provision in Chapter 718, some municipalities may continue to levy income tax on shareholders' distributive shares of net profits from S corporations. In the case of a "qualified municipal corporation," the tax is levied on "Ohio adjusted gross income" as defined in R.C. 5747.01.

Tax Rates (R.C. 718.04 and municipal ordinances). R.C. Chapter 718 requires the rate to be a uniform rate. The rate itself is determined locally. The maximum rate permitted to be levied without the approval of voters in the municipality is 1 percent.

The Ohio Department of Taxation surveys municipalities every year to determine the number of municipalities levying an income tax, collections, and rates. In 2020, the most recent year for the survey, 564 municipalities responded. Estimates were made based on prior year responses for those that did not respond who have responded that they levied the tax and provided collection data in previous surveys. As a result, all totals below are estimates based on the most recent survey. Six hundred forty-eight municipalities levied an income tax (246 cities and 402 villages). Rates ranged from 0.5 percent to 3 percent. The following rates were the most common: 257 municipalities (39.7 percent) levied a tax rate of 1.0 percent; 122 municipalities (18.8 percent) levied a tax rate of 1.5 percent; 119 municipalities (18.4 percent) levied a tax rate of 2 percent. Cleveland and Columbus levied rates of 2.5 percent.

Credits, Deductions, and Exemptions (Chapter 718 and municipal ordinances). Various credits, deductions, and exemptions may be allowed or be required to be allowed under Chapter 718. See R.C. 718.01(C) for the definition of "exempt income." Some municipalities allow resident individuals partial or full credit for municipal income taxes paid to another municipality.

Filing and Payment Dates (R.C. 718.03, 718.05-.051 and municipal ordinances). Annual returns are due from taxpayers on the same date as federal and state income tax returns. The annual municipal return reconciles tax liability with the amount remitted through withholding and quarterly estimated payments.

Tax Revenue. For calendar year 2020, the most recent year for which survey data is available, municipal income tax revenues totaled approximately \$5.8 billion statewide. Revenues were the greatest in Ohio's three largest cities, which accounted for almost one-third of total municipal income tax revenues statewide.

Ohio's largest municipalities, reporting revenues, and percentage of total revenues for calendar year 2020:

- Columbus – \$913.8 million (15.8 percent)
- Cleveland – \$469.3 million (8.1 percent)
- Cincinnati – \$400.9 million (6.9 percent)
- Toledo – \$189.4 million (3.3 percent)
- Akron – \$166.1 million (2.9 percent)
- Dayton – \$133.8 million (2.3 percent)

Of the remaining municipalities reporting revenues of less than \$100 million in calendar year 2020:

- 119 municipalities had revenues ranging from \$10 million to under \$100 million;
- 226 municipalities had revenues ranging from \$1 million to \$10 million; and
- The remaining municipalities had revenues of less than \$1 million.

Municipal Income Tax

Fiscal Year 2022

Disposition of Revenues (municipal ordinances). Collections may be used for general revenues, capital improvements, bond retirements, and costs to administer the tax.

Administration. Municipal income taxes, except for Chapter 5745 taxes, are administered by the municipality or in many cases by a third-party administrator. Additionally, the Ohio Department of Taxation administers the municipal net profit tax for business taxpayers that opt in for state administration of the tax (see Municipal Net Profit section). Third-party administrators include the Regional Income Tax Agency, Central Collection Agency, the City of St. Marys, and the City of Findlay. These third-party administrators administer the taxes for numerous municipalities, JEDDs, and JEDZs.

The Ohio Department of Taxation administers the municipal income tax for a taxpayer that is an electric company, combined company, or telephone company and that is subject to and required to file reports under Chapter 5745. Please see the Municipal Income Tax for Electric Light and Telephone Companies section in this part.

ODT maintains a list of links to municipalities that impose a municipal income tax and a link to The Finder (which provides information on municipal income tax rates for all addresses in Ohio) on its web site at www.tax.ohio.gov. Additionally, taxes on net profits and employer withholding taxes may be paid via the Ohio Business Gateway at <http://business.ohio.gov/efiling>.

Comparisons with Competitor States (as of August 26, 2022).

Georgia, North Carolina, Tennessee, Texas, and West Virginia do not have local governments that impose income taxes. Similar taxes in other states are described below.

Indiana	Counties may adopt a "local income tax (LIT)" that can be used for various purposes. County rates ranged from 0.5 percent (Porter County) to 3.0 percent (Randolph County).
Kentucky	Cities, counties, transit districts and school districts may levy a license tax on the net profits of businesses located in the district and the salaries and wages of employees earned in the jurisdiction. Rates can vary between the two types of occupational license taxes.
Michigan	Several cities impose a tax up to the rate of 1 percent on residents and 0.5 percent on non-residents. Detroit may impose rates of up to 2.4 percent for residents and 1.2 percent for nonresidents.
Pennsylvania	Municipalities may impose an earned income tax on wages and most net profits (S-Corp income is exempt from the earned income tax). The tax may be imposed either on residents only or both residents and nonresidents. Most municipalities have a 1 percent cap. Home rule municipalities (such as Philadelphia and Pittsburgh) are not subject to the cap. If the local school district also imposes an earned income tax, the tax revenue must be shared between the school district and the municipality. <ul style="list-style-type: none">• Pittsburgh: The city imposes an earned income and net profits tax at the rate of 1 percent. Additionally, the city levies a flat \$52 local services tax.• Philadelphia: The city imposes an earned income tax on salaries, wages, commissions, and net profits. The resident tax rate is 3.79 percent. The nonresident tax rate is 3.44 percent.

History of Major Changes

1946	Toledo enacted first municipal income tax.
1957	General Assembly enacted the first uniform municipal income tax law.
1987	General Assembly enacted law restricting municipalities from taxing income from intangibles, unless voters in a municipality that taxed such income voted to continue taxing such income beyond the taxable year 1988. Residents in two, Wyoming and Indian Hills, vote to continue taxing intangible income.
1992	State law authorized municipalities to grant job creation tax credits.
1993	General Assembly enacted law allowing municipal income tax revenues to be shared with a school district.
1997	State law enacted permitting municipalities to exempt stock options from the income tax.

Municipal Income Tax

Fiscal Year 2022

1999	Beginning in 2001, state law restructured municipal income taxes by excepting from tax a non-resident working in the municipality for 12 or fewer days, except for professional athletes, entertainers, or promoters. Also, beginning in 2003, a municipality taxing pass-through entities' net profits is required to grant resident taxpayers a credit for taxes paid by a pass-through entity to another municipality if the pass-through entity does not conduct business in the municipality where the taxpayer resides.
2000	General Assembly enacted law prohibiting new municipal income taxes that share income with school districts.
2004	Certain single member limited liability companies allowed to elect to be treated as separate taxpayers from the single member. Also, businesses are required to add-back tax-exempt stock options in the apportionment of their net profits.
2007	General Assembly enacted H.B. 24 permitting municipalities to allow an income tax deduction to self-employer taxpayers for amounts paid for medical care insurance for themselves, their spouses, and their dependents.
2014	Effective Jan. 1, 2016, H.B. 5 enacts a more uniform tax base including specific criteria for determining residency, a 20-day withholding rule, and a uniform 5-year carryforward of net operating losses (with some variations allowed under law).
2017	General Assembly enacted H.B. 49 which allows businesses to opt in with the Department of Taxation for state administration of the municipal net profit tax.
2020	Am. Sub. H.B. 197 specified that for municipal income tax purposes, employees who must report to a temporary worksite (including their home) during the COVID-19 emergency period, or within 30 days thereafter, are considered to be working at their principal place of work.
2021	Sub. S.B. 18, effective March 31, 2021 amended R.C. 5701.11 to incorporate federal tax law changes into Ohio income tax law. Reference in the Revised Code to the Internal Revenue Code "as amended," except where otherwise specified, means the Internal Revenue Code as it existed on the effective date.

Municipal Income Tax for Electric Light and Local Exchange Telephone Companies

Overview. The municipal income tax for electric light companies and local exchange telephone companies, set forth in Chapter 5745 of the Ohio Revised Code, was enacted by the Ohio General Assembly in 2000. This tax is sometimes referred to as the “Chapter 5745 municipal income tax” to distinguish it from the conventional municipal income tax, which may be levied and administered by various Ohio cities and villages pursuant to Chapter 718 of the Revised Code and the municipal net profit tax that the Department of Taxation administers for those taxpayers that elect to participate. The Chapter 5745 municipal income tax applies only to electric light companies and local exchange telephone companies. It is administered by the Department of Taxation. During fiscal year 2022, collections were approximately \$4.7 million.

Taxpayer (R.C. 5745.01). Taxpayers include:

- Electric companies engaged in the business of generating, transmitting, or distributing electricity within Ohio for use by others. This definition does not include rural electric companies;
- Combined companies engaged in the activity of an electric company or rural electric company that is also engaged in the activity of a heating company or a natural gas company, or any combination thereof;
- Certain marketers or brokers of electricity that meet the requirements and make the election set out in R.C. 5745.031; and
- Telephone companies primarily engaged in the business of providing local exchange telephone service, excluding cellular radio service, in Ohio.

Tax Base (R.C. 5745.01 and 5745.02). The “starting point” for taxpayers is federal taxable income. After making certain adjustments to federal taxable income (described below), the taxpayer computes Ohio net income by multiplying the taxpayer’s adjusted federal taxable income by the taxpayer’s Ohio apportionment ratio. Then, municipal income is computed for each municipality that has enacted an income tax and where the company has taxable nexus by multiplying Ohio net income by the taxpayer’s apportionment ratio for that municipality, then deducting any available municipal net operating loss carryforward. Finally, municipal income tax liability is determined by multiplying the income apportioned to each municipality by the municipality’s income tax rate.

Ohio Apportionment Ratio (R.C. 5745.02). The Ohio apportionment formula is a three-factor formula, where the property, payroll, and sales factors are equally weighted.

Municipal Apportionment Ratio (R.C. 5745.02). The municipal apportionment ratio for each municipality also requires the use of an equally weighted three-factor formula made up of municipal property, municipal payroll, and municipal sales.

Adjustments to Federal Taxable Income (R.C. 5745.01). Net intangible income – Taxpayers must deduct intangible income as defined in R.C. 718.01 from federal taxable income and add back expenses incurred in the production of such intangible income. Book-tax difference – Electric companies must compute a book-tax difference adjustment which is either added to or subtracted from federal taxable income. For details, see the Ohio Municipal Income Tax Instructions for Electric Light Companies and Local Exchange Telephone Companies on the department’s web site at www.tax.ohio.gov.

Tax Rates (R.C. 5745.03). Tax rates are levied locally by the municipality. The rate that applies is the rate that was in effect as of January 1st of the taxable year. If a taxpayer’s taxable year is for a period of less than 12 months and does not include January 1st, then the rate that applies is the rate that was in effect on January 1st of the preceding taxable year.

Credits (R.C. 5745.06). If the taxpayer has an interest in a pass-through entity that is also subject to and has paid the Chapter 5745 municipal income tax, then the taxpayer may claim a credit against its own Chapter 5745 liability. The credit equals the taxpayer’s proportionate share of the tax due from, or paid by, the qualifying pass-through entity, whichever is less.

Special Provisions (R.C. 5745.01, 5745.031, and 5745.02).

Taxpayer elections (R.C. 5745.031) – An “electric light company that is not an electric company” may elect to be a taxpayer under Chapter 5745 if, during the company’s most recently concluded taxable year, at least 50 percent of the company’s total sales in Ohio, as determined under R.C. 5733.059, consist of sales of electricity and other energy commodities. The election is effective for five consecutive taxable years and, once made, is irrevocable for those five years. An “electric light company that is not an electric company” that does not make this election remains subject to the conventional municipal income tax as enacted by the municipalities with which the entity has taxable nexus (Chapter 718).

Qualified Subchapter S Subsidiaries (R.C. 5745.01(C)) – If an electric company or a telephone company is a qualified subchapter S subsidiary as defined in Internal Revenue Code (I.R.C.) section 1361 or a disregarded entity, the company’s parent S corporation or owner is the taxpayer for the purposes of the municipal income tax.

Fiscal Year 2022

Combined Companies (R.C.5745.02(D)) – If the taxpayer is a “combined company,” it must adjust the numerator of its municipal property, payroll, and sales factors (but not the numerator of its Ohio property, payroll, and sales factors) to include only the company’s activity as an electric company. This is so because only a combined company’s income from its activity as an electric company is subject to taxation by a municipal corporation.

Alternative Apportionment Methods (R.C. 5745.02) - If the standard provisions for apportioning adjusted federal taxable income to Ohio or for apportioning Ohio net income to an Ohio municipality do not fairly represent the extent of a taxpayer’s business activity in Ohio or Ohio’s municipalities, the taxpayer may request, or the tax commissioner may require, that the taxpayer’s adjusted federal taxable income or Ohio net income be determined by an alternative method, including any of the alternative methods set out in R.C. 5733.05(B)(2)(d).

Municipality Cannot Require Tax Return (R.C. 5745.03(E), R.C. 718.02) – A municipality that has enacted a Chapter 718 municipal income tax cannot require a Chapter 5745 municipal income taxpayer to file a Chapter 718 municipal income tax return for that municipality. The Chapter 718 municipal income tax does not apply to taxpayers that are required to file Chapter 5745 municipal income tax. However, to the extent necessary for a municipality to compute a taxpayer’s property, payroll, and sales factors for that municipality, the municipality may require the taxpayer to report to the municipality the value of the taxpayer’s real and tangible personal property situated in the municipality, the taxpayer’s compensation paid to its employees in the municipality, and the taxpayer’s sales made in the municipality.

Filing and Payment Dates (R.C. 5745.04)

Estimated payment requirements

For each taxable year, each taxpayer must file a declaration of estimated tax report and make payment as follows:

- Not later than the 15th day of the fourth month after the end of the preceding taxable year, the taxpayer must pay at least 25 percent of the combined tax liability for the preceding taxable year or 20 percent of the combined tax liability for the current taxable year.
- Not later than the 15th day of the sixth month after the end of the preceding taxable year, the taxpayer must pay at least 50 percent of the combined tax liability for the preceding taxable year or 40 percent of the combined tax liability for the current taxable year.
- Not later than the 15th day of the ninth month after the end of the preceding taxable year, the taxpayer must pay at least 75 percent of the combined tax liability for the preceding taxable year or 60 percent of the combined tax liability for the current taxable year.
- Not later than the 15th day of the twelfth month after the end of the preceding taxable year, the taxpayer must pay at least 100 percent of the combined tax liability for the preceding taxable year or 80 percent of the combined tax liability for the current taxable year. The term “combined tax liability” means the total of the taxpayer’s income tax liabilities to all Ohio municipalities for a taxable year.

Returns and Extensions (R.C. 5745.03). Returns are due by the 15th day of the fourth month following the end of the taxpayer’s taxable year. An extension will be granted if, by that date, the taxpayer filed with the tax commissioner a copy of the taxpayer’s federal extension. The granting of an extension does not extend the last day for paying taxes without penalty.

Payment by Electronic Funds Transfer (R.C. 5745.03, 5745.04, and 5745.041). If any remittance of estimated Chapter 5745 municipal income tax is for \$1,000 or more or the amount payable with the report exceeds \$1,000, the taxpayer must make the remittance by electronic funds transfer (EFT).

Disposition of Revenue (R.C. 5745.03 and 5745.05). Revenue from the Municipal Income Tax Fund is distributed to municipal corporations quarterly, by the first day of March, June, September and December. The Department certifies the amount distributed to each municipality and, to defray the costs of administering the tax, receives 1.5% percent of collections.

Taxable Year (R.C. 5745.01). A taxpayer’s taxable year is the same as the taxpayer’s taxable year for federal income tax purposes.

Fiscal Year 2022

History of Collections**Table 1: Municipal Income Tax Collections for Electric Light & Local Exchange Telephone Companies: fiscal years 2018 - 2022 (in millions)**

Fiscal Year	Municipal Income Tax	Municipal Income Tax Administration Fund	Total
2018	\$13.4	\$0.2	\$13.6
2019	19.0	0.3	19.3
2020 ¹	7.7	0.1	7.8
2021	18.9	0.3	19.2
2022	4.7	<0.1	4.7

¹The annual report and associated payment and the first and second quarter estimated payments were extended to July 15, 2020.

Source: Office of Budget and Management financial reports.

History of Major Changes

2000	H.B. 483 created a uniform municipal income tax for electric light companies in Chapter 5745 effective Jan. 1, 2002. Later that year, S.B. 287 clarified uniform procedures for computing and apportioning municipal taxable income.
2003	H.B. 95 enacted law subjecting local exchange telephone companies to the Chapter 5745 municipal income tax for taxable years beginning on or after Jan. 1, 2004.
2007	H.B. 119 amended R.C. 5745.13 to clarify that the Department of Taxation is required to notify a municipality of the department's adjustment to a particular taxpayer's tax for that municipality only if the adjustment increases or decreases the taxpayer's tax for that municipality for the taxable year by more than \$500.
2020	Sub. H.B. 197 authorized the Tax Commissioner to extend the deadline to file and pay the annual report and associated payments and the first and second quarter 2020 estimated payments, without interest or penalty to July 15, 2020.
2021	Sub. S.B. 18, effective March 31, 2021, amended R.C. 5701.11 to incorporate federal tax law changes into Ohio income tax law, including the changes made to federal law by the "Consolidated Appropriations Act, 2021" and the "American Rescue Plan Act of 2021."

Municipal Net Profit Tax

Overview. Municipal net profit taxes have historically been administered by each municipal corporation that imposes a tax, or a third-party administrator working on behalf of the municipal corporation. In the past, if a business operated in multiple municipal corporations, the business would have to file a tax return with each municipal corporation in which it did business. H.B. 49 (132nd General Assembly) enacted law providing businesses with a state-administered alternative to such filings. The law allows taxpayers, beginning with the 2018 taxable year, to elect to have the tax commissioner serve as the sole administrator for the municipal net profit tax. For those taxpayers making the election, one municipal net profit tax return is filed with the Department of Taxation. The Department handles all administrative functions for those centrally filed returns, including the distribution of payments to the appropriate municipalities, billings, assessments, collections, audits, and appeals. The first payments were received by the Department in March 2018 and the first distributions were made in April 2018. In Fiscal Year 2022, a total of \$181.1 million was collected and credited to the Municipal Net Profit Tax Fund. A total of \$154.0 million was distributed during calendar year 2021. For details, see the Data Appendix.

This section is limited to reporting on the Department's administration of R.C. 718.80-718.95. For details on municipal income taxes generally, please see the Municipal Income Tax section.

Taxpayer (R.C. 718.01 and 718.81). For purposes of R.C. 718.80-718.95, taxpayers are persons subject to the municipal net profit tax levied by a municipal corporation other than disregarded entities, natural persons, or entities subject to the tax imposed under Chapter 5745, and may include receivers, assignees, or trustees in bankruptcy when such persons are required to assume the role of a taxpayer.

Tax Base (R.C. 718.01, 718.81, and municipal ordinances/resolutions). The tax base for electing taxpayers is municipal taxable income. Municipal taxable income means income apportioned or situated to the municipal corporation under R.C. 718.82, as applicable, reduced by any pre-2017 net operating loss carryforward available to the person for the municipal corporation.

Tax Rates (R.C. 718.04, 718.80, and municipal ordinances/resolutions). Chapter 718 requires rates to be uniform. The rates are determined locally. The maximum rate permitted to be levied without the approval of voters in the municipality is 1 percent. On or before the thirty-first day of January each year, each municipality imposing a tax on income must certify to the tax commissioner the rate of the tax in effect on the first day of January of that year.

Credits, Deductions, and Exemptions (Chapter 718 and municipal ordinances/resolutions). Taxpayers may claim refundable and nonrefundable job creation or job retention tax credits granted by resolution or ordinance of a municipal corporation pursuant to R.C. 718.15-718.151. Taxpayers may also deduct net operating losses incurred in a taxable year beginning on or after January 1, 2017 and may carry excess losses forward for five years. For taxable years beginning in 2018 through 2022, taxpayers may only deduct fifty percent of the amount of the net operating loss deduction otherwise allowed. Taxpayers may also deduct net operating losses incurred in taxable years prior to 2017 in municipalities that permit such a deduction. Other applicable deductions and exemptions are described in the definition of "adjusted federal taxable income" in R.C. 718.81(B).

Filing and Payment Dates (R.C. 718.85, 718.851, and 718.88). Annual returns are due from taxpayers on the same date as federal income tax returns. The annual return reconciles tax liability with the amount remitted through quarterly estimated payments. Taxpayers are required to file all returns and declarations electronically through the Gateway or via an approved modernized e-file (MeF) vendor. Payments must be remitted electronically through the Gateway or MeF, or through the Ohio Treasurer of State via electronic funds transfer (EFT).

Disposition of Revenue (R.C. 718.83, 718.85, and Ohio Adm. Code 5703-41-02). Upon receipt of amounts paid pursuant to R.C. 718.80-718.95, and prior to the Ohio Supreme Court's ruling in *Athens v. McClain*, 0.5 percent of the revenue was credited to the municipal income tax administrative fund and the remaining 99.5 percent was credited to the municipal net profit tax fund. After the *Athens v. McClain* decision, 100% of the amounts received were credited to the municipal net profit tax fund and all administrative fees retained by the Department were refunded to the municipalities. By the fifth day of each month, the Department distributes money credited to the municipal net profit tax fund that was collected during the second preceding month to various municipalities entitled to receive the distribution based upon the returns and declarations filed by electing taxpayers. Collections for Joint Economic Development Districts (JEDDs) and Joint Economic Development Zones (JEDZs) are distributed to those municipalities that have collections agreements with their respective JEDDs and JEDZs.

Municipal Net Profit Tax

Fiscal Year 2022

Administration (R.C. 718.80-718.95 and Chapter 5703). For electing taxpayers, the tax commissioner serves as the sole administrator of the municipal net profit tax for the term of the election and administers the tax pursuant to R.C. 718.80 to 718.95 and any applicable provision of Chapter 5703. A taxpayer’s election is binding for one tax year at a time and the election will automatically renew unless the taxpayer notifies the Department that it is terminating the election.

History of Collections

Table 1: Municipal Net Profit collections, fiscal years 2018-2022 (in millions) ^{1,2}

Fiscal Year	Municipal Income Tax Fund	Municipal Income Tax Administration Fund	Total Revenue
2018	\$11.0	\$0.1	\$11.1
2019	44.1	0.2	44.4
2020	45.0	0.2	45.2
2021 ³	130.6	0.2	130.8
2022	181.1	0.0	181.1

¹The number for FY 2018 represents collections for four months of fiscal year 2018.

²Estimated payments due April 15, May 15 and June 15, 2020 were extended to July 15, 2020.

³As a result of Athens v. McClain (see below), the Department of Taxation refunded to the municipalities all of the administrative fees retained since 2018.

Source: Office of Budget and Management financial reports.

Comparison with Competitor States (as of August 26, 2022)

See the **Municipal Income Tax** chapter for comparison with other states.

History of Major Changes

2017	H.B. 49 authorizes taxpayers to elect to be subject to R.C. 718.80-718.95 in lieu of the provisions set forth in the remainder of Chapter 718.
2019	S.B. 51 modified the definition of “taxable year” applicable to the state administration of the municipal net profit tax, for taxable years beginning on and after January 1, 2018, to align the definition with the one applicable to all municipal corporations. Am. Sub. H.B. 166 requires a municipality to remit payment to the state if the net distribution for the municipality’s municipal net profit tax is negative and allows the state to recover amounts not paid by deducting future distributions of municipal net profit tax, municipal income tax for electric light and telephone companies, and property tax.
2020	Am. Sub. H.B. 197 extended the due dates for the estimated payments due April 15, May 15, and June 15 to July 15, 2020.
2020	In Athens v. McClain, 2020-Ohio-5146, the Ohio Supreme Court upheld the constitutionality of the laws authorizing the centralized administration of the municipal net profit tax, but struck the 0.5 percent administrative fee retained by the Ohio Department of Taxation as unconstitutional.
2021	Sub. S.B. 18, effective March 31, 2021, amended R.C. 5701.11 to incorporate federal tax law changes into Ohio income tax law, including the changes to federal law by the “Consolidated Appropriations Act, 2021” and the “American Rescue Plan Act of 2021.”
2022	H.B. 228 (134th General Assembly), effective February 7, 2022, made several changes to the administration of the municipal net profit tax. Among other provisions, it extends the annual deadline for a taxpayer to opt into or out of remitting those taxes to the state, requires the Tax Commissioner to notify municipalities of the taxpayers that have opted in or out of remitting those taxes to the state, gives the Commissioner discretion on whether to withhold municipal net profit tax collections from a municipality that fails to comply with reporting requirements, authorizes the Commissioner to refund or carryforward any overpaid municipal net profit taxes without the filing of an application for refund, and expressly authorizes the Attorney General to charge the costs of collecting municipal net profit taxes, interest, and penalties to a taxpayer that owes such amounts.

Real Property – Manufactured Home Tax

Overview. State law establishes a tax on manufactured and mobile homes. The tax is computed and assessed by the county auditor where the manufactured home is located and is paid to and collected by the treasurer of the same county. In calendar year 2021, approximately \$33.5 million in tax was levied on 189,126 manufactured homes in Ohio.

Taxpayer (R.C. 4503.05, 4503.06, and 4503.061). The tax is paid by all owners of manufactured and mobile homes situated on real property in Ohio and used as a residence.

Tax Base (R.C. 4501.01, 4503.06 and 3781.06). A manufactured home is a building unit that is fabricated off-site and constructed pursuant to the “Manufactured Housing Construction and Safety Standards Act of 1974”, and that has a permanent label certifying compliance with all applicable federal construction and safety standards. The federal definition of a manufactured home is a structure, transportable in one or more sections, which in traveling mode, is eight body feet or more in width or forty body feet or more in length, or, when erected on site, is at least three hundred twenty or more square feet, and which is on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to utilities. A mobile home is a building unit or assembly of closed construction that is fabricated in an off-site facility, is more than thirty-five feet in length or, when erected on site, is three hundred twenty or more square feet, is built on a permanent chassis, is transportable in one or more sections, and does not qualify as a manufactured home.

The tax base is calculated based on one of two methods. For manufactured or mobile homes first situated in Ohio before Jan. 1, 2000, the assessed value is 40 percent of the amount calculated by multiplying the greater of either the home’s cost or market value at the time of purchase by a depreciation percentage (from one of 2 schedules). For homes first situated in Ohio (or transferred on or after) Jan. 1, 2000, the assessed value is 35 percent of true value consistent with the property tax on real property. Owners whose manufactured or mobile homes were situated in Ohio before Jan. 1, 2000, may elect to have their home taxed in this manner rather than the depreciation method. When a home is affixed to real property by a foundation, the property becomes subject to the property tax on real property.

Tax Rates (R.C. 4503.06). Rates vary according to the property tax levies in effect for the taxing district in which the home is situated. The effective rate charged depends on the method of assessment described above. For homes assessed using the depreciation method, the tax is based on the gross local rate with a minimum tax of \$36 per year, or no minimum tax if the home owner qualifies for the homestead exemption. Please see the Real Property section for homestead exemption details.

Tax Exemptions, Deductions, and Credits (R.C. 4503.06). The tax does not apply when a manufactured or mobile home is:

- part of the inventory of a new motor vehicle dealer, manufacturer, remanufacturer, or distributor;
- a travel trailer not exceeding 35 feet in length.
- licensed in another state, unless located in Ohio for more than 30 days in any calendar year.
- taxed as real property.
- exempt from taxation under Chapter 5709 of the R.C.
- is a travel trailer or park trailer and is unused or unoccupied and stored at the owner’s residence or a recognized storage facility.

Filing and Payment Dates (R.C. 4503.06). When the manufactured home is in Ohio on January 1 of a year, one-half of the tax is due by March 1 of that year with the balance due by July 31.

Distribution of Revenue (R.C. 4503.06). Revenue is distributed to the taxing subdivision of each county in the same manner as other taxes from real property. However, 4 percent is retained by the county auditor and 2 percent by the county treasurer as reimbursement for administrative costs.

History of Major Changes

1920	Separate license taxes enacted for motorcycles, passenger cars, and commercial vehicles. Trailers are taxed as commercial vehicles, at 20 cents per 100 lbs. of gross weight or fractional part thereof.
1949	An \$18 a year annual house trailer tax levied effective March 1, 1951.
1961	House trailer tax enacted as an ad valorem tax. Starting in 1962, house trailers were to be valued at 40 percent of cost or market value at the time of purchase, whichever is greater, less a depreciation percentage. A minimum tax of \$18 applied.
1963	Legislature enacts a second depreciation schedule for house trailers that are purchased unfinished.
1969	Depreciation schedule allowances increased.
1980	Taxes owed must be collected before a certificate of title is issued.
1986	Homestead exemption extended to qualifying owners of manufactured homes.
1999	Manufactured homes must be taxed like real property when first located in Ohio or when ownership is transferred on or after Jan. 1, 2000. These homes remain on the manufactured home tax list but the same rates and credits that apply to residential real property apply to manufactured homes. Manufactured homes situated in Ohio prior to this date may elect to be taxed like real property. Used manufactured homes subject to transfer fees and taxes beginning on that date. Owners are required to obtain a relocation notice from the county auditor and pay outstanding taxes before moving a manufactured home.
2003	Manufactured home park owners are allowed to remove abandoned homes from the park and sell or destroy them.
2004	Ohio Manufactured Homes Commission established to regulate the installation of manufactured housing in Ohio including the affixing of a manufactured home to a permanent foundation before such home can be converted to real property.
2017	H.B. 49 abolished the Manufactured Homes Commission and transferred all its duties to the Department of Commerce.

Property Tax – Public Utility Property

Overview. This chapter deals with property taxes levied on the tangible personal property of public utilities. Public utility personal property is the only personal property remaining subject to taxation in Ohio because of changes enacted by the Ohio General Assembly in 2005. This chapter also touches on the taxation of public utility real property, since the Ohio Department of Taxation has a role in assessing certain real property of railroads. However, tables showing the taxes paid on public utility real property are in the Property Tax - Real Property chapter.

During tax year 2021 (bills payable during 2022), the assessed valuation of public utility personal property in Ohio was approximately \$27.0 billion. Revenue from taxes levied on this assessed value is distributed by county auditors to the local taxing authorities during calendar year 2022. Taxes charged were approximately \$2.2 billion for tax year 2021, an increase of 3.5 percent from tax year 2020. Electric utilities comprised approximately 55 percent of total public utility personal property value during 2021 and the pipeline industry accounted for about 33 percent. This revenue was distributed to counties, municipalities, townships, school districts, and special districts per locally levied millage.

Taxpayer (R.C. 5727.06). Public utilities subject to taxation on their tangible personal property include electric, rural electric, energy, natural gas, pipeline, waterworks, water transportation, and heating companies.

Tax Base (R.C. 5715.01, 5727.01, 5727.06, 5727.10-12, 5727.14-15). For most public utilities, the personal property tax base consists of all tangible personal property owned and located in Ohio on December 31st of the preceding year. The exceptions:

- For water transportation companies, the tax base consists of all tangible personal property, except watercraft owned or operated in Ohio on Dec. 31st of the preceding year and all watercraft owned or operated by the water company in Ohio during the preceding calendar year.
- Railroad property is valued according to the unitary method described under Determining True Value below.

Listing Percentages (R.C. 5727.111). The percentage of true value at which personal property is listed for taxation varies based on the type of public utility. The percentages are as follows:

Public Utility	Assessment Percentage
Electric Companies	
Taxable transmission and distribution property and energy conversion equipment	85%
All other taxable property	24%
Energy Companies	
Taxable production equipment	24%
All other taxable property	85%
Rural Electric Companies	
Taxable transmission and distribution property and energy conversion equipment	50%
All other taxable property	25%
Heating and Pipeline Companies	
Natural gas, waterworks ¹ , and water transportation companies	25%

¹The assessment percentage is 88% for taxable personal property first subject to taxation in Ohio before tax year 2017.

The above table does not apply to real property. Personal property includes all plant and equipment either owned or leased by the utility under a sale-lease back agreement and not classified as real property or intangible property.

Fiscal Year 2022

Determining True Value (R.C. 5727.11). For most public utility personal property, true value is the capitalized cost less the composite annual allowances, which vary according to the actual age and expected life of the property.

Exceptions (R.C. 5727.11, 5727.12, 5727.14). The true value of electric company production equipment and all taxable property of a rural electric company is 50 percent of capitalized cost, except for the production equipment of electric or rural electric or energy companies purchased, transferred or sold after October 5, 1999. The true value of production equipment purchased, transferred or sold after this date is the capitalized cost on the books and records, less composite annual allowances.

The true value of current gas (gas available for market) stored underground is the monthly average value of such gas in the preceding tax year. The true value of non-current gas (gas not available for market that provides pressure for cycling current gas) stored underground is 35 percent of the cost of that gas shown on the books and records of the public utility on the 31st day of December of the preceding year.

To determine the true value of railroad real property used in railroad operations, the unitary method is used to value the company's entire railroad system property. The value is apportioned to Ohio in the proportion that the length of track in this state bears to the whole length of track. The value of railroad real property not used in operations is assessed by county auditors using the normal means of valuing such property.

Apportionment of Value (R.C. 5727.15). Real property values of all utilities except railroads are assigned to local taxing districts throughout Ohio according to the physical location of the property. The taxable personal property values of all utilities are apportioned among the taxing districts as follows:

- Natural gas, heating, pipeline, water works, rural electric, and water transportation companies: taxable value is apportioned according to the cost of all taxable personal property physically located in each taxing district as a proportion of the total cost of all such taxable personal property physically located in the state.
- Electric and energy companies: for production equipment, the total taxable value is apportioned to the taxing district in which the property is physically located.
- For all other electric and energy company property, the taxable value is apportioned according to the cost of this property physically located in each taxing district as a proportion of the total cost of all such taxable personal property physically located in the state.

Tax Rates (R.C. 319.30, 319.301, 5705.02 – .05, 5705.19). Tax rates vary by taxing jurisdiction. The total tax rate is the sum of all levies enacted by legislative authority or approved by voters for all taxing jurisdictions in which the property is located or to which it is apportioned. Examples of taxing jurisdictions include counties, townships, municipal corporations, school districts, joint vocational school districts, and special service districts. These total rates, or gross tax rates, apply to personal property. For real property, the application of tax reduction factors according to R.C. 319.301, commonly known as "House Bill 920," results in lower "effective" tax rates. For details on tax reduction factors, see the section on credits in the Property Tax – Real Property chapter.

Exemptions and Credits (R.C. 319.302, 5701.03, 5709.111, 5709.25, 5709.61, 5727.01, 5727.05, 5727.11, 5727.75). The following types of public utility property are exempt:

- municipally owned utilities;
- certified air, water and noise pollution control facilities;
- licensed motor vehicles;
- real and tangible personal property exempted from taxation under an enterprise zone agreement;
- tangible personal property under construction; and
- real and personal property of nonprofit corporations and political subdivisions used exclusively in the treatment, distribution and sale of water to consumers.

An allowance is available for funds used during construction and interest used during construction. This does not apply to electric company and rural electric company property first placed into service after December 31, 2000 with the exclusion of transmission and distribution property. It also does not apply to the taxable property a person purchases, which includes transfers, if that property was used in business by the seller prior to the purchase.

Renewable energy facilities that are not financed through the Ohio Air Quality Development Authority can be exempt from the public utility property tax if certified by the Director of the Development Services Agency as a "qualified energy project." Such a facility will require a payment in lieu of taxes based on each megawatt of production capacity. To be certified as a "qualified energy project," among other requirements, energy must be produced by January 1, 2026 (or January 1, 2021 for nuclear, clean coal and cogeneration projects).

Fiscal Year 2022

Reporting, Certification, and Payment Dates (R.C. 323.12, 323.17, 5727.08, 5727.10, 5727.23, 5727.48). Annual reports are due by March 1, but the Tax Commissioner may grant an extension of up to 30 days. The Tax Commissioner notifies utilities and county auditors of values on or before the first Monday in October. Tax payments, which are made to the county treasurer, are due according to the same first- and second-half due dates for real property taxes. According to statute, at least one half of a real property tax bill is due by December 31, with the balance due by June 20. In practice, these deadlines may be extended by 45 days, or even longer in certain circumstances, on a county-by-county basis.

Disposition of Revenue (R.C. 319.54, 321.24, 321.26 -.261, 321.31, 321.34). After local administrative deductions, revenue is distributed to counties, municipalities, townships, school districts and special districts according to the taxable values and total millage levied by each.

History of Major Changes

1910	The newly created Tax Commission of Ohio is charged with the assessment of public utility property.
1939	Responsibility for assessing public utility property shifts to the Ohio Department of Taxation, which replaces the state Tax Commission.
1941	The assessment level for personal property of rural electric companies is reduced from 100 percent to 50 percent of true value. All other public utility property continues to be assessed at 100 percent.
1963	Certified air pollution control facilities are exempted.
1965	Certified water pollution control facilities are exempted.
1973	Certified noise pollution control facilities are exempted.
1979	Personal property of railroads begins to be assessed annually at the same percentage of true value as the tangible personal property of general businesses, which at the time was 42 percent of true value.
1985	General Assembly changes apportionment of electric company production plant equipment so that 70 percent is apportioned to the taxing district in which the property is physically located. The remaining 30 percent is apportioned to each taxing district according to the distribution base, meaning the percentage of the total cost of transmission and distribution property located in each district. Previously, production plant equipment had been apportioned entirely according to the value of overhead and underground lines.
1989	General Assembly enacts legislation that: bases the true value of most public utility personal property on the cost as capitalized on the utility's books less composite annual allowances as prescribed by the tax commissioner; reduces the taxable value of most public utilities from 100 percent to 88 percent of true value; defines the true value of electric company production equipment as 50 percent of original cost, while maintaining the 100 percent assessment rate on such property; revises the apportionment of production equipment at an electric utility plant with a cost exceeding \$1 billion so that all of the cost in excess of \$420 million is apportioned according to the distribution base. Previously, 70 percent of the amount above \$420 million would have been apportioned to the taxing district in which the property is physically located.
1995	All inter-exchange telecommunications company personal property begins to be assessed at 25 percent of true value. Local telephone company personal property is added to the tax rolls during tax year 1995 and is thereafter assessed at 25 percent of true value.
1999	Beginning Jan. 1, 2001, all electric and rural electric utility personal property – except for transmission and distribution property – is assessed at 25 percent of true value. Also, electric production equipment is situated 100 percent in the taxing district in which property is located.
2000	Beginning Jan. 1, 2001, the assessment percentage of natural gas personal property is lowered from 88 percent to 25 percent of true value.
2003	Beginning Jan. 1, 2005, the assessment rate of telephone personal property acquired before 1994 is phased down from 88 percent to 25 percent of true value over a three-year period.

Property Tax – Public Utility Property

Fiscal Year 2022

2005	H.B. 66 included the following changes effective Jan. 1, 2006: lowered the assessment percentage on electric transmission and distribution personal property from 88 percent to 85 percent and on electric production personal property from 25 to 24 percent; began phase-out over three years of the tax on railroad personal property according to the same schedule that applies to general business tangible personal property: listing percentages of 18.75 for 2006, 12.5 for 2007, 6.25 for 2008 and zero thereafter; railroad real property in a single county and not used in operations is valued and assessed by the county auditor; included the cost of patterns, jigs, dies and drawings in the taxable personal property of an electric company. Also, beginning Jan. 1, 2007, classified telephone companies and inter-exchange telecommunications companies as general business taxpayers, with the personal property for these companies to be phased out according to a four-year schedule; beginning Jan. 1, 2009, defined persons that lease personal property to some public utilities as public utility personal property lessors and required the filing of returns listing this property; beginning Jan. 1, 2009, required persons that generate electricity and supply some of it to others, but whose primary business is not supplying electricity, to report their electricity-related property as an electric company does.
2010	S.B. 232 provided that energy companies that are not exempt as “qualified energy projects” are subject to public utility property tax.
2017	H.B. 384 reduces the property tax assessment rate for water-works company tangible personal property that is taxed for the first time in tax year 2017 or thereafter, from 88 percent to 25 percent of true value.
2019	H.B. 6 provides the taxable property of an electric company receiving payments for nuclear resource credits under R.C. 3706.55 in any tax year may not be assessed at less than the taxable value of such property as of the bill’s effective date, Oct. 22, 2019. Repealed by H.B. 128 of the 134th General Assembly, effective June 30, 2021.

Property Tax –Real Property

Overview. The real property tax is Ohio’s oldest tax. It has been an ad valorem tax – meaning, based on value – since 1825, and the Ohio Constitution has generally required property to be taxed by uniform rule according to value since 1851. The Department of Taxation ensures uniformity through its oversight of the appraisal work of Ohio’s county auditors. According to state law and department rules, auditors conduct a full reappraisal of real property every six years and update values in the third year following each sexennial reappraisal. The Department’s Division of Tax Equalization compares the assessed values of properties to sale prices, then uses these “sales ratios” to evaluate assessments and, if necessary, seek changes.

During tax year 2021 (bills payable during 2022), the assessed valuation of real property in Ohio was approximately \$293.6 billion (\$838.7 billion in appraised true value). Revenue from taxes levied on this assessed value is distributed by county auditors to the local taxing authorities during calendar year 2021. Taxes charged after the application of reduction factors required by Ohio Revised Code section 319.301 (frequently described as House Bill 920) were approximately \$18.5 billion for tax year 2021, an increase of 1.6 percent from tax year 2020. This amount does not include deductions on certain residential and agricultural property (known as the non-business credit), the credit for owner-occupied dwellings, or the homestead exemption for qualifying senior citizens and certain disabled homeowners.

The state reimburses local governments and school districts for the full amounts of the two credits (when they apply) and the homestead exemption. The amount of property tax relief for calendar year 2020 (reimbursed in 2021) is estimated to be \$1.2 billion for the non-business credit, \$225.8 million for the owner-occupied credit, and \$364.4 million for the homestead exemption. These figures do not include those taxpayers who filed late for the homestead or owner-occupied reductions.

Taxpayer (R.C. 5709.01). All real property owners who are not specifically exempt are subject to the real property tax.

Tax Base (R.C. 5713.03, 5715.01, 5713.30-31). The real property tax base is the taxable (assessed) value of land and improvements. The taxable value is 35 percent of true (market) value, except for certain land devoted exclusively to agricultural use.

Rates (R.C. 319.301, 5705.02 – 5705.05, 5705.19). Real property tax rates are levied locally and vary by taxing authority. The total tax rate for any parcel includes all levies either enacted by a legislative body or approved by the voters of all taxing authority in which the property is a part. Examples of such jurisdictions include school districts, counties, municipalities, townships and special service districts.

During tax year 2020, the statewide average tax rate before reduction factors (total tax liabilities at tax rates before reduction factors ÷ taxable value) was approximately 96.19 mills on residential and agricultural real property and 99.72 mills on commercial and industrial real property. The statewide average tax rate after reduction factors (total tax liabilities at actual tax rates after reduction factors divided by taxable value) was approximately 62.05 mills on residential and agricultural real property and 72.89 mills on commercial and industrial real property. The difference between the gross and effective rate is due to tax reduction factors that generally prevent changes in tax liabilities from voted taxes even though the valuation of real property increases or decreases because of reappraisal or triennial update (see Credits below).

The Ohio Constitution prohibits governmental units from levying property taxes that, in the aggregate, exceed 1 percent of true value, unless they are approved by voters. This is known in state law as the 10-mill limitation on non-voted or “inside” millage. Since these inside mills are levied on taxable value, which is 35 percent of true value, the result is a statutory limit of 0.35 percent, or nearly three times as strict as the constitutional 1 percent limit.

Exemptions (R.C. 5709 et seq.). State law exempts certain facilities and organizations from real property tax. Expressed major exemptions include:

- primary and secondary schools (public and nonpublic);
- public colleges, academies and state universities;
- churches and property used for public or charitable purposes;
- government and public property;
- public recreational facilities used for athletic events;
- nature preserves.

Fiscal Year 2022

Disposition of Revenue (R.C. 319.54, 321.24, 321.26 –.261, 321.31, 321.33–.34). After local administrative fee deductions, revenue is distributed to local taxing authorities according to the taxable values and total millage levied by each.

Credits (R.C. 319.301–.302, 323.151–.157)

Property Tax Credits. Since 1971, a 10 percent credit has applied to each taxpayer’s real property tax bill. In 2005, as part of a broader series of tax reforms, the General Assembly limited the 10 percent credit to all real property not intended primarily for use in a business activity. The state reimburses local governments and schools for the cost of this credit, now called the non-business credit. In addition, since the 1979 tax year, a 2.5 percent credit, called the owner-occupancy credit, of real property taxes has been available to homesteads – meaning a dwelling plus up to one acre occupied by the homeowner. The state reimburses local governments and schools for the cost of this credit.

These two credits do not apply to new local levies or replacement local levies passed after Sept. 29, 2013; they will continue to apply only to existing and renewed levies.

Tax Reduction Factors. Each year, the department calculates effective tax rates based on tax reduction factors that eliminate the effect of a change in the valuation of existing real property on certain voted taxes. This law, outlined in R.C. 319.301, was enacted in 1976 by the 111th General Assembly as House Bill 920. Reduction factors are applied to eligible tax rates for each taxing unit, such as a school district, a county or a municipality. For the purpose of applying tax reduction factors, real property is divided into two classes: Class I for residential and agricultural property and Class II for all other real property. Tax reduction factors are separately calculated for each class of property.

Reduction factors are calculated only on “carryover” property. Carryover property is property that is taxed both in the same class for the current year and the preceding year. For example, the value of new construction does not trigger a change in reduction factors. When new buildings are constructed, the tax generated will be additional moneys received by a taxing authority. Likewise, reduction factors do not change when value is removed as a result of exemption, demolition or reclassification. Finally, if tax reduction factors would reduce the effective tax rate of fixed-rate levies for current expenses of a school district below 20 mills on property in either class, the reduction factors are adjusted to yield a minimum of 20 effective mills. Districts that levy less than 20 mills do not automatically reach this 20 mill floor; a district that only levies 18 gross mills for current expense purposes will never receive more than 18 mills. The reduction factors of joint vocational school districts are adjusted in a similar manner to yield a minimum of two effective mills on each class of real property.

Homestead Exemption. Eligibility for new exemptions is limited to qualifying taxpayers by age and modified Ohio adjusted gross income. The income threshold is adjusted annually for inflation and is \$34,200 for tax year 2021. The homestead exemption dates to 1971. It is available to the homesteads of qualified homeowners who are either:

- at least 65 years old;
- permanently and totally disabled; or
- at least 59 years old and the surviving spouse of a deceased taxpayer who previously received the exemption.

Each qualified homeowner receives a credit equal to the taxes that would otherwise be charged on up to \$25,000 of the true value (meaning, \$8,750 in taxable value) of the homestead. In effect, the homestead exemption shields up to \$25,000 of the value of an eligible homestead from property taxation.

Surviving spouses of a public service officer killed in the line of duty and veterans who have received a 100 percent permanent total disability rating or a total disability rating for a service-connected disability or combination of service-connected disabilities are exempt from this income threshold and are eligible to receive a homestead credit value of \$50,000.

Special Provisions

Current Agricultural Use Value (R.C. 5713.30 – 5713.36). The Ohio Constitution requires real property (land and improvements) to be taxed by uniform rule according to value. But land devoted exclusively to commercial agricultural use may be valued according to its current use instead of its “highest and best” potential use. Such land must meet one of the following requirements for three years before the year in which application for the current use treatment is made:

- 10 acres or more must be devoted to commercial agricultural use; or
- under 10 acres must be devoted to commercial agricultural use and produce an average yearly gross income of at least \$2,500.

Fiscal Year 2022

In addition, when land that is valued according to its commercial agricultural use is converted to a different use, a charge is assessed on the land in an amount equal to the difference in the amount of tax levied on the converted land during the three tax years immediately preceding the year in which the conversion occurs.

In 2021, a total of approximately 16.0 million acres were assessed at their current agricultural use value of approximately \$6.5 billion, which is \$21.8 billion less than the highest and best use value of approximately \$28.3 billion.

Forest Land (R.C. 5713.22 – 5713.26). Forest land, devoted exclusively to forestry or timber under the rules of the Ohio Department of Natural Resources’ Division of Forestry, may be taxed at 50 percent of the local rate.

Manufactured Home Tax (R.C. 4505.01, 4503.06, 4503.065). Manufactured homes are subject to an annual property tax. The valuation method and tax calculation depend on whether the manufactured home is taxed like (but not as) real property. Details on this tax are in the Manufactured Home Tax chapter in the Local Taxes section of this report.

Filing and Payment Dates (R.C. 323.12, 323.17). According to statute, at least one-half of a real property tax bill is due by December 31st, with the balance due by June 20th. In practice, these deadlines are often extended in the ways described below. When the delivery of the tax duplicate is delayed for certain statutory reasons, the payment dates may be automatically extended for 30 days. Further extensions, not to exceed 15 days, may be granted for emergencies by application of the county auditor or treasurer to the Tax Commissioner. When an unavoidable delay occurs, an additional extension may be granted by application of both the county auditor and treasurer to the Tax Commissioner to avoid penalties to taxpayers.

Administration (R.C. 319.28, 5703.80, 5705.03, 5713.01, 5715.01–.02, 5719.05). The Tax Commissioner supervises the taxation of real property and is charged with the duty of achieving uniformity of that taxation. An amount equal to a portion of the amount by which taxes charged and payable were reduced for the owner-occupied credit and a portion of taxes charged and payable against public utility personal property is deposited in the property tax administration fund. County auditors are responsible for assessing all real property and for preparing a general tax list and duplicate. Using the duplicate, county treasurers prepare property tax bills and are responsible for the actual collection of the tax. County boards of revision hear complaints on the assessment or valuation of real property and may increase or decrease an assessment in the value of any property dispute properly before it.

History of Major Changes

1803	Ohio became a state. General Assembly continued the territorial practice of taxing land (but not improvements) based on whether the fertility of the land is “first rate,” “second rate” or “third rate.”
1825	General Assembly abolished land classification system, replacing it with an ad valorem tax on land, improvements and select forms of personal property.
1846	General Assembly enacted “Kelley Law,” which requires that “all property, whether real or personal... unless exempted, shall be subject to taxation.” Previously, the legislature had exempted from taxation many forms of personal property, such as tools and machinery.
1851	New state constitution required that all real and personal property be taxed according to uniform rule, except for exemptions specifically permitted by the constitution, such as for churches and schools.
1902	Legislature repealed state property tax levies for the general fund. State levies persist for other purposes, such as public universities, common schools and highways.
1910	General Assembly created the Tax Commission of Ohio to supervise local property tax administration.
1911	General Assembly enacted “Smith 1 percent law,” which sets an overall 10 mill limit on unvoted levies. Further levies are permitted up to a 15-mill limit, if they are approved through a vote of the people.
1925	General Assembly enacted first statutory requirement for a six-year reappraisal cycle.
1927	General Assembly repealed Smith Law and replaces it with a 15-mill cap on unvoted levies. Additional millage is permitted above this mark through a vote of the people.
1929	Ohio voters approved a constitutional amendment that, starting in 1931, generally limits levies enacted without voter approval to 1.5 percent of true value. The amendment also limited the principle of taxation by uniform rule to real property, rather than all property.
1932	For the first time in more than a century, no state tax is levied on real property.
1933	Voters approved a constitutional amendment that tightens the cap on non-voted levies to 1 percent of true value.

Property Tax – Real Property

Fiscal Year 2022

1934	Through statute, the General Assembly reduced the aggregate tax limit on non-voted levies from 15 mills to 10 mills.
1939	The Tax Commission of Ohio is replaced by the Department of Taxation, the Board of Tax Appeals (which begins supervising real property tax administration), and a Tax Commissioner (who assumes functions with respect to taxation of public utility property).
1965	For the first time, the General Assembly enacted law explicitly permitting real property to be uniformly assessed at less than true value. The legislature required that taxable values be no more than 50 percent of true value with the actual uniform percentage to be established by rule of the Board of Tax Appeals.
1968	A state tax applied to real property for the last time – 0.2 mills to retire bonds issued to provide bonus compensation to veterans of the Korean conflict.
1970	Ohio voters approved a constitutional amendment permitting a homestead exemption for low- and middle-income senior citizens.
1971	General Assembly enacted 10 percent property tax credit. Homestead exemption begins.
1972	Board of Tax Appeals required taxable values to be set at 35 percent of true value as counties complete their sexennial reappraisals, with annual adjustments to maintain the 35 percent level.
1973	Voters approved a constitutional amendment permitting the valuation of agricultural property based upon current use.
1974	Voters approved a constitutional amendment that permits the extension of the homestead exemption to permanently and totally disabled homeowners.
1976	General Assembly enacted H.B. 920, which requires the calculation of effective tax rates based on reduction factors. These factors are intended to eliminate from certain voted levies the changes in revenue that might occur when values grow on existing real property as part of a reappraisal or update. H.B. 920 also created the Department of Tax Equalization to supervise real property tax administration and requires real property valuations to be updated every three years, instead of annually.
1977	S.B. 221 established a 20-mill floor for school districts, after the application of “House Bill 920” reduction factors.
1979	Legislature enacted a 2.5 percent tax credit for owner-occupied residential property.
1980	Voters approved a constitutional amendment that calls for separate reduction factors to be applied to two classes of real property: residential and agricultural property (Class I) and all other real property (Class II).
1983	Department of Tax Equalization is eliminated; all its functions are transferred to the Department of Taxation.
1990	Voters approved a constitutional amendment that permits the homestead exemption to be extended to the surviving spouses of homestead exemption recipients.
2005	As part of a larger series of tax reforms, H.B. 66 narrows the 10 percent credit to real property not intended primarily for use in a business activity.
2007	H.B. 119 expanded the homestead exemption to all senior citizens, qualifying disabled homeowners, and surviving spouses of previously qualified homeowners, regardless of income. The bill eliminated the tiered benefits and instead allowed all eligible participants to exempt \$25,000 of the true value of their homestead from taxation.
2014	H.B. 59 limited the application of the non-business and owner-occupied real property tax credits to levies approved before Sept. 29, 2013, and to subsequent renewals of these levies. The bill also implemented a means test for the availability of the homestead exemption for homeowners not receiving the exemption in tax year 2013. The test is to be adjusted annually for inflation. H.B. 85 increased the homestead exemption available to veterans who are permanently and totally disabled due to a service-related disability from a value of \$25,000 to \$50,000. The bill also exempted such veterans from the income threshold to be eligible for the homestead exemption.
2017	H.B. 26 enacted law suspending the property tax administration fee for the 2018-2019 biennium, reducing the maximum rates that may be charged thereafter; requiring the rates charged not to exceed the maximum rates or the estimated costs of the Ohio Department of Taxation to administer these taxes. H.B. 49 makes changes in the calculation of CAUV values, changes are phased in over two reassessment of update cycles.

Fiscal Year 2022

2021	H.B. 17 of the 133rd General Assembly extended the homestead exemption to surviving spouses of public safety personnel killed in the line of duty, taxable value up to \$50,000 is exempt from real property tax; qualifying taxpayers are not subject to the means test.
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Real Property Conveyance Fees

Overview. State law establishes a mandatory conveyance fee on the transfer of real property. The fee is calculated based on a percentage of the property value that is transferred. In addition to the mandatory fee, all counties levy a permissive real property transfer fee. The revenue from both the mandatory fee and the permissive fee is deposited into the general revenue fund of the county in which the property is located.

During 2020, the latest year for which survey data is available, conveyance fees generated approximately \$189.1 million in revenues to the counties. The breakdown of these revenues was approximately \$54.2 million from mandatory fees and \$134.9 million from permissive fees.

Taxpayer (R.C. 319.202, 319.54, 322.02, 322.06). The real property conveyance fee is paid by persons that transfer real estate or sell a used manufactured or used mobile home.

Tax base (R.C. 319.202). The tax base is the value of the real estate or used manufactured or mobile home.

Tax rates (R.C. 319.54, 322.02). The fee consists of two parts: (1) a statewide mandatory fee of 1 mill (0.001) or \$1 per \$1,000 of the value of the property transferred or sold and applies in all 88 counties and (2) an optional county permissive real property transfer fee of up to 3 mills. County commissioners may prescribe a lower permissive rate for conveyances of property receiving the homestead exemption. As of 2020, survey data, all 88 counties levied an additional permissive fee at rates ranging from one to three mills.

Exemptions, deductions, and credits (R.C. 319.54). The tax does not apply to certain transfers or sales as set forth in R.C. 319.54(G)(3).

Filing and payment dates (R.C. 319.202, 322.06). The fee is paid at the time of transfer.

Disposition of Revenue (R.C. 319.202, 322.06). All revenues from the fees are deposited into the general fund of the county, except that fees charged and received for a transfer of real property to a county land reutilization corporation must be credited to the county's land reutilization corporation fund established under R.C. 321.263.

History of Major Changes

1967	A mandatory real property transfer fee of 1 mill becomes required by state law and county commissioners are permitted to impose additional fees of up to 3 mills on conveyances on or after Jan. 1, 1968. The revenues from both components of the tax are distributed to the county's general fund.
1969	State law allows for a vote of the electorate to repeal a permissive transfer fee adopted as an emergency.

Resort Area Gross Receipts Tax

Overview. The resort area gross receipts tax is a business privilege tax that a municipality or township that has declared itself to be a resort area may enact. Revenue from the tax benefits the municipality or township. The tax was authorized by House Bill 327 (120th General Assembly) that became law on June 30, 1993. The Village of Kelleys Island enacted the first resort area gross receipts tax in 1993. The village and township of Put-in-Bay both followed suit in 1996. Additionally, H.B. 64 (131st General Assembly eff. Sept. 29, 2015) authorized the creation of a “tourism development district (TDD),” which may also levy a tax similar to the resort area tax. Municipalities and townships may declare themselves to be a resort area and enact the tax when they meet a three-pronged test:

- At least 62 percent of total housing units are for seasonal use as of the last federal census.
- Entertainment and recreation facilities are provided within the community that are primarily intended to provide seasonal leisure activity for nonresidents.
- The municipality or township experiences seasonal peaks of employment and service demand because of a seasonal population increase.

A tourism development district was defined in H.B. 64 as:

- Only a township or municipality located in a county that has a population between 375,000 and 400,000 and levies a county sales tax in which the aggregate rate does not exceed 0.50 percent as of the effective date of H.B. 64 (i.e., Stark County).
- The district is not more than 200 contiguous acres (increased to 600 by H.B. 49 of the 132nd General Assembly).

Taxpayer (R.C. 5739.101). The resort area gross receipts tax is imposed on persons making sales or providing intrastate transportation or other services taxable under the state sales tax base, within a designated resort area or TDD. A person may separately or proportionately bill or invoice the tax to another person.

Tax Base (R.C. 5739.101). The tax is levied on the privilege of doing business in the resort area or TDD. It is measured by gross receipts generated from sales made and services provided within the boundaries of a designated resort area or TDD, as well as intrastate transportation to and from such an area.

Gross receipts are defined as activities, without deduction for the cost of goods sold or other expenses incurred, that contribute to the production of the gross income of a business. Gross receipts that are part of the tax base include:

- Rentals and leases of tangible personal property such as watercraft, golf carts, bicycles, videos, and fishing tackle;
- Wholesale and retail sales, excluding food consumed off the premises;
- Hotel and motel room rentals;
- Repair or installation of tangible personal property;
- Warranties, maintenance or service contracts; and
- Sales of certain services that are also subject to sales tax under R.C. 5739.01(B).

Rates (R.C. 5739.101). The tax in the resort areas may be levied at rates of 0.5 percent, 1.0 percent, or 1.5 percent. A TDD may levy a tax rate of up to 2.0 percent. Currently, only four jurisdictions have enacted the tax: the Village of Kelleys Island, the Village of Put-in-Bay, the Township of Put-in-Bay (Resort Areas) and City of Canton (TDD). The City of Canton has designated four areas as tourism development districts: HOF Village, Downtown Canton, HOF Fitness and Centennial Plaza. The rate in each resort area jurisdiction is 1.5 percent. The rate in each TDD is 2 percent.

Exemptions (R.C. 5739.101). Sales of food may only be included to the extent such sales are subject to the state sales tax. Transportation of passengers as part of a tour or cruise in which the passengers will stay in the municipal corporation or township for no more than one hour are exempted from the calculation of the tax.

Filing and Payment Dates (R.C. 5739.102). There are two semi-annual reporting periods for the tax. Returns are due to the Tax Commissioner approximately 30 days after the close of each reporting period: January 1st through June 30th - returns are due July 31st; July 1st through December 31st - returns are due January 31st.

Administration and Disposition of Revenue (R.C. 5739.102). Tax Commissioner administers the resort area gross receipts tax and distributes the revenue to the general fund of the township or municipality that levied the tax within 45 days after the end of each month that the tax was paid. One percent is withheld and deposited into the GRF to cover the costs of administering the tax.

Resort Area Gross Receipts Tax

Fiscal Year 2022

History of Collections

Table 1: Resort Area Gross Receipts collections: fiscal years 2018-2022 (in millions)

Fiscal Year	Revenue to Local Governments	State Administrative Fee	Total Tax Collections
2018	\$1,126,928	\$12,250	\$1,214,678
2019	1,414,395	14,206	1,428,601
2020	1,278,916	12,702	1,291,617
2021	1,099,031	11,065	1,110,096
2022	2,004,059	20,243	2,024,302

Source: Office of Budget and Management fiscal reports.

History of Major Changes

1993	The General Assembly enacts House Bill 327, authorizing municipalities or townships that meet certain requirements to declare themselves a “resort area” and levy a resort area gross receipts tax. Shortly thereafter, the Village of Kelleys Island enacts the tax.
1996	The Village of Put-in-Bay and Township of Put-in-Bay both enact the tax.
2015	H.B. 64 authorized certain townships and municipal corporations to designate tourism development districts (TDD). A subdivision creating a TDD may levy a gross receipts tax of up to 2 percent on businesses’ gross receipts derived from making taxable sales in the TDD, provided the subdivision levies the tax before 2019. A TDD gross receipts tax is administered and collected by the Tax Commissioner in the same manner as a resort area gross receipts tax.
2017	H.B. 49 extended the maximum size of a TDD from 200 to 600 acres, authorized municipal corporations and townships to designate new TDDs until 2021, expanded the improvements upon which revenues can be spent or pledged, and clarified that revenue used to fund permanent improvements located in a TDD must be from collections as a result of activities occurring in the TDD.
2019	H.B. 166 extended the legislative authority of a municipal corporation or township to levy a new gross receipts tax within a tourism development district until December 31, 2020.

Fiscal Year 2022

County and Transit Authority Permissive Taxes

Overview. Counties and transit authorities are permitted to levy sales and use taxes that “piggyback” on the statewide 5.75 percent sales and use tax, subject to repeal by a majority vote of the county electorate. The department collects the combined state and local tax and then distributes the local share of revenue directly to the counties and transit authorities. The same exemptions, exceptions, credits, and return deadlines apply to the permissive taxes as to the state tax. All of Ohio’s 88 county governments levied permissive sales and use taxes as of August 2, 2022, ranging from 0.50 percent to 2.00 percent.

In addition, eleven transit authorities levied sales and use taxes as of August 2, 2022, ranging from 0.10 percent to 1.00 percent. They were: Allen County Regional Transit Authority; Greater Cleveland Regional Transit Authority; Central Ohio Transit Authority; Southwestern Ohio Regional Transit Authority; Laketransit Authority (Lake County); Western Reserve Transit Authority (Mahoning County); Greater Dayton Regional Transit Authority; Portage Area Regional Authority; Stark Area Regional Transit Authority; Metro Regional Transit Authority (Summit County); and the Toledo Area Regional Transit Authority (Lucas County and Wood County).

During fiscal year 2022, after a 1 percent administration fee (approximately \$33.8 million), the state distributed approximately \$2,624.2 million for the counties and approximately \$722.1 million for the transit authorities.

Taxpayer (R.C. 5739.01, 5739.03, 5739.031, 5739.17, 5741.01). Any person, retailer, business, organization or provider of taxable goods or services that makes retail sales or taxable purchases on which sales tax has not been paid is required to file a return and remit the sales or use tax due. (See Sales and Use Tax in the State Taxes section of this document for a list of specified services, for a description of taxpayers, and applicable vendor’s licenses).

Tax Base (R.C. 5739.01, 5741.01). The state, county and transit authority sales and use taxes apply to all retail sales of tangible personal property that are not specifically exempt. The tax also applies to the rental of tangible personal property, the rental of hotel rooms by transient guests and the sales of certain specified services. The use tax base is identical to that of the sales tax. Use tax applies to the storage, use or other consumption in this state of taxable tangible personal property and the benefit realized in this state of any taxable service provided the vendor did not charge sales tax.

See **Sales and Use Tax** in the **State Taxes** section of this document for a list of specified services and for more information on sourcing for the use tax.

Local Rates (R.C. 5739.02-.21, 5739.023, 5739.025-.26, 5741.02-.021, 5741.023). Current law gives counties the option of levying a sales tax of up to 1.00 percent for county general revenue, plus an additional tax of up to 0.50 percent for county general revenue for several specific purposes outlined in the R.C. 5739.026. Effective October 1, 2019, counties other than those which have adopted a charter under Article X, Section 3 of the Ohio Constitution (Cuyahoga and Summit) may levy an additional 0.50 percent tax exclusively for the construction, acquisition, equipping or repair of a detention facility in the county. The detention facility rate is decreased by the amount the transit authority’s rate exceeds 1.00 percent. These taxes may be repealed by county voters. Transit authorities are also authorized to levy additional permissive sales and use taxes at rates of 0.05 percent to 1.50 percent, also in 0.05 percent increments. However, the transit authority rate cannot exceed 1.50 percent minus the amount by which the rate of the county in the territory of the transit authority levied pursuant to R.C. 5739.021 exceeds 1.00 percent.

Table 1 shows the number of counties at each total combined state and local tax rate, as of August 2, 2022. Five counties, Delaware, Fairfield, Licking, Union, and Wood, have more than one combined sales and use tax rate in effect because a small portion of their area lies within the territory of the Central Ohio Transit Authority (COTA) (Delaware, Fairfield, Licking, and Union) and the Toledo Area Transit Authority (TARTA) (Wood). Table 1 does not reflect the 0.50 percent COTA or TARTA rate that applies in parts of these five counties.

Fiscal Year 2022

Table 1: Rate and Number of Jurisdictions (as of August 2, 2022)

Rate	Number of Jurisdictions
6.50%	4
6.75%	14
6.85%	1
7.00%	11
7.25%	51
7.50%	3
7.75%	2
7.80%	1
8.00%	1

Source: Ohio Department of Taxation

Exemptions, Deductions, Credits. Since local sales and use taxes “piggyback” on the state sales and use tax, exemptions are identical. For more information, see the Sales and Use Tax in the State Taxes section of this document.

Filing and Payment Dates. Since local sales and use taxes “piggyback” on the state sales and use tax and are administered by the Department of Taxation, filing and payment dates are identical. For more information, see the Sales and Use Tax in the State Taxes section of this document.

Disposition of Revenue (R.C. 5739.21, 5741.03). In any case where any county or transit authority has levied a tax or taxes pursuant to section 5739.021 (county permissive sales tax), 5739.023 (transit authority permissive sales tax), 5739.026 (additional county permissive sales tax), 5741.021 (county permissive use tax), 5741.022 (transit authority permissive use tax), or 5741.023 (county permissive use tax for specific purposes), the tax commissioner must, within 45 days after the end of each month, determine and certify to the director of the Office of Budget and Management the amount of the proceeds of such tax or taxes received during that month from billings and assessments, or associated with tax returns or reports filed during that month, to be returned to the county or transit authority levying the tax or taxes. The aggregate amount to be returned to any county or transit authority shall be reduced by one percent, which shall be certified directly to the Local Sales Tax Administrative Fund. On or before the 20th day of the month in which such certification is made, payment is made to the county treasurer and to the fiscal officer of the transit authority levying the tax or taxes.

County Disposition of Revenue (R.C. 5739.026, 5739.211, 5739.213, 5741.023, 5741.031). The moneys received by a county levying county permissive sales tax pursuant to 5739.021 and county use tax pursuant to 5741.021, shall be deposited in the county general fund to be expended for any purpose for which general fund moneys of the county may be used, including the acquisition or construction of permanent improvements, or in the bond retirement fund for the payment of debt service charges on notes or bonds.

The money received by a county levying additional county permissive sales tax pursuant to 5739.026 and county use tax pursuant to 5741.023 can be used to provide additional revenues for the local transit authority, certain permanent improvements, convention facility notes or bonds, implementation of a 9-1-1 system in the county, operation and maintenance of a detention facility, or agricultural easements. Additionally, counties and transit authorities can share incremental sales tax growth derived from vendors located within a tourism development district with a municipality or township where the district is located.

Transit Authority Disposition of Revenue (R.C. 306.31, 5739.211, 5741.031).

The moneys received by a transit authority shall be expended for any authorized purpose, including for acquiring, constructing, operating, maintaining, replacing, improving, extending, and enlarging transit facilities, and for the payment of debt service charges on notes or bonds of the transit authority.

Fiscal Year 2022

History of Distributions**Table 2: Permissive Sales and Use Tax distributions: fiscal years 2018-2022**

Fiscal Year	Total
2018	\$2,545.4
2019	2,624.0
2020	2,724.3
2021	2,954.1
2022	3,380.1

Source: Office of Budget and Management fiscal reports.

History of Major Changes

1967	General Assembly enacts law allowing counties the authority to levy a county sales tax at a rate of 0.50 percent.
1969	Lake County became the first county to levy a county sales tax, effective July 1.
1974	General Assembly enacts law authorizing transit authorities to levy a sales tax, subject to voter approval, at the following rates: 0.50 percent, 1.00 percent, or 1.50 percent.
1975	The Greater Cleveland Regional Transit Authority became the first to adopt a sales tax. A 1.00 percent rate takes effect October 1.
1982	General Assembly enacts law allowing counties to levy the county sales tax at rates of either 0.50 percent or 1.00 percent.
1986	Legislature enacts law allowing counties to levy an additional county sales tax at 0.50 percent for specified purposes, including the county general fund, subject to voter approval.
1987	General Assembly enacts law allowing all local sales tax levies to be enacted in 0.25 percent increments.
1992	A county 9-1-1 system is added to the list of purposes for which a county may enact an additional county sales tax.
1999	Conservation easements are added to the list of purposes for which the additional county sales tax may be levied.
2015	H.B. 64 allowed sharing of incremental sales tax growth of county or transit permissive sales tax from vendors located within a tourism development district with municipality or township where district is located.
2017	H.B. 49 allowed counties and transit authorities to increase permissive levies in increments of 0.1 percent beginning in July of 2018.
2018	H.B. 69 authorized county and transit authorities to levy permissive sales taxes in a multiple of 0.25 percent or 0.1 percent.
2019	H.B. 62 allowed transit authorities to levy permissive sales tax for infrastructure purposes effective July 2019.
2020	H.B. 166 allowed counties and transit authorities to increase permissive levies in increments of 0.05 percent effective October 2019.
2021	H.B. 74 temporarily reauthorizes through December 31, 2022 a procedure allowing a political subdivision in a county with at least 400,000 residents to join a regional transit authority. The Bill also allows for a vote in the enlarged territory on the question of whether to repeal a property tax levied by the regional transit authority and instead levy a sales and use tax.
2022	H.B. 110 allows for local county governments to levy a permissive sales and use tax of up to 1.0 percent from a prior 0.5 percent for the operation of a detention facility.

Business Tax Credits

Overview. Several of Ohio's business tax credits can be claimed against more than one state tax (i.e., commercial activity tax (CAT), financial institutions tax (FIT), personal income tax (PIT), pass-through entity (PTE), petroleum activity tax (PAT)). Rather than list the same business tax credits in multiple chapters of the annual report, the data and information about them has been consolidated here. Credits are non-refundable, unless specifically noted to be refundable (i.e., refundable credits can reduce tax liability below zero allowing the taxpayer to receive a refund from the state).

Major Business Tax Credits

Historic building preservation credit (R.C. 149.311, 5725.34, 5726.52, 5729.17, 5747.76, and Am. Sub. HB 166, section 757.40). This credit is based on the expenses incurred by the owner or qualified lessee of an historic building to rehabilitate such a building. The credit, if approved by the Ohio Department of Development, equals 25 percent of the owner's or qualified lessee's "qualified rehabilitation expenditures" paid or incurred during the 24- or 60-month rehabilitation period. The historic preservation tax credit is both refundable and nonrefundable. If the credit claimed exceeds tax liability and a refund is to be issued, up to three million dollars may be claimed as a refundable credit. The remaining credit, if any, may be carried forward for up to five years and used as a nonrefundable credit against future tax liability.

Job creation credit (R.C. 122.17, 5725.32, 5726.50, 5729.032, 5736.50, 5747.058, 5751.50). The Ohio Tax Credit Authority may award taxpayers a refundable credit according to an agreement pursuant to R.C. 122.17 to foster job creation and capital investment in the state. The credit equals a designated percentage of the amount by which the Ohio employee payroll paid by the employer to employees at a project site or to home-based employees exceeds the employer's baseline payroll amount, established by Ohio employee payroll for the 12 months preceding the JCTC agreement. The exact percentage of the credit is established by agreement between the taxpayer and the Ohio Tax Credit Authority. The credit is permitted for a period of up to 15 years.

Job retention credit (R.C. 122.171, 5726.50, 5736.50, 5747.058, 5751.50). Previously, the Ohio Tax Credit Authority could award a refundable tax credit if a project had retained at least 500 full-time jobs and minimum annual retained payroll of at least \$20 million, or minimum annual retained payroll of \$35 million with no required job retention threshold; and a fixed asset investment of at least \$5 million. Currently, the Ohio Tax Credit Authority may award a nonrefundable credit to an eligible business that retains at least 500 full-time jobs, or has an annual payroll of at least \$35 million and invests at least \$50 million in fixed-assets for manufacturing operations or invests at least \$20 million in fixed assets for significant corporate administrative functions. The amount and term of the credit, determined by agreement with the Ohio Tax Credit Authority, equals an agreed upon percentage of Ohio employee payroll. The nonrefundable credit may be carried forward for up to three years.

Motion picture production credit (R.C. 122.85, 5726.55, 5747.66, 5751.54). This refundable credit can be claimed against FIT, CAT, or individual income tax liability based on awards from the Ohio Department of Development for motion picture or Broadway theatrical production work performed in Ohio. Productions with budgets that exceed \$300,000 may qualify for the credits, which are based on 30 percent of eligible production expenses. The total credits to be issued are capped at \$40 million for fiscal biennium, beginning on or after July 1, 2011.

New markets tax credit (R.C. 5725.33, 5726.54, 5729.16). This credit is a nonrefundable tax credit with a four-year carry forward for financial institutions and insurance companies that invest in "community development entities," as defined by the federal New Markets Tax Credit program. To qualify, a taxpayer must first qualify for the federal credit program by holding an equity investment in a qualified community development entity. The Ohio Department of Development may issue a maximum of \$10 million worth of credits each fiscal year.

Research expense credit (R.C. 5726.56 and 5751.51). This nonrefundable credit equals 7 percent of the amount by which the taxpayer's "qualified research expenses" (as defined in Internal Revenue Code section 41) in Ohio during the taxable year exceed the taxpayer's average annual qualified research expenses in Ohio for the three preceding years.

Research and development loan payments credit (R.C. 5751.52). The amount of this nonrefundable credit equals the borrower's qualified research and development loan payments during the calendar year that immediately precedes the report year. The payments include principal and interest on a loan made to the borrower from Ohio's research and development loan fund administered by the Ohio Department of Development.

Unused net operating losses credit (R.C. 5751.53). Beginning in calendar year 2010, qualifying taxpayers may claim a non-refundable tax credit equal to 8 percent of the taxpayer's franchise tax net operating loss carry forwards and other deferred tax items against the commercial activity tax. This credit is limited to taxpayers that elected to claim the credit by filing with the Tax Commissioner before July 1, 2006.

Venture capital credit (R.C. 150.07, 5725.19, 5726.53, 5727.241, 5729.08, 5747.80). The Ohio Venture Capital Authority has the authority to issue refundable tax credits to its creditors. The credits are redeemable in the event of losses on loans to the authority.

Fiscal Year 2022

Recent State Legislation Affecting Ohio's Taxation Laws

The legislative power of the State of Ohio is vested in the Ohio General Assembly and the people of the State of Ohio who retain the right to enact laws and to approve or disapprove of laws enacted by the Ohio General Assembly. One power of the Ohio General Assembly and of the people of the State of Ohio is the taxing power. The taxing power is the power to levy and collect taxes to raise revenues to fund the expenses of the State of Ohio including its debts. The taxing power is limited by the Ohio and the U.S. Constitutions. Each General Assembly meets during a two-year period commonly referred to as a biennium. The biennium is divided into two annual sessions. Bills introduced during the first session carry to the second session. However, bills not enacted by the end of the second session "die" and do not carry over to the next General Assembly. Each General Assembly is designated a sequential number. The current one is the 135th General Assembly.

S.B. 18 (134th General Assembly) conformed Ohio's tax code to recent Congressional changes to the Internal Revenue Code. The bill also reduced the pass-through entity (PTE) income tax withholding rate for non-resident investors to 3%, commensurate with the flat 3% rate applied to taxable business income. Finally, the bill provided an option for taxpayers receiving unemployment compensation benefits to have Ohio income tax withheld from those distributions.

S.B. 40 (134th General Assembly) made a variety of changes to cigarette minimum pricing.

S.B. 57 (134th General Assembly) enacted a variety of changes in real property law. The bill authorized a property tax exemption for permanent supportive housing properties used by individuals suffering from mental disability or substance abuse. Additionally, the bill allowed new types of valuation complaints for commercial tenants and COVID-19-related concerns. Finally, it specified that tax increment financing (TIF) service payment agreement obligations run with the land.

S.B. 231 (134th General Assembly) codifies a process for reissuing a deceased taxpayer's income tax refund to their estate's fiduciary representative.

S.B. 225 (134th General Assembly) provided temporary expansions to the Ohio opportunity zone investment tax credit and the historic rehabilitation tax credit.

S.B. 246 (134th General Assembly) established a new election allowing a PTE to choose to be taxed at the entity level, allowing its members to forego the cap on the federal, state and local tax deduction.

H.B. 95 (134th General Assembly) created the Beginning Farmer Tax Credit, a nonrefundable income tax credit for certain new farmers who also attend a financial management program. The credit is also offered for persons or business that sell or rent farmland, equipment, livestock, or buildings to a beginning farmer.

H.B. 126 (134th General Assembly) established new requirements and restrictions for property tax valuation complaints and appeals made by a political subdivision, such as a school district.

H.B. 228 (134th General Assembly) made a number of changes to the filing and administration of the municipal net profit tax.

H.B. 515 (134th General Assembly) changed the definition of business income to include income from the sale of an ownership interest in a business, thereby making the income eligible for the business income deduction and the 3% flat tax rate.

Ohio Appellate Decisions 2021/22

Colonial, Inc. v. McClain, BTA Case No. 2020-94, 2022-Ohio-1149

The Supreme Court of Ohio issued a decision on April 7, 2022, affirming the decision of the BTA stating that a municipal corporation or township is not required to renew its designation as a resort area after each decennial census for it to collect a previously enacted resort-area tax under R.C. 5739.101. The Court held that there is no ambiguity in R.C. 5739.101(A) and the statutory language at issue, and when applying the statutes to the facts of this case, the BTA correctly affirmed the Tax Commissioner's denial of the taxpayer's application for refund. Appellant contended that if a locality has not declared itself to be a "resort area" based on the most recent decennial census, no resort tax is owed. The Court disagreed and noted that while it may have been reasonable for the General Assembly to enact language requiring a renewal based on the updated data contained in the latest census, as enacted, the statute does not impose such a requirement, and the statute's text controls. The Court further notes that none of the applicable provisions and other relevant Revised Code sections regarding resort tax include any language indicating that a previously enacted resort-area tax automatically ceases in light of a new decennial census. Therefore, the Court stated that it finds no ambiguity in the statutory language at issue and thus, in apply the statute to the facts of the case, the Court concluded that the BTA correctly affirmed the Tax Commissioner's final determination denying Appellants application for refund.

Fiscal Year 2022

Data Appendix

The Tax Analysis Division is tasked with the creation of the tables and charts within the Annual Report. Much of the state tax data comes from either the state's financial accounting system to show revenue from the various taxes (Ohio Administrative Knowledge System, or OAKS) or from the Department of Taxation's State Taxation Accounting and Revenue System (STARS) and other departmental databases to obtain tax return specific information. Local taxes that are administered by the state (such as the School District Income Tax, Resort Area Tax and the Municipal Income Tax for Electric Light and Local Exchange Telephone Companies) are also compiled from departmental and state records. Taxes that are purely locally administered and collected are compiled from surveys and reports filed by the local entities with the department.

Some of these tables and charts are produced only for the Annual Report. Others are produced as part of the Tax Analysis Division's Tax Data Series of statistical reports. These can be found at http://www.tax.ohio.gov/Researcher/other_tax_statistics.aspx with some going back several years. We encourage you to review the data we provide for your personal and professional curiosity.

Alcoholic Beverage Taxes

Table 1					
Alcoholic Beverage Taxes: Fiscal Year 2022, Liability and Credits					
(dollars in millions)					
Type of Beverage	Gross Tax Liability		Credits and Discounts		Net Tax Liability
Beer and Malt Beverages	\$	42.2	\$	1.0	\$ 41.2
Wine, Cider, & Mixed Beverages	\$	21.8	\$	0.7	\$ 21.1
Total	\$	64.0	\$	1.7	\$ 62.3

Source: Ohio Department of Taxation

Table 2					
Alcoholic Beverage Taxes: Fiscal Years 2020-2022					
Gross Liability by Product (dollars in millions)					
Type of Beverage	Fiscal Year				
	2020	2021	2022		
Beer	\$	42.4	\$	43.7	\$ 42.2
Wine 14% or less Alcohol	\$	6.3	\$	6.5	\$ 5.9
Wine > 14-21% Alcohol	\$	1.9	\$	2.4	\$ 2.3
Mixed Beverages	\$	5.8	\$	7.9	\$ 10.9
Vermouth	\$	0.1	\$	0.1	\$ 0.1
Sparkling Wine	\$	1.6	\$	2.0	\$ 2.2
Cider	\$	0.4	\$	0.5	\$ 0.4
Total	\$	58.5	\$	62.9	\$ 64.0

Source: Ohio Department of Taxation

Fiscal Year 2022

Cigarette and Other Tobacco Products Tax

Table 3						
Cigarette Tax Receipts, Fiscal Years 2018-2022						
(dollars in millions)						
Fiscal Year	Gross Stamp Tax		Discount	Net Tax Collected		
2018	\$	887.4	\$	16.0	\$	871.5
2019	\$	855.4	\$	15.4	\$	840.0
2020	\$	846.7	\$	15.2	\$	831.5
2021	\$	845.7	\$	15.2	\$	830.5
2022	\$	784.6	\$	14.1	\$	770.5

Source: Ohio Department of Taxation

Table 4						
Other Tobacco Products Tax Receipts: Fiscal Years 2018-2022						
(dollars in millions)						
Fiscal Year	Gross Tax		Discount	Net Tax Collected		
2018	\$	76.3	\$	1.9	\$	74.4
2019	\$	99.8	\$	2.5	\$	97.3
2020	\$	87.0	\$	2.0	\$	84.9
2021	\$	103.5	\$	2.5	\$	101.0
2022	\$	114.8	\$	2.6	\$	112.2

Source: Ohio Department of Taxation

Table 5								
Other Tobacco Products Tax, by Product: Fiscal Years 2020-2022								
(dollars in millions)								
Fiscal Year	Gross Tax Liability	Total Discount	Net Tax	Gross Tax By Product				
				Other Tobacco Products	Little Cigars	Premium Cigars	Vapor¹	
2020	\$ 87.0	\$ 2.0	\$ 84.9	\$ 72.1	\$ 9.2	\$ 1.9	\$ 3.7	
2021	\$ 103.5	\$ 2.5	\$ 101.0	\$ 81.2	\$ 9.7	\$ 3.2	\$ 9.4	
2022	\$ 114.8	\$ 2.6	\$ 112.2	\$ 79.6	\$ 9.9	\$ 5.0	\$ 20.3	

¹ Vapor Tax collections began with the September 2019 obligation period (collections in October 2019).
Source: Office of Budget and Management and the Ohio Department of Taxation

Commercial Activity Tax

Table 6
Commercial Activity Tax: Fiscal Year 2022: Number of Returns and Reported Financial Data, by Industrial Classification¹ (dollars in thousands)

Industrial Sector	NAICS Code Ranges	Number of Filers	Taxable Gross Receipts	Exclusion ^{2,3}	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax ⁴	Tax at 0.26% rate plus Minimum Tax, before all credits ³	Non-refundable Tax Credits ⁵	Refundable Tax Credits ⁵	Net Total Tax Due: 0.26% Tax and Minimum Tax, after all credits
Agriculture, Forestry, and Fishing	111100-115310	7,801	\$ 11,061,099	\$ 4,442,414	\$ 6,618,685	\$ 17,209	\$ 3,535	\$ 20,744	\$ 41	\$ -	\$ 20,723
Mining	211110-213110	787	\$ 17,309,067	\$ 412,371	\$ 16,896,696	\$ 43,501	\$ 604	\$ 44,105	\$ -	\$ 554	\$ 43,551
Utilities (excluding telecommunications)	221100-221500	242	\$ 17,809,231	\$ 173,055	\$ 17,636,175	\$ 45,854	\$ 322	\$ 46,176	\$ 0	\$ -	\$ 46,175
Construction	236110-238900	17,536	\$ 61,504,467	\$ 11,125,525	\$ 50,378,942	\$ 130,491	\$ 13,792	\$ 144,283	\$ 168	\$ 185	\$ 143,927
Manufacturing	311110-339900	17,060	\$ 247,976,328	\$ 12,431,894	\$ 235,544,434	\$ 612,111	\$ 18,971	\$ 631,082	\$ 49,734	\$ 42,454	\$ 538,876
Wholesale Trade	423100-425120	19,201	\$ 121,136,724	\$ 6,709,386	\$ 114,427,338	\$ 297,509	\$ 10,701	\$ 308,210	\$ 1,535	\$ 4,028	\$ 302,648
Retail Trade	441110-454390	19,253	\$ 199,656,749	\$ 12,877,756	\$ 186,778,994	\$ 485,625	\$ 15,232	\$ 500,857	\$ 752	\$ 24,342	\$ 475,762
Transportation and Warehousing	481000-493100	5,263	\$ 30,929,404	\$ 3,310,779	\$ 27,618,625	\$ 71,755	\$ 4,343	\$ 76,098	\$ 73	\$ 566	\$ 75,452
Information (including telecommunications)	511110-519100	1,959	\$ 44,574,858	\$ 1,223,381	\$ 43,351,476	\$ 112,674	\$ 1,780	\$ 114,455	\$ 2,241	\$ 8,232	\$ 103,983
Finance and Insurance	522110-525990	5,736	\$ 20,327,591	\$ 3,030,106	\$ 17,297,486	\$ 44,990	\$ 3,277	\$ 48,267	\$ 365	\$ 3,679	\$ 44,223
Real Estate, and Rental & Leasing of Property	531110-533110	16,514	\$ 30,920,873	\$ 8,750,496	\$ 22,170,377	\$ 57,650	\$ 8,366	\$ 66,017	\$ 42	\$ 897	\$ 65,078
Professional, Scientific and Technical Services	541110-541990	16,639	\$ 53,416,612	\$ 9,313,600	\$ 44,103,012	\$ 114,889	\$ 10,780	\$ 125,669	\$ 2,942	\$ 7,468	\$ 115,229
Management of Companies (Holding Companies)	551111-551112	918	\$ 55,057,349	\$ 710,043	\$ 54,347,306	\$ 141,316	\$ 1,499	\$ 142,815	\$ 3,460	\$ 9,203	\$ 130,225
Administrative & Support Services, and Waste Management & Remediation Services	561110-562000	4,680	\$ 17,717,250	\$ 2,798,824	\$ 14,918,425	\$ 38,787	\$ 3,338	\$ 42,125	\$ 218	\$ 647	\$ 41,259
Education, Health Care and Social Assistance	611000-624410	11,334	\$ 33,475,958	\$ 7,362,868	\$ 26,113,090	\$ 67,891	\$ 8,202	\$ 76,092	\$ 236	\$ 2,258	\$ 73,603
Arts, Entertainment, and Recreation	711100-713900	2,098	\$ 5,938,150	\$ 1,172,118	\$ 4,766,032	\$ 12,392	\$ 1,095	\$ 13,487	\$ -	\$ 854	\$ 12,633
Accommodation and Food Services	721110-722515	11,665	\$ 28,215,971	\$ 7,660,385	\$ 20,555,586	\$ 53,456	\$ 7,075	\$ 60,531	\$ 22	\$ 1,758	\$ 58,752
Other Services	811110-813000	9,574	\$ 11,792,124	\$ 5,110,395	\$ 6,681,730	\$ 17,372	\$ 4,276	\$ 21,647	\$ 33	\$ 3	\$ 21,612
Unclassified	n/a	5,670	\$ 8,176,251	\$ 2,964,974	\$ 5,211,277	\$ 13,550	\$ 2,954	\$ 16,504	\$ 33	\$ 3,357	\$ 13,108
TOTAL		163,730	\$ 1,016,796,057	\$ 101,580,371	\$ 915,215,687	\$ 2,379,023	\$ 120,139	\$ 2,499,162	\$ 61,894	\$ 110,484	\$ 2,326,819

¹ The total tax liability shown in this table does not match actual commercial activity tax revenues in Fiscal Year 2022. The table reflects reported tax liability, not actual payments made. The table reflects information from quarterly returns for the quarterly obligation periods July 1, 2021 to June 30, 2022, encompassing Fiscal Year 2021. The quarterly CAT returns for these time periods are due in November 2021, February 2022, May 2022, and August 2022, respectively. Also included in this table are annual returns based on calendar year 2021, due in May 2022. The table includes tax returns received by the Department of Taxation on or after July 1, 2021 to on or before September 30, 2022, any original or amended returns filed after September 30, 2022 are not reflected in this table.

² For each filer, the entire annual exclusion of \$1,000,000 may be taken on the first quarter return, up to the amount of total gross receipts. Any unused exclusion is carried forward to subsequent quarters.

³ Two fields, "Exclusion", and "Tax at 0.26% rate plus Minimum Tax, before all credits", do not exist as lines on CAT returns. Each of these fields was, therefore, calculated. The "Exclusion" field was calculated by subtracting "Net Taxable Gross Receipts" from "Taxable Gross Receipts" for each filer. The "Tax at 0.26% rate plus Minimum Tax, before all credits" field was calculated by summing "Tax at 0.26% Rate", and "Annual Minimum Tax" for each filer.

⁴ The annual minimum tax is \$150 for filers with more than \$150,000 but less than or equal to \$1 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$300 for filers with more than \$1 million but less than or equal to \$2 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$2,100 for filers with more than \$2 million but less than or equal to \$4 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$2,600 for filers with more than \$4 million taxable gross receipts in the previous calendar year. All taxpayers (annual taxpayers and quarterly taxpayers alike) are required to pay the annual minimum tax. In general, persons with annual gross receipts of \$150,000 or less are not subject to the commercial activity tax.

⁵ Nonrefundable credits and refundable credits listed on this table were filed according to the time schedule described in Footnote 1, and were reviewed and verified by the Department of Taxation, Commercial Activities Tax Division, as of September 30, 2022. Any credits filed, reviewed, or verified after September 30, 2022 are not reflected in this table. Includes refunds due to overpayment.

Source: Ohio Department of Taxation

Commercial Activity Tax (continued)

Table 7
Commercial Activity Tax: Fiscal Year 2022, Number of Returns and Reported Financial Data, by Size of Taxable Gross Receipts¹ (dollars in thousands)

Size Range of Taxable Gross Receipts ²	Number of Filers	Taxable Gross Receipts	Exclusion ^{3,4}	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax ⁵	Tax at 0.26% rate plus Minimum Tax, before all credits ⁴		Non-refundable Tax Credits ⁶		Net Total Tax Due: 0.26% Tax and Minimum Tax, after all credits
							Rate	Amount	Amount	Amount	
Less than \$1,000,000	101,958	\$ 39,291,664	\$ 38,441,086	\$ 850,579	\$ 2,212	\$ 16,488	\$ 18,700	\$ 4	\$ 6,205	\$ 12,491	
\$1,000,000 - \$1,999,999	22,981	\$ 33,451,651	\$ 23,655,808	\$ 9,795,842	\$ 25,489	\$ 18,441	\$ 43,930	\$ 54	\$ 1,913	\$ 41,961	
\$2,000,000 - \$2,999,999	10,722	\$ 26,110,007	\$ 11,462,002	\$ 14,648,006	\$ 38,086	\$ 18,383	\$ 56,469	\$ 165	\$ 263	\$ 56,047	
\$3,000,000 - \$3,999,999	5,720	\$ 19,792,277	\$ 5,846,032	\$ 13,946,245	\$ 36,266	\$ 11,609	\$ 47,875	\$ 203	\$ 293	\$ 47,378	
\$4,000,000 - \$4,999,999	3,649	\$ 16,284,605	\$ 3,671,920	\$ 12,612,685	\$ 32,799	\$ 8,480	\$ 41,280	\$ 292	\$ 216	\$ 40,771	
\$5,000,000 - \$9,999,999	8,170	\$ 57,137,917	\$ 8,121,969	\$ 49,015,948	\$ 127,457	\$ 20,251	\$ 147,708	\$ 1,082	\$ 638	\$ 145,995	
\$10,000,000 - \$24,999,999	5,564	\$ 86,233,164	\$ 5,484,897	\$ 80,748,267	\$ 209,949	\$ 13,962	\$ 223,911	\$ 1,940	\$ 3,107	\$ 218,854	
\$25,000,000 - \$49,999,999	2,280	\$ 80,045,672	\$ 2,248,541	\$ 77,797,131	\$ 202,291	\$ 5,721	\$ 208,013	\$ 1,935	\$ 7,788	\$ 198,257	
\$50,000,000 - \$99,999,999	1,330	\$ 92,048,568	\$ 1,306,117	\$ 90,742,451	\$ 235,913	\$ 3,355	\$ 239,268	\$ 3,204	\$ 7,782	\$ 228,348	
\$100,000,000 - \$499,999,999	1,131	\$ 232,772,111	\$ 1,117,000	\$ 231,655,111	\$ 602,459	\$ 2,869	\$ 605,328	\$ 11,316	\$ 28,616	\$ 565,396	
\$500,000,000 - \$999,999,999	136	\$ 93,806,161	\$ 136,000	\$ 93,670,161	\$ 242,795	\$ 349	\$ 243,144	\$ 4,356	\$ 6,990	\$ 231,798	
\$1 billion and above	89	\$ 239,822,260	\$ 89,000	\$ 239,733,260	\$ 623,306	\$ 231	\$ 623,538	\$ 37,344	\$ 46,672	\$ 539,522	
TOTAL	163,730	\$ 1,016,796,057	\$ 101,580,371	\$ 915,215,687	\$ 2,379,023	\$ 120,139	\$ 2,499,162	\$ 61,894	\$ 110,484	\$ 2,326,819	

¹ The total tax liability shown in this table does not match actual commercial activity tax revenues in Fiscal Year 2022. The table reflects reported tax liability, not actual payments made. The table reflects information from quarterly returns for the quarterly obligation periods July 1, 2021 to June 30, 2022, encompassing Fiscal Year 2022. The quarterly CAT returns for these time periods are due in November 2021, February 2022, May 2022, and August 2022, respectively. Also included in this table are annual returns based on calendar year 2021, due in May 2022. The table includes tax returns received by the Department of Taxation on or after July 1, 2021 to on or before September 30, 2022, any original or amended returns filed after September 30, 2022 are not reflected in this table.

² These categories reflect aggregate taxable gross receipts (before exclusion) as reported by taxpayers on returns that were filed according to the time schedule described in Footnote 1. For example, a taxpayer whose taxable gross receipts for the four quarterly obligation periods in Fiscal Year 2022 were \$5 million, \$6 million, \$4 million, and \$7 million, would have total Fiscal Year 2022 taxable gross receipts of \$22 million, and thereby would be included in the \$10 - \$25 million Size Range of Taxable Gross Receipts.

³ For each filer, the entire annual exclusion of \$1,000,000 may be taken on the first quarter return, up to the amount of total gross receipts. Any unused exclusion is carried forward to subsequent quarters.

⁴ Two fields "Exclusion", and "Tax at 0.26% rate plus Minimum Tax, before all credits", do not exist as lines on CAT returns. Each of these fields was, therefore, calculated. The "Exclusion" field was calculated by subtracting "Net Taxable Gross Receipts" from "Taxable Gross Receipts" for each filer. The "Tax at 0.26% rate plus Minimum Tax, before all credits", field was calculated by summing "Tax at 0.26% Rate", and "Annual Minimum Tax" for each filer.

⁵ The annual minimum tax is \$150 for filers with more than \$150,000 but less than or equal to \$1 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$800 for filers with more than \$1 million but less than or equal to \$2 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$2,100 for filers with more than \$2 million but less than or equal to \$4 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$2,600 for filers with more than \$4 million taxable gross receipts in the previous calendar year. All taxpayers (annual taxpayers and quarterly taxpayers alike) are required to pay the annual minimum tax. In general, persons with annual gross receipts of \$150,000 or less are not subject to the commercial activity tax.

⁶ Nonrefundable credits and refundable credits listed on this table were filed according to the time schedule described in Footnote 1, and were reviewed and verified by the Department of Taxation, Commercial Activities Tax Division, as of September 30, 2022. Any credits filed, reviewed, or verified after September 30, 2022 are not reflected in this table, includes refunds due to overpayment.

Source: Ohio Department of Taxation

Fiscal Year 2022

Financial Institution Tax

Table 8				
Financial Institutions Tax: Tax Years 2018-2021 Tax Return Summary (dollars in millions)¹				
	2018	2019	2020	2021
Number of filers	472	475	484	493
Total Equity Capital	\$ 2,163,218.4	\$ 2,224,132.9	\$ 2,334,238.3	\$ 2,477,634.6
REIT Deduction	<\$0.1	\$ -	N/A	N/A
Adjusted Total Equity Capital	\$ 2,163,218.4	\$ 2,224,132.9	\$ -	N/A
Total Consolidated Assets (TCA)	N/A	N/A	\$ 25,871,986.2	\$ 29,507,680.8
TCA at 14% Cap	N/A	N/A	\$ 3,622,078.1	\$ 4,131,075.3
Total Equity Capital Not Exceeding TCA 14% Cap	N/A	N/A	\$ 2,306,116.0	\$ 2,449,191.2
Total Ohio Gross Receipts	\$ 27,534.8	\$ 27,726.1	\$ 30,697.9	\$ 29,557.9
Total Gross Receipts Everywhere	\$ 1,207,089.0	\$ 1,425,668.2	\$ 1,451,268.1	\$ 1,362,159.2
Apportionment Factor	2.28%	1.94%	2.12%	2.17%
Total Ohio Equity Capital	\$ 51,662.5	\$ 48,250.1	\$ 52,272.5	\$ 54,333.6
Total Tax Liability	\$ 248.1	\$ 242.7	\$ 256.5	\$ 266.7
Total Nonrefundable Credits ²	\$ (15.9)	\$ (11.4)	\$ (10.7)	\$ (13.1)
Total Refundable Credits	\$ (20.2)	\$ (22.4)	\$ (18.0)	\$ (26.2)
Total Credit Carry Forward	\$ -	\$ (0.1)	<(\$0.1)	\$ (0.1)
TOTAL TAX LIABILITY After Credits	\$ 212.0	\$ 208.8	\$ 227.8	\$ 227.3

¹HB 166 (133rd General Assembly) altered the tax base beginning with Tax Year 2020. Therefore, some lines on the returns are not comparable across the years.

² Non-Refundable Credits reflect the amounts allowed.

Source: Ohio Department of Taxation

Table 9				
Financial Institutions Tax: Tax Year 2021 Tax Return Summary (dollars in millions)¹				
	Tier 1 Above \$1,300,000,000	Tier 2 \$200,000,001- \$1,300,000,000	Tier 3 Under \$200,000,000	Total
Number of Filers	10	29	454	493
Total Equity Capital	\$ 1,158,890.1	\$ 592,195.2	\$ 726,549.3	\$ 2,477,634.6
Total Consolidated Assets (TCA)	\$ 12,362,226.3	\$ 5,627,401.5	\$ 11,518,053.0	\$ 29,507,680.8
TCA at 14% Cap	\$ 1,730,711.7	\$ 787,836.2	\$ 1,612,527.4	\$ 4,131,075.3
Total Equity Capital Not Exceeding TCA 14% Cap	\$ 1,157,710.8	\$ 575,907.9	\$ 715,572.5	\$ 2,449,191.2
Total Ohio Gross Receipts	\$ 15,945.1	\$ 7,930.6	\$ 5,682.2	\$ 29,557.9
Total Gross Receipts Everywhere	\$ 649,376.9	\$ 346,115.5	\$ 366,666.8	\$ 1,362,159.2
Apportionment Factor	2.46%	2.29%	1.55%	2.17%
Total Ohio Equity Capital	\$ 29,498.1	\$ 14,167.5	\$ 10,667.9	\$ 54,333.6
Total Tax Liability	\$ 101.2	\$ 79.9	\$ 85.6	\$ 256.5
Total Nonrefundable Credits ²	\$ (12.5)	\$ (0.6)	\$ -	\$ (13.1)
Total Refundable Credits	\$ (20.6)	\$ (3.1)	\$ (2.5)	\$ (26.2)
Total Credit Carry Forward	\$ -	\$ -	\$ (0.1)	\$ (0.1)
TOTAL TAX LIABILITY After Credits	\$ 68.1	\$ 76.2	\$ 83.1	\$ 227.3

¹HB 166 (133rd General Assembly) altered the tax base beginning with Tax Year 2020. Therefore, some lines on the returns are not comparable across the years.

² Non-Refundable Credits reflect the amounts allowed

Source: Ohio Department of Taxation

Fiscal Year 2022

Gross Casino Revenue Tax

Table 10

Gross Casino Revenue Tax: Fiscal Year 2022 Distribution to Local Governments and Schools by Home County

County	To Local Governments ¹	To Public School Districts ²	Total	County	To Local Governments ¹	To Public School Districts ²	Total
Adams	\$ 400,573	\$ 275,625	\$ 676,198	Logan	\$ 661,970	\$ 465,544	\$ 1,127,513
Allen	\$ 1,482,538	\$ 1,021,868	\$ 2,504,405	Lorain	\$ 4,553,913	\$ 2,863,014	\$ 7,416,927
Ashland	\$ 772,578	\$ 460,726	\$ 1,233,304	Lucas	\$ 10,168,211	\$ 3,835,668	\$ 14,003,878
Ashtabula	\$ 1,407,074	\$ 902,448	\$ 2,309,522	Madison	\$ 647,643	\$ 437,735	\$ 1,085,378
Athens	\$ 940,346	\$ 422,302	\$ 1,362,648	Mahoning	\$ 3,291,509	\$ 1,893,820	\$ 5,185,328
Auglaize	\$ 666,229	\$ 492,519	\$ 1,158,748	Marion	\$ 944,722	\$ 635,672	\$ 1,580,394
Belmont	\$ 958,910	\$ 586,707	\$ 1,545,617	Medina	\$ 2,639,819	\$ 1,798,031	\$ 4,437,850
Brown	\$ 632,497	\$ 505,699	\$ 1,138,196	Meigs	\$ 327,671	\$ 208,914	\$ 536,585
Butler	\$ 5,627,052	\$ 4,386,058	\$ 10,013,111	Mercer	\$ 604,190	\$ 459,682	\$ 1,063,872
Carroll	\$ 390,570	\$ 231,622	\$ 622,192	Miami	\$ 1,570,469	\$ 1,194,245	\$ 2,764,715
Champaign	\$ 565,870	\$ 427,124	\$ 992,995	Monroe	\$ 196,732	\$ 112,992	\$ 309,724
Clark	\$ 1,950,898	\$ 1,339,837	\$ 3,290,735	Montgomery	\$ 7,749,295	\$ 4,711,242	\$ 12,460,537
Clermont	\$ 3,025,938	\$ 2,093,267	\$ 5,119,205	Morgan	\$ 205,878	\$ 122,069	\$ 327,947
Clinton	\$ 610,184	\$ 449,411	\$ 1,059,594	Morrow	\$ 514,241	\$ 330,207	\$ 844,449
Columbiana	\$ 1,471,800	\$ 922,736	\$ 2,394,536	Muskingum	\$ 1,252,851	\$ 880,603	\$ 2,133,454
Coshocton	\$ 530,883	\$ 332,794	\$ 863,678	Noble	\$ 208,299	\$ 113,600	\$ 321,899
Crawford	\$ 602,898	\$ 459,702	\$ 1,062,600	Ottawa	\$ 585,084	\$ 368,482	\$ 953,566
Cuyahoga	\$ 22,309,276	\$ 9,724,037	\$ 32,033,313	Paulding	\$ 272,100	\$ 203,634	\$ 475,734
Darke	\$ 746,361	\$ 552,275	\$ 1,298,637	Perry	\$ 524,161	\$ 372,027	\$ 896,188
Defiance	\$ 550,926	\$ 411,646	\$ 962,572	Pickaway	\$ 855,807	\$ 644,876	\$ 1,500,683
Delaware	\$ 3,132,689	\$ 2,561,406	\$ 5,694,095	Pike	\$ 400,743	\$ 327,212	\$ 727,954
Erie	\$ 1,076,567	\$ 654,935	\$ 1,731,501	Portage	\$ 2,364,609	\$ 1,280,517	\$ 3,645,126
Fairfield	\$ 2,328,385	\$ 1,707,361	\$ 4,035,746	Preble	\$ 594,212	\$ 443,336	\$ 1,037,548
Fayette	\$ 416,955	\$ 352,802	\$ 769,756	Putnam	\$ 491,998	\$ 379,625	\$ 871,624
Franklin	\$ 23,620,265	\$ 12,222,382	\$ 35,842,646	Richland	\$ 1,774,235	\$ 1,145,484	\$ 2,919,719
Fulton	\$ 611,435	\$ 459,123	\$ 1,070,558	Ross	\$ 1,113,484	\$ 796,223	\$ 1,909,707
Gallia	\$ 431,260	\$ 313,355	\$ 744,615	Sandusky	\$ 850,224	\$ 592,990	\$ 1,443,214
Geauga	\$ 1,365,188	\$ 680,196	\$ 2,045,384	Scioto	\$ 1,078,039	\$ 787,112	\$ 1,865,151
Greene	\$ 2,468,870	\$ 1,530,923	\$ 3,999,793	Seneca	\$ 799,148	\$ 556,176	\$ 1,355,324
Guernsey	\$ 562,407	\$ 367,864	\$ 930,271	Shelby	\$ 701,936	\$ 598,543	\$ 1,300,479
Hamilton	\$ 15,975,734	\$ 7,383,008	\$ 23,358,742	Stark	\$ 5,394,199	\$ 3,433,415	\$ 8,827,614
Hancock	\$ 1,094,358	\$ 696,953	\$ 1,791,311	Summit	\$ 7,835,237	\$ 4,510,149	\$ 12,345,387
Hardin	\$ 454,780	\$ 327,632	\$ 782,412	Trumbull	\$ 2,879,423	\$ 1,707,286	\$ 4,586,709
Harrison	\$ 216,502	\$ 137,657	\$ 354,159	Tuscarawas	\$ 1,337,799	\$ 901,417	\$ 2,239,216
Henry	\$ 393,689	\$ 291,032	\$ 684,720	Union	\$ 890,991	\$ 764,722	\$ 1,655,713
Highland	\$ 630,186	\$ 432,290	\$ 1,062,475	Van Wert	\$ 411,728	\$ 297,123	\$ 708,851
Hocking	\$ 408,746	\$ 279,012	\$ 687,758	Vinton	\$ 187,731	\$ 131,109	\$ 318,841
Holmes	\$ 641,149	\$ 247,406	\$ 888,555	Warren	\$ 3,497,765	\$ 2,703,554	\$ 6,201,319
Huron	\$ 844,898	\$ 581,144	\$ 1,426,042	Washington	\$ 867,022	\$ 534,818	\$ 1,401,840
Jackson	\$ 472,787	\$ 364,679	\$ 837,467	Wayne	\$ 1,686,818	\$ 959,604	\$ 2,646,422
Jefferson	\$ 944,223	\$ 542,181	\$ 1,486,404	Williams	\$ 532,506	\$ 360,313	\$ 892,820
Knox	\$ 909,860	\$ 561,810	\$ 1,471,670	Wood	\$ 1,912,372	\$ 1,256,060	\$ 3,168,432
Lake	\$ 3,348,687	\$ 1,855,732	\$ 5,204,419	Wyandot	\$ 315,851	\$ 224,488	\$ 540,339
Lawrence	\$ 853,771	\$ 673,456	\$ 1,527,227				
Licking	\$ 2,599,343	\$ 1,819,200	\$ 4,418,544	Total	\$ 187,138,768	\$ 109,385,275	\$ 296,524,043

¹ Local governments include counties, the most populous city located in a counties with over 80,000 population (Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo and Youngstown), and casino host cities (Cincinnati, Cleveland, Columbus, and Toledo).

² Public school district means any school, local, exempted village, or joint vocational school district, community school established under R.C. 3314, STEM school established under R.C. 3326, or college-preparatory boarding schools established under R.C. 3328.

Source: Ohio Department of Taxation Records

Fiscal Year 2022

Horse Racing Tax**Table 11****Horse Racing Tax: Fiscal Year 2022 Amounts Wagered and Tax Levied, by Wager and Event Type**

Type of Wager	Thoroughbred Meets	Commercial Harness Racing Meets	County Agricultural Societies	Quarter Horse Meets	Off-Track Parlors
Straight Wagering	\$ 15,034,166	\$ 22,732,357	\$ 771,834	\$ 11,950	\$ 607,310
Exotic Wagering	\$ 27,799,938	\$ 53,956,259	\$ 908,799	\$ 7,360	\$ 1,611,256
Total Pari-Mutual Wagering	\$ 42,834,104	\$ 76,688,615	\$ 1,680,633	\$ 19,310	\$ 2,218,566
Major Capital Improvement Abatement ¹	\$ 113,475	\$ 302,412	\$ -	\$ 124	\$ -
Minor Capital Improvement Abatement ²	\$ -	\$ 48,052	\$ -	\$ -	\$ -
Net Tax Levied	\$ 1,293,587	\$ 2,322,088	\$ 59,420	\$ 327	\$ 50,394

¹ ORC 3769.20² ORC 3769.08 (J)(1)

Source: Ohio Department of Taxation.

Individual Income Tax (continued)

Income Level	Number of Returns		Federal Adjusted Gross Income		Ohio Taxable Income		Joint Filer Credit		Ohio Income Tax Liability	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
\$5,000 & under	398,129	429,676	\$ (14,681,285,252)	\$ (18,913,735,301)	\$ 1,000,017,660	\$ 711,391,676	\$ 47,520	\$ 53,509	\$ 9,159,220	\$ 6,683,880
\$5,001-\$10,000	368,933	344,619	\$ 2,759,767,143	\$ 2,595,360,371	\$ 1,800,376,062	\$ 1,619,784,182	\$ 5,144	\$ 3,181	\$ 307,238	\$ 212,798
\$10,001-\$15,000	377,648	352,966	\$ 4,718,736,746	\$ 4,403,368,167	\$ 3,172,716,345	\$ 2,999,896,335	\$ 3,147	\$ 2,877	\$ 261,743	\$ 239,228
\$15,001-\$20,000	354,509	339,557	\$ 6,194,543,386	\$ 5,955,005,743	\$ 4,449,513,074	\$ 4,326,906,364	\$ 4,563	\$ 5,471	\$ 448,763	\$ 273,844
\$20,001-\$40,000	1,316,924	1,325,260	\$ 39,096,274,628	\$ 39,379,096,622	\$ 30,908,458,051	\$ 31,089,034,193	\$ 1,773,261	\$ 1,595,552	\$ 310,683,482	\$ 300,907,551
\$40,001-\$80,000	1,523,682	1,550,162	\$ 87,141,435,082	\$ 88,624,106,726	\$ 72,100,856,868	\$ 73,449,199,925	\$ 36,418,756	\$ 34,021,911	\$ 1,480,677,948	\$ 1,503,050,383
\$80,001-\$100,000	420,295	415,619	\$ 37,603,716,158	\$ 37,186,004,801	\$ 31,433,440,270	\$ 31,115,202,346	\$ 23,252,356	\$ 21,952,402	\$ 757,549,675	\$ 750,474,325
\$100,001-\$200,000	754,628	768,333	\$ 101,007,801,232	\$ 102,915,013,558	\$ 85,160,661,441	\$ 87,045,477,244	\$ 87,112,688	\$ 86,372,883	\$ 2,375,794,874	\$ 2,439,214,383
\$200,001 & above	280,840	282,220	\$ 241,657,711,138	\$ 264,226,913,357	\$ 221,784,646,122	\$ 244,365,087,417	\$ 74,738,041	\$ 75,152,960	\$ 3,356,966,782	\$ 3,695,979,033
Total	5,795,588	5,808,412	\$ 505,498,700,261	\$ 526,371,134,044	\$ 451,810,685,893	\$ 476,721,979,682	\$ 223,355,476	\$ 219,160,746	\$ 8,291,849,725	\$ 8,697,035,425

Source: Ohio Department of Taxation

Fiscal Year 2022

Individual Income Tax (continued)**Table 14****Individual Income Tax: Comparison of Taxable Year 2019 and 2020, IT-1040 Returns with Tax Liability**

Income Level	Number of Returns		Ohio Income Tax Liability	
	2019	2020	2019	2020
\$5,000 & under	584	624	\$ 9,159,220	\$ 6,683,880
\$5,001-\$10,000	156	135	\$ 307,238	\$ 212,798
\$10,001-\$15,000	229	228	\$ 261,743	\$ 239,228
\$15,001-\$20,000	303	352	\$ 448,763	\$ 273,844
\$20,001-\$40,000	687,100	660,443	\$ 310,683,482	\$ 300,907,551
\$40,001-\$80,000	1,407,912	1,427,645	\$ 1,480,677,948	\$ 1,503,050,383
\$80,001-\$100,000	397,208	392,193	\$ 757,549,675	\$ 750,474,325
\$100,001-\$200,000	707,917	721,011	\$ 2,375,794,874	\$ 2,439,214,383
\$200,001 & above	244,268	246,503	\$ 3,356,966,782	\$ 3,695,979,033
Total	3,445,677	3,449,134	\$ 8,291,849,725	\$ 8,697,035,425

Source: Ohio Department of Taxation

Table 15**Individual Income Tax: Taxable Year 2020 IT-1040 Returns for All Filing Categories, by Income Level**

Income Level	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Business Income	Ohio Taxable Nonbusiness Income	Joint Filer Credit	Ohio Income Tax	Effective Tax Rate ¹
\$5,000 & under	429,676	\$ (18,913,735,301)	*	\$ 711,391,676	\$ 53,509	\$ 6,683,880	-0.04%
\$5,001-\$10,000	344,619	\$ 2,595,360,371	*	\$ 1,619,784,182	\$ 3,181	\$ 212,798	0.01%
\$10,001-\$15,000	352,966	\$ 4,403,368,167	*	\$ 2,999,896,335	\$ 2,877	\$ 239,228	0.01%
\$15,001-\$20,000	339,557	\$ 5,955,005,743	*	\$ 4,326,906,364	\$ 5,471	\$ 273,844	0.00%
\$20,001-\$40,000	1,325,260	\$ 39,379,096,622	*	\$ 31,089,034,193	\$ 1,595,552	\$ 300,907,551	0.76%
\$40,001-\$80,000	1,550,162	\$ 88,624,106,726	*	\$ 73,449,199,925	\$ 34,021,911	\$ 1,503,050,383	1.70%
\$80,001-\$100,000	415,619	\$ 37,186,004,801	*	\$ 31,115,202,346	\$ 21,952,402	\$ 750,474,325	2.02%
\$100,001-\$200,000	768,333	\$ 102,915,013,558	\$ 13,434,954	\$ 87,032,042,290	\$ 86,372,883	\$ 2,439,214,383	2.37%
\$200,001 & above	282,220	\$ 264,226,913,357	\$ 72,336,957,324	\$ 172,028,130,093	\$ 75,152,960	\$ 3,695,979,033	1.40%
Total	5,808,412	\$ 526,371,134,044	\$ 72,350,392,278	\$ 404,371,587,404	\$ 219,160,746	\$ 8,697,035,425	1.65%

¹ Ohio income tax divided by federal adjusted gross income. Resident and non-resident tax credits have been subtracted in calculating income tax liability, but federal adjusted gross income includes all resident and non-resident income.

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Fiscal Year 2022

Individual Income Tax (continued)**Table 16****Individual Income Tax: Taxable Year 2020 IT-1040 Returns Claiming Married Filing Joint Status, by Income Level**

Income Level	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Business Income	Ohio Taxable Nonbusiness Income	Ohio Income Tax Liability	Effective Tax Rate ¹
\$5,000 & under	42,393	\$ (15,085,244,691)	*	\$ 237,256,479	\$ 5,445,934	-0.04%
\$5,001-\$10,000	25,706	\$ 196,383,443	*	\$ 36,751,196	\$ 150,032	0.08%
\$10,001-\$15,000	34,523	\$ 434,802,999	*	\$ 160,984,711	\$ 113,593	0.03%
\$15,001-\$20,000	39,449	\$ 692,112,881	*	\$ 336,257,516	\$ 102,542	0.01%
\$20,001-\$40,000	202,625	\$ 6,154,501,377	*	\$ 3,662,317,713	\$ 15,130,295	0.25%
\$40,001-\$80,000	495,132	\$ 30,044,341,135	*	\$ 21,908,465,392	\$ 396,823,228	1.32%
\$80,001-\$100,000	258,449	\$ 23,240,247,815	*	\$ 18,684,260,304	\$ 437,696,400	1.88%
\$100,001-\$200,000	598,263	\$ 80,808,217,467	*	\$ 67,716,996,872	\$ 1,887,314,078	2.34%
\$200,001 & above	239,937	\$ 212,007,655,335	\$ 56,802,160,881	\$ 137,987,122,068	\$ 3,118,616,705	1.47%
Total	1,936,477	\$ 338,493,017,761	\$ 56,802,160,881	\$ 250,730,412,251	\$ 5,861,392,807	1.73%

¹ Ohio income tax divided by federal adjusted gross income. Resident and non-resident tax credits have been subtracted in calculating income tax liability, but federal adjusted gross income includes all resident and non-resident income.

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Table 17**Individual Income Tax: Taxable Year 2020 IT-1040 Returns Claiming Single Filing Status, by Income Level**

Income Level	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Business Income	Ohio Taxable Nonbusiness Income	Ohio Income Tax Liability	Effective Tax Rate ¹
\$5,000 & under	379,561	\$ (2,555,964,418)	*	\$ 460,212,640	\$ 1,122,279	-0.04%
\$5,001-\$10,000	313,061	\$ 2,354,145,140	*	\$ 1,562,593,249	\$ 50,201	0.00%
\$10,001-\$15,000	310,792	\$ 3,872,207,848	*	\$ 2,780,714,455	\$ 120,242	0.00%
\$15,001-\$20,000	289,382	\$ 5,073,077,879	*	\$ 3,852,573,369	\$ 157,989	0.00%
\$20,001-\$40,000	1,035,447	\$ 30,506,177,735	*	\$ 25,179,584,723	\$ 254,851,095	0.84%
\$40,001-\$80,000	878,533	\$ 48,533,576,204	*	\$ 42,537,396,019	\$ 905,346,648	1.87%
\$80,001-\$100,000	123,526	\$ 10,954,327,205	*	\$ 9,656,970,718	\$ 239,737,968	2.19%
\$100,001-\$200,000	127,016	\$ 16,521,737,056	*	\$ 14,167,825,819	\$ 395,691,041	2.39%
\$200,001 & above	36,243	\$ 39,558,344,685	\$ 11,828,922,094	\$ 25,256,842,192	\$ 491,263,103	1.24%
Total	3,493,561	\$ 154,817,629,334	\$ 11,828,922,094	\$ 125,454,713,184	\$ 2,288,340,566	1.48%

¹ Ohio income tax divided by federal adjusted gross income. Resident and non-resident tax credits have been subtracted in calculating income tax liability, but federal adjusted gross income includes all resident and non-resident income.

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Fiscal Year 2022

Individual Income Tax (continued)**Table 18****Individual Income Tax: Taxable Year 2020 IT-1040 Returns Claiming Married Filing Separate Status, by Income Level**

Income Level	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Business Income	Ohio Taxable Nonbusiness Income	Ohio Income Tax Liability	Effective Tax Rate ¹
\$5,000 & under	7,722	\$ (1,272,526,192)	*	\$ 13,922,557	\$ 115,667	-0.01%
\$5,001-\$10,000	5,852	\$ 44,831,788	*	\$ 20,439,737	\$ 12,565	0.03%
\$10,001-\$15,000	7,651	\$ 96,357,320	*	\$ 58,197,169	\$ 5,393	0.01%
\$15,001-\$20,000	10,726	\$ 189,814,983	*	\$ 138,075,479	\$ 13,313	0.01%
\$20,001-\$40,000	87,188	\$ 2,718,417,510	*	\$ 2,247,131,757	\$ 30,926,161	1.14%
\$40,001-\$80,000	176,497	\$ 10,046,189,387	*	\$ 9,003,338,514	\$ 200,880,507	2.00%
\$80,001-\$100,000	33,644	\$ 2,991,429,781	*	\$ 2,773,971,324	\$ 73,039,957	2.44%
\$100,001-\$200,000	43,054	\$ 5,585,059,035	\$ 13,434,954	\$ 5,147,219,599	\$ 156,209,264	2.80%
\$200,001 & above	6,040	\$ 12,660,913,337	\$ 3,705,874,349	\$ 8,784,165,833	\$ 86,099,225	0.68%
Total	378,374	\$ 33,060,486,949	\$ 3,719,309,303	\$ 28,186,461,969	\$ 547,302,052	1.66%

¹ Ohio income tax divided by federal adjusted gross income. Resident and non-resident tax credits have been subtracted in calculating income tax liability, but federal adjusted gross income includes all resident and non-resident income.

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Table 19**Individual Income Tax: Taxable Year 2020 IT-1040 Returns, by Ohio Income Tax Base Level¹**

Income Level	Number of Returns	\$20 Exemption Credit	Joint Filer Credit	Ohio Income Tax Liability
\$5,000 & under	827,171	\$ 20,787,000	\$ 206	\$ 18,076
\$5,001-\$10,000	407,940	\$ 9,447,260	\$ 856	\$ 60,870
\$10,001-\$15,000	385,060	\$ 10,479,500	\$ 1,256	\$ 86,588
\$15,001-\$20,000	383,907	\$ 11,289,040	\$ 1,805	\$ 124,676
\$20,001-\$40,000	1,292,913	\$ 21,498,300	\$ 7,258,059	\$ 471,615,794
\$40,001-\$80,000	1,363,970	*	\$ 42,911,437	\$ 1,692,280,899
\$80,001-\$100,000	343,645	*	\$ 21,008,687	\$ 776,751,953
\$100,001-\$200,000	585,982	*	\$ 80,281,441	\$ 2,265,706,236
\$200,001 & above	217,824	*	\$ 67,696,999	\$ 3,490,390,333
Total	5,808,412	\$ 73,501,100	\$ 219,160,746	\$ 8,697,035,425

¹Ohio Income Tax Base = Ohio Adjusted Gross Income less personal and dependent exemptions

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Fiscal Year 2022

Individual Income Tax (continued)**Table 20****Individual Income Tax: Taxable Year 2020 IT-1040 Returns Claiming the Joint Filer Credit, by Income Level**

Income Level	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Business Income	Ohio Taxable Nonbusiness Income	Ohio Income Tax Liability	Effective Tax Rate ¹
Under \$5,000	136	\$ (43,774,884)	*	\$ 72,340,600	\$ 2,071,338	-4.73%
\$5,001-\$10,000	18	\$ 139,829	*	\$ 1,698,827	\$ 46,372	33.16%
\$10,001-\$15,000	26	\$ 333,617	*	\$ 1,437,154	\$ 25,289	7.58%
\$15,001-\$20,000	41	\$ 730,165	*	\$ 3,758,806	\$ 22,675	3.11%
\$20,001-\$40,000	28,521	\$ 1,010,235,242	*	\$ 786,990,745	\$ 5,543,983	0.55%
\$40,001-\$80,000	274,207	\$ 17,136,373,383	*	\$ 13,802,832,762	\$ 250,402,266	1.46%
\$80,001-\$100,000	184,888	\$ 16,657,808,166	*	\$ 14,286,220,059	\$ 335,314,996	2.01%
\$100,001-\$200,000	457,232	\$ 61,676,193,289	*	\$ 55,071,251,170	\$ 1,543,106,423	2.50%
\$200,000 & above	155,597	\$ 108,841,747,763	\$ 29,440,457,491	\$ 70,448,667,811	\$ 1,892,680,796	1.74%
Total	1,100,666	\$ 205,279,786,570	\$ 29,440,457,491	\$ 154,475,197,934	\$ 4,029,214,138	1.96%

¹ Ohio income tax divided by federal adjusted gross income. Resident and non-resident tax credits have been subtracted in calculating income tax liability, but federal adjusted gross income includes all resident and non-resident income.

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Table 21**Individual Income Tax: Taxable Year 2020 IT-1040 Returns Claiming the Senior Citizen Credit, by Income Level**

Income Level	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Business Income	Ohio Taxable Nonbusiness Income	Senior Citizen Credit	Retirement Income Credit	Ohio Income Tax Liability
Under \$5,000	69,269	\$ (8,372,068,694)	*	\$ 15,023,947	\$ 3,463,280	\$ 2,208,252	\$ 56,264
\$5,001-\$10,000	55,122	\$ 420,427,616	*	\$ 161,719,123	\$ 2,755,958	\$ 4,974,791	\$ 17,760
\$10,001-\$15,000	69,764	\$ 875,968,876	*	\$ 488,385,426	\$ 3,488,122	\$ 8,847,950	\$ 18,720
\$15,001-\$20,000	64,298	\$ 1,121,878,257	*	\$ 688,604,496	\$ 3,214,765	\$ 8,610,012	\$ 28,382
\$20,001-\$40,000	214,118	\$ 6,320,350,258	*	\$ 3,962,335,219	\$ 10,705,250	\$ 30,224,628	\$ 15,109,917
\$40,001-\$80,000	306,185	\$ 17,843,916,862	*	\$ 11,611,943,475	\$ 15,308,526	\$ 44,735,828	\$ 175,680,273
\$80,001-\$100,000	94,217	\$ 8,428,575,351	*	\$ 5,665,534,537	\$ 4,710,405	\$ 13,880,412	\$ 115,200,855
\$100,001-\$200,000	78,889	\$ 9,182,317,081	*	\$ 5,610,029,444	\$ 3,944,358	\$ 11,919,342	\$ 122,537,382
\$200,000 & above	475	\$ 136,231,628	*	\$ 20,876,613	\$ 23,750	\$ 63,345	\$ 387,673
Total	952,337	\$ 35,957,597,235	*	\$ 28,224,452,280	\$ 47,614,414	\$ 125,464,560	\$ 429,037,226

*Some data suppressed for confidentiality purposes. Counts and dollars for the suppressed items are included in the totals for the column.

Source: Ohio Department of Taxation

Fiscal Year 2022

Individual Income Tax (continued)

Table 22							
Individual Income Tax: Taxable Year 2020 IT-1040 Returns, by County							
County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax Liability	County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax Liability
Adams	11,163	\$ 549,042,303	\$ 9,403,409	Lucas	198,674	\$ 12,066,654,011	\$ 252,531,386
Allen	48,272	\$ 2,810,729,506	\$ 55,541,433	Madison	19,845	\$ 1,373,266,824	\$ 29,390,264
Ashland	24,712	\$ 1,401,846,634	\$ 27,260,504	Mahoning	108,187	\$ 6,275,574,244	\$ 123,075,284
Ashtabula	44,121	\$ 2,194,133,224	\$ 39,235,646	Marion	27,768	\$ 1,407,653,104	\$ 25,618,528
Athens	22,955	\$ 1,215,898,511	\$ 23,768,117	Medina	93,519	\$ 7,636,013,930	\$ 181,508,140
Auglaize	22,577	\$ 1,430,493,983	\$ 29,756,144	Meigs	9,166	\$ 437,094,614	\$ 7,601,719
Belmont	29,634	\$ 1,670,980,567	\$ 31,910,575	Mercer	21,130	\$ 1,335,178,408	\$ 25,669,622
Brown	19,050	\$ 978,581,246	\$ 17,815,565	Miami	52,057	\$ 3,543,942,812	\$ 73,579,274
Butler	179,027	\$ 12,614,997,897	\$ 286,107,498	Monroe	6,451	\$ 359,691,373	\$ 6,756,290
Carroll	12,419	\$ 662,966,317	\$ 11,724,569	Montgomery	252,649	\$ 15,208,223,682	\$ 313,187,291
Champaign	17,909	\$ 988,353,926	\$ 18,725,906	Morgan	5,775	\$ 262,004,340	\$ 4,534,366
Clark	62,375	\$ 3,386,264,017	\$ 63,732,290	Morrow	15,695	\$ 891,829,160	\$ 17,496,918
Clermont	99,279	\$ 7,251,596,482	\$ 164,415,460	Muskingum	39,776	\$ 2,094,998,866	\$ 40,385,304
Clinton	20,073	\$ 1,260,432,320	\$ 23,920,505	Noble	5,529	\$ 282,643,218	\$ 5,170,048
Columbian	46,347	\$ 2,362,390,105	\$ 43,045,907	Ottawa	21,292	\$ 1,414,244,532	\$ 28,211,740
Coshocton	16,090	\$ 776,635,500	\$ 13,286,010	Paulding	8,839	\$ 469,149,305	\$ 8,126,561
Crawford	20,380	\$ 957,737,930	\$ 16,007,924	Perry	15,308	\$ 792,043,630	\$ 14,837,996
Cuyahoga	600,841	\$ 43,160,250,358	\$ 1,005,275,528	Pickaway	25,585	\$ 1,588,849,233	\$ 32,924,241
Darke	24,542	\$ 1,343,222,182	\$ 24,692,300	Pike	11,946	\$ 587,204,807	\$ 10,596,160
Defiance	18,624	\$ 1,051,044,199	\$ 19,277,075	Portage	76,445	\$ 4,851,564,362	\$ 103,112,076
Delaware	102,528	\$ 12,307,576,752	\$ 337,317,675	Preble	18,303	\$ 972,719,487	\$ 17,829,894
Erie	37,705	\$ 2,248,132,362	\$ 44,634,809	Putnam	17,082	\$ 1,192,558,050	\$ 24,226,704
Fairfield	73,437	\$ 5,043,759,171	\$ 109,178,988	Richland	57,216	\$ 2,953,461,369	\$ 54,215,874
Fayette	13,247	\$ 665,576,898	\$ 11,876,566	Ross	33,391	\$ 1,777,271,868	\$ 33,873,858
Franklin	636,691	\$ 46,323,300,575	\$ 1,082,482,354	Sandusky	29,432	\$ 1,547,262,650	\$ 28,530,369
Fulton	21,105	\$ 1,259,211,639	\$ 23,793,894	Scioto	28,321	\$ 1,467,358,300	\$ 28,028,121
Gallia	11,992	\$ 632,799,727	\$ 12,109,035	Seneca	26,472	\$ 1,358,773,327	\$ 24,693,634
Geauga	46,399	\$ 4,776,520,917	\$ 119,450,970	Shelby	24,151	\$ 1,444,732,490	\$ 28,634,775
Greene	77,028	\$ 5,908,175,320	\$ 126,161,024	Stark	182,595	\$ 10,918,166,736	\$ 221,747,337
Guernsey	17,775	\$ 925,639,982	\$ 16,901,082	Summit	266,516	\$ 18,528,122,656	\$ 423,937,850
Hamilton	396,645	\$ 34,025,679,486	\$ 853,428,312	Trumbull	97,187	\$ 4,907,305,304	\$ 87,235,542
Hancock	36,758	\$ 2,738,425,829	\$ 64,809,769	Tuscarawas	43,925	\$ 2,493,566,505	\$ 46,833,728
Hardin	13,304	\$ 654,371,475	\$ 11,700,416	Union	27,364	\$ 2,363,379,825	\$ 58,559,735
Harrison	6,474	\$ 332,523,553	\$ 5,964,038	Van Wert	14,002	\$ 751,954,325	\$ 13,225,654
Henry	13,876	\$ 815,573,432	\$ 15,750,970	Vinton	4,704	\$ 221,274,715	\$ 3,937,069
Highland	18,485	\$ 873,240,819	\$ 15,028,513	Warren	114,420	\$ 11,461,466,951	\$ 298,685,142
Hocking	12,714	\$ 648,147,793	\$ 12,045,024	Washington	27,664	\$ 1,566,387,059	\$ 29,831,609
Holmes	17,827	\$ 1,129,159,149	\$ 18,637,668	Wayne	53,787	\$ 3,296,582,382	\$ 64,272,893
Huron	28,990	\$ 1,536,841,363	\$ 28,172,769	Williams	18,006	\$ 927,170,204	\$ 16,482,437
Jackson	13,813	\$ 665,264,503	\$ 12,282,996	Wood	62,630	\$ 4,451,256,435	\$ 99,131,055
Jefferson	29,270	\$ 1,526,052,886	\$ 27,864,765	Wyandot	10,936	\$ 621,556,328	\$ 11,522,409
Knox	27,631	\$ 1,670,045,995	\$ 33,451,809				
Lake	123,091	\$ 8,373,828,094	\$ 188,781,953	County total	5,575,473	\$ 379,516,878,700	\$ 8,404,001,715
Lawrence	24,893	\$ 1,292,051,144	\$ 24,190,472				
Licking	83,631	\$ 5,694,152,348	\$ 122,795,712	Other ¹	232,939	\$ 146,854,255,344	\$ 293,033,710
Logan	22,744	\$ 1,350,649,547	\$ 27,601,808				
Lorain	153,290	\$ 9,932,429,313	\$ 212,937,062	State total	5,808,412	\$ 526,371,134,044	\$ 8,697,035,425

¹Includes non-resident returns

Source: Ohio Department of Taxation

Fiscal Year 2022

Kilowatt-Hour Tax**Table 23****Kilowatt-Hour Tax: Fiscal Year 2022 Tax Liability, by Tier and Self-Assessors**

Distributions to End-Users			Self-Assessor Taxpayers	Total Tax Liability
Tier 1 : < 2,000 Kwh	Tier 2: 2,001-15,000 Kwh	Tier 3: > 15,001 Kwh		
\$ 252,165,638	\$ 65,996,896	\$ 160,446,670	\$ 60,499,881	\$ 539,109,085

Source: Ohio Department of Taxation

Fiscal Year 2022

Motor Vehicle Fuel Tax

County Name	Distributions			Total	County Name	Distributions			Total
	County	Townships	Municipalities			County	Townships	Municipalities	
Adams	\$ 3,739,694	\$ 2,083,058	\$ 455,750	\$ 6,278,502	Logan	\$ 3,739,694	\$ 2,364,564	\$ 1,353,161	\$ 7,457,420
Allen	\$ 3,739,694	\$ 1,936,567	\$ 2,654,239	\$ 8,330,501	Lorain	\$ 3,739,694	\$ 2,558,836	\$ 13,118,660	\$ 19,417,190
Ashland	\$ 3,739,694	\$ 2,083,058	\$ 1,432,645	\$ 7,255,397	Lucas	\$ 3,739,694	\$ 2,170,765	\$ 16,158,406	\$ 22,068,865
Ashtabula	\$ 3,739,694	\$ 3,767,044	\$ 2,556,626	\$ 10,063,365	Madison	\$ 3,739,694	\$ 1,944,188	\$ 1,101,340	\$ 6,785,222
Athens	\$ 3,739,694	\$ 1,963,420	\$ 896,374	\$ 6,599,489	Mahoning	\$ 3,739,694	\$ 2,869,104	\$ 4,869,848	\$ 11,478,646
Auglaize	\$ 3,739,694	\$ 1,944,188	\$ 1,790,730	\$ 7,474,612	Marion	\$ 3,739,694	\$ 2,093,598	\$ 1,859,201	\$ 7,692,493
Belmont	\$ 3,739,694	\$ 2,308,842	\$ 1,681,605	\$ 7,730,142	Medina	\$ 3,739,694	\$ 2,595,447	\$ 4,990,356	\$ 11,325,498
Brown	\$ 3,739,694	\$ 2,221,929	\$ 794,738	\$ 6,756,362	Meigs	\$ 3,739,694	\$ 1,666,447	\$ 314,444	\$ 5,720,586
Butler	\$ 3,739,694	\$ 3,271,111	\$ 10,168,942	\$ 17,179,748	Mercer	\$ 3,739,694	\$ 1,944,188	\$ 1,428,141	\$ 7,112,023
Carroll	\$ 3,739,694	\$ 1,958,759	\$ 299,936	\$ 5,998,390	Miami	\$ 3,739,694	\$ 1,679,553	\$ 3,877,168	\$ 9,296,416
Champaign	\$ 3,739,694	\$ 1,666,447	\$ 963,040	\$ 6,369,181	Monroe	\$ 3,739,694	\$ 2,499,670	\$ 222,801	\$ 6,462,165
Clark	\$ 3,739,694	\$ 1,736,390	\$ 3,392,214	\$ 8,868,298	Montgomery	\$ 3,739,694	\$ 2,115,838	\$ 21,754,254	\$ 27,609,786
Clermont	\$ 3,739,694	\$ 3,287,767	\$ 1,142,434	\$ 8,169,896	Morgan	\$ 3,739,694	\$ 1,944,188	\$ 163,714	\$ 5,847,596
Clinton	\$ 3,739,694	\$ 1,805,317	\$ 1,139,185	\$ 6,684,197	Morrow	\$ 3,739,694	\$ 2,221,929	\$ 394,715	\$ 6,356,338
Columbiana	\$ 3,739,694	\$ 2,611,207	\$ 2,362,220	\$ 8,713,120	Muskingum	\$ 3,739,694	\$ 3,552,587	\$ 1,719,328	\$ 9,011,610
Coshocton	\$ 3,739,694	\$ 3,055,152	\$ 809,839	\$ 7,604,686	Noble	\$ 3,739,694	\$ 2,083,058	\$ 170,920	\$ 5,993,672
Crawford	\$ 3,739,694	\$ 2,221,929	\$ 1,601,722	\$ 7,563,345	Ottawa	\$ 3,739,694	\$ 1,666,447	\$ 895,059	\$ 6,301,200
Cuyahoga	\$ 3,739,694	\$ 322,682	\$ 56,365,868	\$ 60,428,244	Paulding	\$ 3,739,694	\$ 1,666,447	\$ 498,469	\$ 5,904,610
Darke	\$ 3,739,694	\$ 2,792,940	\$ 1,486,420	\$ 8,019,054	Perry	\$ 3,739,694	\$ 1,944,188	\$ 653,672	\$ 6,337,554
Defiance	\$ 3,739,694	\$ 1,666,447	\$ 1,170,481	\$ 6,576,622	Pickaway	\$ 3,739,694	\$ 2,092,104	\$ 1,306,938	\$ 7,138,736
Delaware	\$ 3,739,694	\$ 3,203,021	\$ 3,285,253	\$ 10,227,968	Pike	\$ 3,739,694	\$ 1,944,188	\$ 353,736	\$ 6,037,618
Erie	\$ 3,739,694	\$ 1,320,611	\$ 2,668,905	\$ 7,729,210	Portage	\$ 3,739,694	\$ 2,617,750	\$ 3,694,620	\$ 10,052,064
Fairfield	\$ 3,739,694	\$ 2,150,140	\$ 3,812,264	\$ 9,702,099	Preble	\$ 3,739,694	\$ 1,666,447	\$ 1,013,592	\$ 6,419,733
Fayette	\$ 3,739,694	\$ 1,388,706	\$ 859,975	\$ 5,988,375	Putnam	\$ 3,739,694	\$ 2,083,058	\$ 1,059,875	\$ 6,882,627
Franklin	\$ 3,739,694	\$ 2,657,894	\$ 59,403,701	\$ 65,801,289	Richland	\$ 3,739,694	\$ 2,601,070	\$ 4,062,767	\$ 10,403,532
Fulton	\$ 3,739,694	\$ 1,692,073	\$ 1,267,847	\$ 6,699,615	Ross	\$ 3,739,694	\$ 2,295,967	\$ 1,500,394	\$ 7,536,055
Gallia	\$ 3,739,694	\$ 2,084,469	\$ 269,011	\$ 6,093,174	Sandusky	\$ 3,739,694	\$ 1,693,734	\$ 1,595,883	\$ 7,029,311
Geauga	\$ 3,739,694	\$ 2,511,117	\$ 1,033,132	\$ 7,283,943	Scioto	\$ 3,739,694	\$ 2,286,584	\$ 1,012,565	\$ 7,038,843
Greene	\$ 3,739,694	\$ 1,777,373	\$ 6,624,773	\$ 12,141,840	Seneca	\$ 3,739,694	\$ 2,083,058	\$ 1,893,744	\$ 7,716,497
Guernsey	\$ 3,739,694	\$ 2,638,541	\$ 810,825	\$ 7,189,060	Shelby	\$ 3,739,694	\$ 1,944,188	\$ 1,678,098	\$ 7,361,980
Hamilton	\$ 3,739,694	\$ 3,852,970	\$ 26,438,300	\$ 34,030,964	Stark	\$ 3,739,694	\$ 4,334,600	\$ 8,885,500	\$ 16,959,794
Hancock	\$ 3,739,694	\$ 2,393,955	\$ 2,690,536	\$ 8,824,186	Summit	\$ 3,739,694	\$ 1,656,175	\$ 23,299,571	\$ 28,695,440
Hardin	\$ 3,739,694	\$ 2,083,058	\$ 908,741	\$ 6,731,493	Trumbull	\$ 3,739,694	\$ 3,716,070	\$ 5,040,370	\$ 12,496,134
Harrison	\$ 3,739,694	\$ 2,083,058	\$ 399,624	\$ 6,222,377	Tuscarawas	\$ 3,739,694	\$ 3,069,479	\$ 3,360,200	\$ 10,169,373
Henry	\$ 3,739,694	\$ 1,805,317	\$ 879,915	\$ 6,424,926	Union	\$ 3,739,694	\$ 1,969,184	\$ 1,471,114	\$ 7,179,992
Highland	\$ 3,739,694	\$ 2,371,366	\$ 738,845	\$ 6,849,905	Van Wert	\$ 3,739,694	\$ 1,666,447	\$ 865,895	\$ 6,272,036
Hocking	\$ 3,739,694	\$ 1,546,463	\$ 447,355	\$ 5,733,512	Vinton	\$ 3,739,694	\$ 1,666,447	\$ 174,005	\$ 5,580,146
Holmes	\$ 3,739,694	\$ 1,944,188	\$ 289,353	\$ 5,973,235	Warren	\$ 3,739,694	\$ 2,517,023	\$ 5,641,457	\$ 11,898,176
Huron	\$ 3,739,694	\$ 2,638,541	\$ 2,150,958	\$ 8,529,193	Washington	\$ 3,739,694	\$ 3,739,089	\$ 1,246,257	\$ 8,064,040
Jackson	\$ 3,739,694	\$ 1,666,447	\$ 751,465	\$ 6,157,606	Wayne	\$ 3,739,694	\$ 2,267,781	\$ 3,062,490	\$ 9,069,966
Jefferson	\$ 3,739,694	\$ 1,971,814	\$ 1,916,858	\$ 7,628,367	Williams	\$ 3,739,694	\$ 1,666,447	\$ 1,178,983	\$ 6,585,124
Knox	\$ 3,739,694	\$ 3,083,071	\$ 1,128,175	\$ 7,950,940	Wood	\$ 3,739,694	\$ 2,861,228	\$ 4,282,018	\$ 10,882,940
Lake	\$ 3,739,694	\$ 1,038,364	\$ 9,384,758	\$ 14,162,816	Wyandot	\$ 3,739,694	\$ 1,805,317	\$ 813,716	\$ 6,358,728
Lawrence	\$ 3,739,694	\$ 2,025,425	\$ 1,059,734	\$ 6,824,854					
Licking	\$ 3,739,694	\$ 3,602,804	\$ 5,286,042	\$ 12,628,541	Total	\$ 329,093,098	\$ 197,398,518	\$ 381,708,797	\$ 908,200,413

Source: Records of the Ohio Department of Taxation.

	2018	2019	2020	2021	2022
Gasoline	5,198,968,505	5,180,166,638	4,748,615,474	4,669,254,413	4,830,095,714
Diesel	1,755,542,786	1,790,766,724	1,650,871,337	1,735,833,976	1,758,086,180
Special Fuels ¹	9,173,838	9,169,991	22,503,502	24,019,364	24,076,801
Total	6,963,685,129	6,980,103,353	6,421,990,313	6,429,107,753	6,612,258,695

¹ Includes kerosene, biodiesel, and propane fuel used to operate motor vehicles on public highways and waterways. FY 2020 and thereafter includes compressed natural gas.

Source: Ohio Department of Taxation

Fiscal Year 2022

Natural Gas Distribution Tax

Table 26					
Natural Gas Distribution Tax: Fiscal Year 2022 Tax Liability (in millions)					
Mcf per Month Distributed to End Users					
First 100 Mcf	101 to 2,000 Mcf	2,001 or more Mcf	Total Flex Customers	Total Tax Liability	
\$ 52.9	\$ 7.5	\$ 3.4	\$ 6.2	\$ 70.0	

Source: Ohio Department of Taxation

Petroleum Activity Tax

Table 27							
Petroleum Activity Tax: Fiscal Year 2022, Tax Return Summary (in millions)							
Total Gross Receipts	Number of Filers	Total Gross Receipts	Gross Receipts Highway	Gross Receipts Non-Highway	Non-refundable Credits	Refundable Credits	Total Tax Due After Credits
Less than \$100,000	94	\$1.5	\$0.6	\$0.8	\$0.0	\$0.0	<\$0.1
\$100,000 - \$499,999	32	8.1	4.6	3.5	0.0	0.0	<0.1
\$500,000 - \$1,999,999	21	21.7	11.5	10.1	0.0	0.0	0.1
\$2,000,000 - \$4,999,999	11	36.0	12.5	23.5	0.0	0.0	0.2
\$5,000,000 - \$9,999,999	12	92.0	40.2	51.9	0.0	0.0	0.6
\$10,000,000 - or more	36	15,436.2	13,809.6	1,626.7	3.2	3.7	93.4
Total	206	\$15,595.6	\$13,879.0	\$1,716.5	\$3.2	\$3.7	\$94.5

Source: Ohio Department of Taxation

Public Utility Excise Tax

Table 28							
Public Utility Excise Tax Levied by Class of Utility: Tax Years 2017-2021 (dollars in millions)							
Class of Utility	Number of Taxpayers¹	Tax Rate	2017²	2018²	2019²	2020	2021
Natural Gas	30	4.75%	\$ 107.19	\$ 114.38	\$ 115.88	\$ 116.10	\$ 132.53
Waterworks	9	4.75%	\$ 4.74	\$ 4.93	\$ 4.95	\$ 4.98	\$ 5.10
Pipeline ²	24	6.75%	\$ 3.08	\$ 13.37	\$ 9.42	\$ 8.99	\$ 9.10
Other ³	7	4.75%	\$ 1.68	\$ 1.71	\$ 1.77	\$ 1.63	\$ 1.44
Totals	70		\$116.7	\$134.4	\$132.0	\$131.7	\$148.2

¹ Number of taxpayers in most recent tax year.² Tax Year 2017, 2018, and 2019 contains revised Pipeline figures.³ Includes water transportation and heating.

Source: Ohio Department of Taxation

Fiscal Year 2022

Sales & Use Tax

Table 29

State and Permissive (Local) Sales and Use Tax: Fiscal Year 2022 Collections by Industrial Classification

Industrial Classification and Subsector	North American Industry Classification (NAICS) Codes	Number of Business Entities ¹	State Sales & Use Tax		Permissive Sales and Use Tax Collections		Total (State and Permissive) Tax Collections
				Collections		Collections	
Agriculture, Forestry, and Fishing	111100-115310	1,751	\$	16,134,736	\$	3,696,058	\$ 19,830,794
Mining	211110-213110	197	\$	18,216,138	\$	4,739,079	\$ 22,955,216
Utilities (excluding telecommunications)	221100-221500	197	\$	123,676,370	\$	32,945,811	\$ 156,622,181
Construction	236110-238900	3,399	\$	94,374,674	\$	24,254,812	\$ 118,629,486
Manufacturing	311110-339900	17,312	\$	520,898,473	\$	133,028,877	\$ 653,927,351
Wholesale Trade	423100-425120	7,210	\$	485,451,646	\$	130,166,609	\$ 615,618,255
Retail Trade:							
Motor Vehicle and Parts Dealers ²	441110-441300	4,930	\$	425,671,579	\$	107,668,467	\$ 533,340,046
Furniture and Home Furnishings Stores	442110-442299	2,942	\$	241,563,594	\$	63,770,363	\$ 305,333,958
Electronic and Appliance Stores	443111-443142	1,812	\$	217,902,819	\$	58,368,785	\$ 276,271,604
Building Material and Garden Equipment & Supplies	444110-444200	5,235	\$	1,040,773,077	\$	261,594,947	\$ 1,302,368,025
Food and Beverage Stores	445110-445310	6,151	\$	482,378,074	\$	125,957,260	\$ 608,335,334
Health and Personal Care Stores	446110-446190	5,856	\$	252,436,763	\$	65,724,903	\$ 318,161,666
Gasoline Stations	447100	1,330	\$	186,923,879	\$	47,007,389	\$ 233,931,268
Clothing and Clothing Accessories Stores	448110-448320	7,177	\$	431,423,861	\$	117,740,105	\$ 549,163,966
Sporting Goods, Hobby, Book, and Music Stores	451110-451220	4,849	\$	195,052,851	\$	50,085,557	\$ 245,138,407
General Merchandise Stores	452110-452900	4,349	\$	1,149,097,956	\$	288,021,262	\$ 1,437,119,218
Miscellaneous Store Retailers	453110-453990	18,525	\$	575,676,340	\$	150,401,143	\$ 726,077,483
Nonstore Retailers	454110-454390	10,269	\$	1,330,737,068	\$	341,617,760	\$ 1,672,354,828
Transportation and Warehousing	481000-493100	1,989	\$	77,723,346	\$	22,147,203	\$ 99,870,549
Information (including telecommunications)	511110-519100	3,973	\$	724,933,106	\$	198,722,773	\$ 923,655,880
Finance and Insurance	522110-525990	575	\$	94,403,488	\$	27,685,763	\$ 122,089,251
Real Estate, and Rental & Leasing of Property	531110-533110	4,062	\$	334,501,633	\$	87,934,147	\$ 422,435,780
Professional, Scientific and Technical Services	541110-541990	8,738	\$	364,518,727	\$	101,923,905	\$ 466,442,633
Management of Companies (Holding Companies)	551111-551112	103	\$	11,393,322	\$	2,904,286	\$ 14,297,608
Administrative & Support Services, and Waste Management & Remediation Services	561110-562000	10,808	\$	321,933,929	\$	86,147,288	\$ 408,081,217
Education, Health Care and Social Assistance	611000-624410	4,001	\$	31,911,226	\$	8,538,346	\$ 40,449,572
Arts, Entertainment, and Recreation	711100-713900	5,028	\$	90,379,835	\$	22,688,629	\$ 113,068,464
Accommodation and Food Services	721110-722515	19,326	\$	807,570,972	\$	216,524,884	\$ 1,024,095,856
Other Services	811110-813000	21,516	\$	351,903,844	\$	90,181,805	\$ 442,085,649
Unclassified	n/a	27,865	\$	134,765,781	\$	35,392,704	\$ 170,158,485
SUBTOTAL		211,475	\$	11,134,329,110	\$	2,907,580,920	\$ 14,041,910,030
				State		Permissive	Total
				Sales & Use		Sales & Use	(State and Permissive)
Collections from Clerks of Court²				Tax Collections		Tax Collections	Sales & Use
							Tax Collections
Collections from sales of motor vehicles			\$	1,945,452,194	\$	474,742,243	\$ 2,420,194,437
Collections from sales of watercraft			\$	27,744,527	\$	6,479,125	\$ 34,223,652
SUBTOTAL OF COLLECTIONS FROM CLERK OF COURT			\$	1,973,196,721	\$	481,221,368	\$ 2,454,418,089
TOTAL			\$	13,107,525,831	\$	3,388,802,288	\$ 16,496,328,119

¹ Indicates the number of separate legal entities (not the number of separate locations) that filed and remitted sales or use tax at any time during the January 2022 through June 2022 period

² Tax Collections from automobile and watercraft sales are listed separately and are not assigned an industrial category. Such taxes are collected by the county clerk of court and then remitted to the state.

Source: Ohio Department of Taxation

Fiscal Year 2022

Sales & Use Tax (continued)

Table 30				
State and Permissive (Local) Sales and Use Tax: Fiscal Year 2022, Number of Accounts by Type and Payment Schedule				
Account Type	Payment Schedule			Total
	Semi-Annual	Monthly	Quarterly	
Vendor's	50,091	114,083	0	164,174
Master (accounts issued by the state)	371	3,849	0	4,220
Transient	20,504	18,854	0	39,358
Consumer's	0	8,186	13,790	21,976
Direct Pay	0	306	53	359
Out of State	4,441	22,005	0	26,446
Streamlined Sales and Streamlined Use ¹	0	15,674	0	15,674
Totals	75,407	182,957	13,843	272,207

¹ A subset of total collections attributed to Ohio's membership in Streamlined Sales Tax are remitted under Streamlined Sales and Streamlined Use Accounts. The remainder of total collections attributed to Ohio's membership in Streamlined Sales Tax are remitted under other account types.
Source: Ohio Department of Taxation

Table 31
State and Permissive (Local) Sales and Use Tax: Fiscal Years 2018-2022¹
Collections Attributed to Membership in Streamlined Sales Tax

Fiscal Year	Collections
2018	\$ 95,193,055
2019	\$ 126,180,988
2020	\$ 149,953,433
2021	\$ 212,357,527
2022	\$ 277,235,551

¹ Total collections attributed to Ohio's membership in Streamlined Sales Tax are remitted under a variety of account types. Collections from all known accounts associated with Streamlined Sales Tax are summarized here. However, taxpayers may remit sales and use tax due to Ohio's membership with Streamlined Sales Tax without notifying the Department of Taxation of this distinction.

Source: Ohio Department of Taxation

Fiscal Year 2022

Wireless 9-1-1 Charge

Table 32

Wireless 9-1-1 Charge: Calendar Year 2021 Distributions to Counties

<u>County</u>	<u>Total</u>	<u>County</u>	<u>Total</u>	<u>County</u>	<u>Total</u>
Adams	\$ 107,402	Hamilton	\$ 2,469,594	Noble	\$ 107,402
Allen	\$ 251,734	Hancock	\$ 180,765	Ottawa	\$ 99,975
Ashland	\$ 114,237	Hardin	\$ 107,402	Paulding	\$ 107,402
Ashtabula	\$ 238,158	Harrison	\$ 107,402	Perry	\$ 107,214
Athens	\$ 117,118	Henry	\$ 107,402	Pickaway	\$ 118,536
Auglaize	\$ 108,318	Highland	\$ 98,325	Pike	\$ 107,402
Belmont	\$ 143,926	Hocking	\$ 107,402	Portage	\$ 337,371
Brown	\$ 99,930	Holmes	\$ 106,656	Preble	\$ 99,882
Butler	\$ 788,104	Huron	\$ 140,894	Putnam	\$ 104,608
Carroll	\$ 107,402	Jackson	\$ 106,311	Richland	\$ 271,779
Champaign	\$ 102,959	Jefferson	\$ 144,099	Ross	\$ 162,729
Clark	\$ 305,900	Knox	\$ 131,895	Sandusky	\$ 134,882
Clermont	\$ 421,166	Lake	\$ 528,098	Scioto	\$ 153,033
Clinton	\$ 105,166	Lawrence	\$ 127,184	Seneca	\$ 127,263
Columbiana	\$ 231,450	Licking	\$ 366,560	Shelby	\$ 108,727
Coshocton	\$ 105,467	Logan	\$ 107,338	Stark	\$ 879,756
Crawford	\$ 101,156	Lorain	\$ 677,066	Summit	\$ 1,298,413
Cuyahoga	\$ 3,125,592	Lucas	\$ 1,042,953	Trumbull	\$ 459,554
Darke	\$ 112,513	Madison	\$ 102,133	Tuscarawas	\$ 201,305
Defiance	\$ 100,146	Mahoning	\$ 564,535	Union	\$ 135,534
Delaware	\$ 662,686	Marion	\$ 153,575	Van Wert	\$ 107,402
Erie	\$ 178,271	Medina	\$ 384,533	Vinton	\$ 107,402
Fairfield	\$ 321,915	Meigs	\$ 107,402	Warren	\$ 478,782
Fayette	\$ 107,402	Mercer	\$ 100,694	Washington	\$ 141,350
Franklin	\$ 2,741,567	Miami	\$ 223,379	Wayne	\$ 237,780
Fulton	\$ 99,997	Monroe	\$ 107,402	Williams	\$ 103,931
Gallia	\$ 107,402	Montgomery	\$ 1,316,902	Wood	\$ 275,467
Geauga	\$ 194,928	Morgan	\$ 107,402	Wyandot	\$ 107,402
Greene	\$ 340,451	Morrow	\$ 104,726		
Guernsey	\$ 98,662	Muskingum	\$ 194,016	Total	\$ 28,447,449

Source: Ohio Department of Taxation

Local Government Fund

Table 33

Local Government Fund: Calendar Year 2021 Distributions to Counties and Municipalities, by County¹

County	County	Municipalities	Total	County	County	Municipalities	Total
Adams	\$ 750,000	\$ 34,945	\$ 784,945	Logan	\$ 1,277,926	\$ 87,982	\$ 1,365,908
Allen	\$ 3,208,721	\$ 243,503	\$ 3,452,224	Lorain	\$ 11,381,342	\$ 1,038,110	\$ 12,419,452
Ashland	\$ 1,496,522	\$ 104,135	\$ 1,600,658	Lucas	\$ 17,288,012	\$ 550,212	\$ 17,838,224
Ashtabula	\$ 2,835,757	\$ 221,968	\$ 3,057,725	Madison	\$ 1,016,553	\$ 92,899	\$ 1,109,452
Athens	\$ 1,444,018	\$ 144,306	\$ 1,588,323	Mahoning	\$ 7,064,493	\$ 397,490	\$ 7,461,983
Auglaize	\$ 1,619,589	\$ 119,228	\$ 1,738,817	Marion	\$ 1,869,773	\$ 172,936	\$ 2,042,709
Belmont	\$ 2,001,708	\$ 130,167	\$ 2,131,875	Medina	\$ 4,810,823	\$ 411,878	\$ 5,222,701
Brown	\$ 774,088	\$ 54,703	\$ 828,791	Meigs	\$ 686,137	\$ 19,214	\$ 705,352
Butler	\$ 10,162,132	\$ 872,583	\$ 11,034,715	Mercer	\$ 1,312,215	\$ 92,538	\$ 1,404,753
Carroll	\$ 750,000	\$ 19,991	\$ 769,991	Miami	\$ 3,615,562	\$ 303,464	\$ 3,919,027
Champaign	\$ 1,017,214	\$ 77,080	\$ 1,094,294	Monroe	\$ 440,232	\$ 10,685	\$ 450,917
Clark	\$ 4,014,791	\$ 274,774	\$ 4,289,564	Montgomery	\$ 21,972,354	\$ 1,499,069	\$ 23,471,423
Clermont	\$ 3,074,406	\$ 96,599	\$ 3,171,006	Morgan	\$ 442,257	\$ 8,016	\$ 450,273
Clinton	\$ 1,138,945	\$ 94,291	\$ 1,233,236	Morrow	\$ 750,000	\$ 26,019	\$ 776,019
Columbiana	\$ 2,741,069	\$ 155,750	\$ 2,896,819	Muskingum	\$ 2,152,725	\$ 157,865	\$ 2,310,590
Coshocton	\$ 1,012,317	\$ 62,060	\$ 1,074,377	Noble	\$ 401,561	\$ 7,941	\$ 409,502
Crawford	\$ 1,482,655	\$ 125,032	\$ 1,607,687	Ottawa	\$ 1,177,064	\$ 57,513	\$ 1,234,576
Cuyahoga	\$ 75,703,847	\$ 3,950,640	\$ 79,654,486	Paulding	\$ 713,525	\$ 29,841	\$ 743,366
Darke	\$ 1,676,459	\$ 95,422	\$ 1,771,882	Perry	\$ 750,000	\$ 41,185	\$ 791,185
Defiance	\$ 1,261,018	\$ 92,828	\$ 1,353,846	Pickaway	\$ 1,293,529	\$ 102,827	\$ 1,396,356
Delaware	\$ 3,414,623	\$ 257,424	\$ 3,672,047	Pike	\$ 750,000	\$ 29,785	\$ 779,785
Erie	\$ 2,629,979	\$ 204,912	\$ 2,834,891	Portage	\$ 4,402,918	\$ 363,596	\$ 4,766,515
Fairfield	\$ 3,518,851	\$ 301,366	\$ 3,820,218	Preble	\$ 1,067,263	\$ 69,534	\$ 1,136,797
Fayette	\$ 794,010	\$ 71,097	\$ 865,107	Putnam	\$ 1,025,346	\$ 60,685	\$ 1,086,030
Franklin	\$ 51,901,234	\$ 1,783,819	\$ 53,685,053	Richland	\$ 4,297,558	\$ 330,505	\$ 4,628,063
Fulton	\$ 1,394,660	\$ 91,998	\$ 1,486,659	Ross	\$ 2,007,672	\$ 110,818	\$ 2,118,489
Gallia	\$ 750,000	\$ 16,224	\$ 766,224	Sandusky	\$ 2,018,920	\$ 169,712	\$ 2,188,632
Geauga	\$ 1,928,193	\$ 60,587	\$ 1,988,780	Scioto	\$ 1,793,043	\$ 100,369	\$ 1,893,411
Greene	\$ 5,721,066	\$ 555,949	\$ 6,277,015	Seneca	\$ 1,925,291	\$ 143,603	\$ 2,068,894
Guernsey	\$ 1,049,825	\$ 59,097	\$ 1,108,921	Shelby	\$ 1,689,194	\$ 122,513	\$ 1,811,707
Hamilton	\$ 36,028,578	\$ 1,258,998	\$ 37,287,576	Stark	\$ 10,999,467	\$ 688,799	\$ 11,688,266
Hancock	\$ 2,755,448	\$ 202,035	\$ 2,957,483	Summit	\$ 24,006,822	\$ 1,467,651	\$ 25,474,473
Hardin	\$ 836,862	\$ 70,405	\$ 907,266	Trumbull	\$ 6,019,443	\$ 395,001	\$ 6,414,444
Harrison	\$ 593,998	\$ 14,941	\$ 608,939	Tuscarawas	\$ 3,035,832	\$ 228,369	\$ 3,264,201
Henry	\$ 857,969	\$ 58,621	\$ 916,591	Union	\$ 1,083,400	\$ 116,946	\$ 1,200,346
Highland	\$ 953,056	\$ 63,867	\$ 1,016,922	Van Wert	\$ 905,534	\$ 55,052	\$ 960,586
Hocking	\$ 750,000	\$ 33,062	\$ 783,062	Vinton	\$ 356,348	\$ 7,935	\$ 364,284
Holmes	\$ 750,000	\$ 14,082	\$ 764,082	Warren	\$ 4,795,147	\$ 444,243	\$ 5,239,390
Huron	\$ 1,904,535	\$ 128,661	\$ 2,033,196	Washington	\$ 1,653,056	\$ 99,545	\$ 1,752,600
Jackson	\$ 795,537	\$ 61,689	\$ 857,226	Wayne	\$ 3,476,015	\$ 246,855	\$ 3,722,871
Jefferson	\$ 2,735,527	\$ 151,566	\$ 2,887,093	Williams	\$ 1,362,088	\$ 87,304	\$ 1,449,392
Knox	\$ 1,403,584	\$ 113,138	\$ 1,516,722	Wood	\$ 3,969,717	\$ 351,920	\$ 4,321,638
Lake	\$ 11,922,699	\$ 766,798	\$ 12,689,497	Wyandot	\$ 750,000	\$ 47,152	\$ 797,152
Lawrence	\$ 1,327,245	\$ 71,124	\$ 1,398,369				
Licking	\$ 4,638,022	\$ 425,747	\$ 5,063,768	Total	\$ 423,326,915	\$ 24,652,788	\$ 447,979,703

¹ Distributions are net of fines derived from traffic enforcement cameras withheld.

Source: Ohio Department of Taxation

Fiscal Year 2022

Local Government Fund (continued)

Table 34

Local Government Fund: Calendar Year 2021 Distributions to Small Villages and Townships Supplemental¹

County	Small Village Distribution	Township Distribution	Total Distribution	County	Small Village Distribution	Township Distribution	Total Distribution
Adams	\$ 15,294	\$ 103,400	\$ 118,694	Logan	\$ 35,369	\$ 107,058	\$ 142,427
Allen	\$ 19,217	\$ 112,079	\$ 131,296	Lorain	\$ 8,611	\$ 108,860	\$ 117,471
Ashland	\$ 32,406	\$ 106,115	\$ 138,522	Lucas	\$ 9,861	\$ 88,015	\$ 97,876
Ashtabula	\$ 11,984	\$ 178,914	\$ 190,897	Madison	\$ 7,584	\$ 68,480	\$ 76,064
Athens	\$ 35,737	\$ 118,076	\$ 153,813	Mahoning	\$ 9,173	\$ 117,138	\$ 126,311
Auglaize	\$ 13,652	\$ 92,028	\$ 105,680	Marion	\$ 31,300	\$ 89,355	\$ 120,654
Belmont	\$ 26,206	\$ 146,589	\$ 172,795	Medina	\$ 15,161	\$ 124,095	\$ 139,255
Brown	\$ 19,008	\$ 107,943	\$ 126,951	Meigs	\$ 18,337	\$ 105,609	\$ 123,946
Butler	\$ 11,834	\$ 142,759	\$ 154,593	Mercer	\$ 17,897	\$ 107,159	\$ 125,056
Carroll	\$ 12,301	\$ 103,736	\$ 116,036	Miami	\$ 18,546	\$ 77,691	\$ 96,237
Champaign	\$ 11,562	\$ 86,743	\$ 98,305	Monroe	\$ 33,661	\$ 131,463	\$ 165,124
Clark	\$ 19,362	\$ 89,396	\$ 108,758	Montgomery	\$ 6,640	\$ 98,560	\$ 105,200
Clermont	\$ 25,087	\$ 134,662	\$ 159,749	Morgan	\$ 15,238	\$ 97,507	\$ 112,744
Clinton	\$ 16,118	\$ 85,782	\$ 101,900	Morrow	\$ 19,899	\$ 101,236	\$ 121,134
Columbiana	\$ 20,556	\$ 165,168	\$ 185,724	Muskingum	\$ 17,761	\$ 180,930	\$ 198,691
Coshocton	\$ 18,516	\$ 157,366	\$ 175,883	Noble	\$ 19,254	\$ 110,998	\$ 130,251
Crawford	\$ 18,145	\$ 114,002	\$ 132,147	Ottawa	\$ 21,999	\$ 82,841	\$ 104,840
Cuyahoga	\$ 58,035	\$ 10,198	\$ 68,233	Paulding	\$ 34,357	\$ 105,554	\$ 139,911
Darke	\$ 62,100	\$ 141,605	\$ 203,705	Perry	\$ 39,479	\$ 98,093	\$ 137,572
Defiance	\$ 11,212	\$ 98,490	\$ 109,702	Pickaway	\$ 18,029	\$ 106,076	\$ 124,104
Delaware	\$ 20,198	\$ 141,844	\$ 162,043	Pike	\$ 4,377	\$ 83,594	\$ 87,971
Erie	\$ 37,843	\$ 66,499	\$ 104,342	Portage	\$ 5,442	\$ 118,613	\$ 124,055
Fairfield	\$ 38,445	\$ 120,296	\$ 158,741	Preble	\$ 27,355	\$ 96,791	\$ 124,146
Fayette	\$ 13,389	\$ 62,864	\$ 76,254	Putnam	\$ 39,763	\$ 131,488	\$ 171,251
Franklin	\$ 30,643	\$ 100,762	\$ 131,405	Richland	\$ 19,490	\$ 138,285	\$ 157,775
Fulton	\$ 9,338	\$ 92,065	\$ 101,403	Ross	\$ 19,371	\$ 121,900	\$ 141,271
Gallia	\$ 24,232	\$ 101,146	\$ 125,378	Sandusky	\$ 13,285	\$ 99,697	\$ 112,982
Geauga	\$ 4,850	\$ 130,571	\$ 135,422	Scioto	\$ 13,870	\$ 122,496	\$ 136,366
Greene	\$ 12,466	\$ 88,126	\$ 100,592	Seneca	\$ 27,387	\$ 132,000	\$ 159,387
Guernsey	\$ 33,126	\$ 143,977	\$ 177,103	Shelby	\$ 18,318	\$ 92,259	\$ 110,577
Hamilton	\$ 19,985	\$ 121,666	\$ 141,651	Stark	\$ 37,142	\$ 223,086	\$ 260,228
Hancock	\$ 34,373	\$ 141,629	\$ 176,003	Summit	\$ 8,231	\$ 75,927	\$ 84,158
Hardin	\$ 31,423	\$ 100,705	\$ 132,128	Trumbull	\$ 12,070	\$ 144,100	\$ 156,170
Harrison	\$ 38,027	\$ 106,877	\$ 144,904	Tuscarawas	\$ 52,835	\$ 157,101	\$ 209,935
Henry	\$ 26,067	\$ 100,750	\$ 126,816	Union	\$ 12,955	\$ 73,088	\$ 86,043
Highland	\$ 11,916	\$ 118,955	\$ 130,871	Van Wert	\$ 34,808	\$ 108,050	\$ 142,857
Hocking	\$ 9,755	\$ 89,958	\$ 99,713	Vinton	\$ 16,819	\$ 84,267	\$ 101,086
Holmes	\$ 19,564	\$ 121,711	\$ 141,275	Warren	\$ 19,133	\$ 110,548	\$ 129,681
Huron	\$ 5,895	\$ 131,211	\$ 137,105	Washington	\$ 17,428	\$ 184,532	\$ 201,960
Jackson	\$ 5,674	\$ 91,499	\$ 97,173	Wayne	\$ 20,228	\$ 128,737	\$ 148,965
Jefferson	\$ 65,816	\$ 106,338	\$ 172,154	Williams	\$ 15,805	\$ 87,048	\$ 102,854
Knox	\$ 6,793	\$ 157,954	\$ 164,747	Wood	\$ 70,376	\$ 188,782	\$ 259,158
Lake	\$ 44,362	\$ 45,217	\$ 89,579	Wyandot	\$ 29,968	\$ 89,732	\$ 119,700
Lawrence	\$ 25,026	\$ 98,087	\$ 123,113				
Licking	\$ 29,541	\$ 185,755	\$ 215,296	Total	\$ 1,991,687	\$ 9,960,349	\$ 11,952,036

¹ Distributions are net of fines derived from traffic enforcement cameras withheld.

Source: Ohio Department of Taxation

Fiscal Year 2022

Public Library Fund

Table 35

Public Library Fund: Calendar Year 2021 Distributions to Counties

<u>County</u>	<u>Amount</u>	<u>County</u>	<u>Amount</u>	<u>County</u>	<u>Amount</u>
Adams	\$ 1,026,654	Hamilton	\$ 46,653,398	Noble	\$ 484,352
Allen	\$ 4,234,843	Hancock	\$ 3,020,217	Ottawa	\$ 1,591,501
Ashland	\$ 1,986,162	Hardin	\$ 1,188,100	Paulding	\$ 760,111
Ashtabula	\$ 3,845,596	Harrison	\$ 681,840	Perry	\$ 1,263,310
Athens	\$ 2,287,963	Henry	\$ 1,102,132	Pickaway	\$ 1,937,809
Auglaize	\$ 1,801,382	Highland	\$ 1,476,499	Pike	\$ 1,002,423
Belmont	\$ 2,732,263	Hocking	\$ 1,036,348	Portage	\$ 5,692,931
Brown	\$ 1,474,775	Holmes	\$ 1,381,037	Preble	\$ 1,564,701
Butler	\$ 12,240,427	Huron	\$ 2,248,465	Putnam	\$ 1,303,209
Carroll	\$ 1,060,390	Jackson	\$ 1,226,614	Richland	\$ 5,052,742
Champaign	\$ 1,404,407	Jefferson	\$ 2,942,568	Ross	\$ 2,767,520
Clark	\$ 5,549,369	Knox	\$ 2,004,497	Sandusky	\$ 2,376,299
Clermont	\$ 6,405,574	Lake	\$ 8,922,440	Scioto	\$ 3,036,936
Clinton	\$ 1,507,875	Lawrence	\$ 2,379,972	Seneca	\$ 2,317,941
Columbiana	\$ 4,180,093	Licking	\$ 5,354,019	Shelby	\$ 1,825,852
Coshocton	\$ 1,405,319	Logan	\$ 1,683,505	Stark	\$ 15,077,493
Crawford	\$ 1,825,648	Lorain	\$ 10,738,260	Summit	\$ 21,681,736
Cuyahoga	\$ 63,690,994	Lucas	\$ 18,696,411	Trumbull	\$ 8,684,042
Darke	\$ 2,054,312	Madison	\$ 1,509,698	Tuscarawas	\$ 3,356,529
Defiance	\$ 1,509,733	Mahoning	\$ 10,124,133	Union	\$ 1,503,398
Delaware	\$ 4,072,131	Marion	\$ 2,496,527	Van Wert	\$ 1,151,528
Erie	\$ 3,180,516	Medina	\$ 5,398,868	Vinton	\$ 454,181
Fairfield	\$ 4,618,055	Meigs	\$ 889,509	Warren	\$ 5,663,875
Fayette	\$ 1,073,472	Mercer	\$ 1,556,947	Washington	\$ 2,400,841
Franklin	\$ 42,975,539	Miami	\$ 3,842,470	Wayne	\$ 4,311,751
Fulton	\$ 1,582,252	Monroe	\$ 572,957	Williams	\$ 1,484,400
Gallia	\$ 1,201,747	Montgomery	\$ 23,759,575	Wood	\$ 5,026,723
Geauga	\$ 3,904,486	Morgan	\$ 542,788	Wyandot	\$ 866,969
Greene	\$ 5,617,442	Morrow	\$ 1,151,986		
Guernsey	\$ 1,515,043	Muskingum	\$ 3,218,653	Total	\$ 464,405,999

Figures are after distributions to the Ohio Library For The Blind and the Ohio Public Library Information Network.

Source: Ohio Department of Taxation

Fiscal Year 2022

Tangible Property Tax Replacement Fund

Table 36

Tangible Personal Property Tax Replacement Funds: Fiscal Year 2022 Replacement Payments to Local Governments and Schools by Home County

County	To School and			County	To School and		
	To Local Governments	Joint Vocational Districts	Total		To Local Governments	Joint Vocational Districts	Total
Adams	\$ 42,872	\$ 1,529,137	\$ 1,572,009	Logan	\$ 292,197	\$ 106,748	\$ 398,945
Allen	\$ 499,838	\$ 410,719	\$ 910,557	Lorain	\$ -	\$ 389,423	\$ 389,423
Ashland	\$ -	\$ 8,800	\$ 8,800	Lucas	\$ -	\$ 6,208,983	\$ 6,208,983
Ashtabula	\$ 516,012	\$ 1,800,938	\$ 2,316,950	Madison	\$ -	\$ 270,451	\$ 270,451
Athens	\$ -	\$ 41,708	\$ 41,708	Mahoning	\$ -	\$ 223,336	\$ 223,336
Auglaize	\$ -	\$ 366,409	\$ 366,409	Marion	\$ 45,836	\$ 306,690	\$ 352,527
Belmont	\$ 95,331	\$ 49,919	\$ 145,250	Medina	\$ -	\$ 388,160	\$ 388,160
Brown	\$ -	\$ -	\$ -	Meigs	\$ 8,035	\$ 24,634	\$ 32,669
Butler	\$ 10,504	\$ 1,889,275	\$ 1,899,778	Mercer	\$ -	\$ 43,941	\$ 43,941
Carroll	\$ -	\$ 3,184	\$ 3,184	Miami	\$ -	\$ 79,664	\$ 79,664
Champaign	\$ 33,033	\$ 47,524	\$ 80,556	Monroe	\$ 62,177	\$ -	\$ 62,177
Clark	\$ -	\$ 134,697	\$ 134,697	Montgomery	\$ -	\$ 3,168,695	\$ 3,168,695
Clermont	\$ 687,241	\$ 4,485,234	\$ 5,172,474	Morgan	\$ 30,444	\$ -	\$ 30,444
Clinton	\$ 35,461	\$ 16,418	\$ 51,879	Morrow	\$ -	\$ 15,562	\$ 15,562
Columbiana	\$ -	\$ 24,891	\$ 24,891	Muskingum	\$ 12,116	\$ 225,587	\$ 237,703
Coshocton	\$ 56,884	\$ -	\$ 56,884	Noble	\$ 1,910	\$ -	\$ 1,910
Crawford	\$ 40,021	\$ 464,929	\$ 504,950	Ottawa	\$ 474,237	\$ 3,696,132	\$ 4,170,369
Cuyahoga	\$ -	\$ 9,073,534	\$ 9,073,534	Paulding	\$ 4,547	\$ 21,940	\$ 26,487
Darke	\$ -	\$ -	\$ -	Perry	\$ 2,091	\$ -	\$ 2,091
Defiance	\$ 17,180	\$ 201,362	\$ 218,542	Pickaway	\$ 8,127	\$ 579	\$ 8,706
Delaware	\$ -	\$ 94,541	\$ 94,541	Pike	\$ 293,818	\$ 28,756	\$ 322,574
Erie	\$ -	\$ 816,128	\$ 816,128	Portage	\$ -	\$ 130,830	\$ 130,830
Fairfield	\$ -	\$ -	\$ -	Preble	\$ 5,256	\$ 116,846	\$ 122,102
Fayette	\$ -	\$ 126,004	\$ 126,004	Putnam	\$ 82	\$ 177,185	\$ 177,266
Franklin ¹	\$ 484,474	\$ 639,913	\$ 1,124,387	Richland	\$ 9,699	\$ 1,306,167	\$ 1,315,866
Fulton	\$ 33,191	\$ 1,102,814	\$ 1,136,004	Ross	\$ -	\$ 962,799	\$ 962,799
Gallia	\$ 17,554	\$ -	\$ 17,554	Sandusky	\$ 8,921	\$ 44,000	\$ 52,921
Geauga	\$ 24,222	\$ 554,151	\$ 578,373	Scioto	\$ 70,386	\$ 17,423	\$ 87,809
Greene	\$ -	\$ 82,453	\$ 82,453	Seneca	\$ -	\$ 127,473	\$ 127,473
Guernsey	\$ 120,111	\$ 107,936	\$ 228,047	Shelby	\$ 724,773	\$ 907,288	\$ 1,632,061
Hamilton	\$ 45,069	\$ 14,528,388	\$ 14,573,457	Stark	\$ -	\$ 1,878,882	\$ 1,878,882
Hancock	\$ 59,634	\$ 641,209	\$ 700,843	Summit	\$ 142,943	\$ 2,019,819	\$ 2,162,763
Hardin	\$ 22,796	\$ -	\$ 22,796	Trumbull	\$ 205,062	\$ 1,696,989	\$ 1,902,051
Harrison	\$ -	\$ -	\$ -	Tuscarawas	\$ 34,781	\$ 99,833	\$ 134,614
Henry	\$ 35,928	\$ 320,959	\$ 356,887	Union	\$ 854,416	\$ 3,404,116	\$ 4,258,533
Highland	\$ -	\$ -	\$ -	Van Wert	\$ -	\$ 133,530	\$ 133,530
Hocking	\$ -	\$ 9,882	\$ 9,882	Vinton	\$ -	\$ 925	\$ 925
Holmes	\$ -	\$ 14,936	\$ 14,936	Warren	\$ -	\$ 673,075	\$ 673,075
Huron	\$ -	\$ 54,544	\$ 54,544	Washington	\$ 363,916	\$ 1,214,746	\$ 1,578,662
Jackson	\$ -	\$ 40,633	\$ 40,633	Wayne	\$ -	\$ 1,972,321	\$ 1,972,321
Jefferson	\$ 513,978	\$ 156,815	\$ 670,793	Williams	\$ 6,927	\$ 147,248	\$ 154,175
Knox	\$ -	\$ 82,821	\$ 82,821	Wood	\$ -	\$ 2,940,446	\$ 2,940,446
Lake	\$ 513,683	\$ 9,025,576	\$ 9,539,260	Wyandot	\$ -	\$ -	\$ -
Lawrence	\$ -	\$ 5,703	\$ 5,703				
Licking	\$ -	\$ 419,123	\$ 419,123	Total	\$ 7,567,714	\$ 84,544,431	\$ 92,112,145

¹ Includes payments to the city of Columbus to be directly distributed to the municipality and deposited into a special fund.

Source: Ohio Department of Taxation and Ohio Department of Education.

Alcoholic Beverage Tax - County

Table 37			
Permissive County Alcoholic Beverage Tax:			
Fiscal Years 2020-2022, Tax Liability (dollars in millions)			
Beverage	2020	2021	2022
Beer	\$ 3.8	\$ 3.7	\$ 3.6
Wine	\$ 1.5	\$ 1.5	\$ 1.6
Total	\$ 5.3	\$ 5.2	\$ 5.1

Note: Amounts represent tax liability as opposed to tax payments reported on Table 1 of Permissive Alcoholic Beverage Tax section.
Source: Ohio Department of Taxation

Cigarette Tax - County

Table 38			
Cuyahoga County Cigarette Tax Receipts			
Fiscal Years 2018-2022 (dollars in millions)			
Fiscal Year	Gross Stamp Tax	Discount	Net Tax Collected
2018	\$16.75	\$0.30	\$16.48
2019	\$15.79	\$0.28	\$15.50
2020	\$15.24	\$0.27	\$14.96
2021	\$15.11	\$0.27	\$14.84
2022	\$14.00	\$0.25	\$13.75

Note: Amounts represent cigarette tax stamps sold to wholesalers.
Source: Department of Taxation records

Individual Income Tax - School District

Table 39		
School District Income Tax: Fiscal Year 2022 Distributions to Schools		
Component of Tax		Distributions
Annual Returns: Individual SD-100 Collections	\$	125,860,421
Estimated Payments: Individual SD-100 ES Collections	\$	52,161,859
Withholding: W/H SD-101 Collections	\$	413,194,686
Withholding: W/H SD-141 Collections	\$	1,214,919
Individual Assessments Collections	\$	27,126,493
Withholding Assessments Collections	\$	1,130,446
Individual Certified Collections	\$	20,855,153
Withholding Certified Collections	\$	1,135,665
Total Gross Collections	\$	642,679,642
Less Refunds	\$	(32,122,994)
Less Administrative Fee	\$	(9,158,350)
Interest earned	\$	552,391
Expired Levy Adjustments Received	\$	9,683
Less Expired Levy Adjustments Forwarded	\$	(8,598)
Total Net Available¹	\$	601,951,773
Distribution²	\$	601,951,773

¹Represents Collections from April 2021-March 2022
²Represents Distributions in Fiscal Year 2022
Source: Ohio Department of Taxation

Fiscal Year 2022

Municipal Income Tax

County	City Collections	Number of Cities	Village Collections	Number of Villages	Total Collections	Total Number of Taxing Municipalities
Adams	\$ -	-	\$ 895,590	2	\$ 895,590	2
Allen	\$ 21,950,025	2	\$ 3,913,368	6	\$ 25,863,393	8
Ashland	\$ 15,148,324	1	\$ 1,454,723	2	\$ 16,603,047	3
Ashtabula	\$ 13,113,191	3	\$ 4,893,966	6	\$ 18,007,157	9
Athens	\$ 16,324,360	2	\$ 37,907	1	\$ 16,362,266	3
Auglaize	\$ 8,903,261	2	\$ 9,220,637	6	\$ 18,123,898	8
Belmont	\$ 2,607,278	2	\$ 2,140,966	4	\$ 4,748,243	6
Brown	\$ -	-	\$ 3,377,807	5	\$ 3,377,807	5
Butler	\$ 110,932,449	6	\$ 159,603	1	\$ 111,092,052	7
Carroll	\$ -	-	\$ 1,398,500	3	\$ 1,398,500	3
Champaign	\$ 6,660,165	1	\$ 1,236,080	4	\$ 7,896,244	5
Clark	\$ 40,959,384	2	\$ 938,890	4	\$ 41,898,274	6
Clermont	\$ 4,022,109	1	\$ 4,158,242	8	\$ 8,180,351	9
Clinton	\$ 9,637,188	1	\$ 624,844	2	\$ 10,262,032	3
Columbiana	\$ 11,686,475	3	\$ 4,053,130	7	\$ 15,739,605	10
Coshocton	\$ 6,079,729	1	\$ 539,970	2	\$ 6,619,699	3
Crawford	\$ 11,049,054	2	\$ 1,675,215	4	\$ 12,724,270	6
Cuyahoga	\$ 1,117,914,222	39	\$ 88,651,619	17	\$ 1,206,565,840	56
Darke	\$ 6,778,012	1	\$ 4,030,580	10	\$ 10,808,592	11
Defiance	\$ 10,075,900	1	\$ 1,427,409	3	\$ 11,503,309	4
Delaware	\$ 33,965,451	2	\$ 4,562,137	5	\$ 38,527,589	7
Erie	\$ 15,683,833	3	\$ 538,829	1	\$ 16,222,662	4
Fairfield	\$ 28,061,245	2	\$ 3,202,227	10	\$ 31,263,472	12
Fayette	\$ 7,843,509	1	\$ 379,857	2	\$ 8,223,366	3
Franklin	\$ 1,330,532,007	15	\$ 19,821,664	7	\$ 1,350,353,670	22
Fulton	\$ 3,729,941	1	\$ 8,326,741	6	\$ 12,056,681	7
Gallia	\$ -	-	\$ 1,860,415	2	\$ 1,860,415	2
Geauga	\$ 6,246,918	1	\$ 5,849,964	3	\$ 12,096,883	4
Greene	\$ 16,789,289	2	\$ 2,618,456	3	\$ 19,407,745	5
Guernsey	\$ 7,336,708	1	\$ 344,136	1	\$ 7,680,844	2
Hamilton	\$ 566,131,228	17	\$ 48,814,786	15	\$ 614,946,014	32
Hancock	\$ 23,782,137	1	\$ 1,208,223	5	\$ 24,990,360	6
Hardin	\$ 3,170,145	1	\$ 3,533,581	8	\$ 6,703,725	9
Harrison	\$ -	-	\$ 1,720,561	5	\$ 1,720,561	5
Henry	\$ 4,517,724	1	\$ 1,219,188	7	\$ 5,736,912	8
Highland	\$ 3,738,060	1	\$ 1,664,301	2	\$ 5,402,361	3
Hocking	\$ 4,486,785	1	\$ -	-	\$ 4,486,785	1
Holmes	\$ -	-	\$ 2,302,747	2	\$ 2,302,747	2
Huron	\$ 16,380,464	3	\$ 1,741,772	4	\$ 18,122,236	7
Jackson	\$ 1,308,293	2	\$ 270,409	1	\$ 1,578,702	3
Jefferson	\$ 12,679,847	2	\$ 2,815,350	7	\$ 15,495,197	9
Knox	\$ 16,784,832	1	\$ 2,286,938	4	\$ 19,071,770	5
Lake	\$ 101,745,604	9	\$ 3,965,065	7	\$ 105,710,669	16
Lawrence	\$ 2,542,220	1	\$ 290,384	1	\$ 2,832,603	2
Licking	\$ 36,995,229	3	\$ 8,858,491	8	\$ 45,853,720	11
Logan	\$ 6,113,278	1	\$ 1,909,177	10	\$ 8,022,455	11
Lorain	\$ 112,983,527	8	\$ 9,071,189	5	\$ 122,054,715	13
Lucas	\$ 236,961,441	5	\$ 9,998,567	3	\$ 246,960,008	8
Madison	\$ 5,838,363	1	\$ 8,008,186	4	\$ 13,846,549	5
Mahoning	\$ 49,233,720	4	\$ 1,988,497	2	\$ 51,222,217	6
Marion	\$ 16,983,949	1	\$ 110,708	2	\$ 17,094,657	3
Medina	\$ 46,986,908	3	\$ 3,351,272	3	\$ 50,338,180	6
Meigs	\$ -	-	\$ 657,245	2	\$ 657,245	2
Mercer	\$ 6,324,735	1	\$ 4,095,197	4	\$ 10,419,931	5
Miami	\$ 37,017,429	3	\$ 3,138,049	4	\$ 40,155,478	7

Fiscal Year 2022

Municipal Income Tax (continued)**Table 40 (con't)****Municipal Income Tax: Calendar Year 2020 Collections, Aggregated by County**

County	City Collections	Number of Cities	Village Collections	Number of Villages	Total Collections	Total Number of Taxing Municipalities
Monroe	\$ -	-	\$ 568,962	1	\$ 568,962	1
Montgomery	\$ 321,558,214	16	\$ 1,119,829	3	\$ 322,678,043	19
Morgan	\$ -	-	\$ 519,517	2	\$ 519,517	2
Morrow	\$ -	-	\$ 1,916,792	5	\$ 1,916,792	5
Muskingum	\$ 17,531,220	1	\$ 1,781,657	4	\$ 19,312,877	5
Noble	\$ -	-	\$ 283,672	1	\$ 283,672	1
Ottawa	\$ 2,448,351	1	\$ 2,578,145	4	\$ 5,026,496	5
Paulding	\$ 67,612	1	\$ 2,799,631	5	\$ 2,867,243	6
Perry	\$ -	-	\$ 1,785,254	3	\$ 1,785,254	3
Pickaway	\$ 7,689,235	1	\$ 2,487,649	5	\$ 10,176,884	6
Pike	\$ -	-	\$ 2,274,750	2	\$ 2,274,750	2
Portage	\$ 53,268,083	4	\$ 2,997,406	4	\$ 56,265,488	8
Preble	\$ 4,958,557	1	\$ 1,991,516	6	\$ 6,950,073	7
Putnam	\$ -	-	\$ 8,529,435	10	\$ 8,529,435	10
Richland	\$ 38,457,282	3	\$ 4,735,701	4	\$ 43,192,983	7
Ross	\$ 15,541,898	1	\$ 36,660	1	\$ 15,578,558	2
Sandusky	\$ 10,251,136	2	\$ 738,162	1	\$ 10,989,299	3
Scioto	\$ 14,485,372	1	\$ 1,759,215	1	\$ 16,244,587	2
Seneca	\$ 16,338,708	2	\$ 631,652	4	\$ 16,970,360	6
Shelby	\$ 17,733,689	1	\$ 4,928,579	5	\$ 22,662,267	6
Stark	\$ 92,611,094	6	\$ 7,628,259	7	\$ 100,239,354	13
Summit	\$ 337,419,858	13	\$ 25,020,891	9	\$ 362,440,748	22
Trumbull	\$ 34,009,277	4	\$ 3,274,993	3	\$ 37,284,270	7
Tuscarawas	\$ 17,181,280	3	\$ 7,756,188	13	\$ 24,937,468	16
Union	\$ 21,129,800	1	\$ 812,478	2	\$ 21,942,279	3
Van Wert	\$ 7,313,701	1	\$ 429,461	4	\$ 7,743,162	5
Warren	\$ 69,193,648	4	\$ 3,687,687	6	\$ 72,881,335	10
Washington	\$ 12,943,811	2	\$ 292,332	1	\$ 13,236,143	3
Wayne	\$ 27,736,368	3	\$ 3,796,150	10	\$ 31,532,517	13
Williams	\$ 6,563,718	1	\$ 4,530,860	6	\$ 11,094,578	7
Wood	\$ 51,173,403	4	\$ 4,356,653	17	\$ 55,530,057	21
Wyandot	\$ 2,987,953	1	\$ 1,951,824	3	\$ 4,939,776	4
Totals	\$ 5,377,329,208	246	\$ 413,355,316	404	\$ 5,790,684,525	650

Eighty four municipalities did not submit calendar year 2020 data. For these municipalities, revenues from the previous year were used.

Source: Ohio Department of Taxation

Fiscal Year 2022

Municipal Income Tax (continued)

Table 41					
Municipal Net Profits: Fiscal Year 2022 Distributions to Municipalities, by County^{1,2}					
County	Number of Municipalities	Distributions	County	Number of Municipalities	Distributions
Adams	2	\$ 43,072	Logan	11	\$ 202,257
Allen	8	\$ 548,812	Lorain	13	\$ 4,221,902
Ashland	4	\$ 251,724	Lucas	8	\$ 20,368,427
Ashtabula	9	\$ 270,351	Madison	5	\$ 333,754
Athens	3	\$ 270,667	Mahoning	6	\$ 1,373,611
Auglaize	8	\$ 324,639	Marion	3	\$ 362,109
Belmont	6	\$ 33,583	Medina	6	\$ 1,425,175
Brown	5	\$ 36,617	Meigs	2	\$ 2,736
Butler	7	\$ 3,252,426	Mercer	5	\$ 109,000
Carroll	3	\$ 19,413	Miami	7	\$ 2,617,426
Champaign	5	\$ 62,516	Monroe	1	\$ 1,030
Clark	6	\$ 1,487,912	Montgomery	19	\$ 10,246,509
Clermont	9	\$ 94,593	Morgan	2	\$ 6,634
Clinton	3	\$ 195,025	Morrow	6	\$ 22,754
Columbiana	10	\$ 178,584	Muskingum	6	\$ 1,807,699
Coshocton	3	\$ 209,440	Noble	1	\$ 2,027
Crawford	6	\$ 133,192	Ottawa	5	\$ 67,745
Cuyahoga	56	\$ 22,565,533	Paulding	7	\$ 14,974
Darke	11	\$ 683,948	Perry	2	\$ 121,448
Defiance	4	\$ 444,584	Pickaway	6	\$ 131,401
Delaware	7	\$ 876,551	Pike	2	\$ 18,337
Erie	4	\$ 173,130	Portage	8	\$ 1,638,036
Fairfield	12	\$ 1,206,522	Preble	7	\$ 105,294
Fayette	3	\$ 326,394	Putnam	10	\$ 423,228
Franklin	22	\$ 40,005,350	Richland	7	\$ 1,014,994
Fulton	7	\$ 212,282	Ross	2	\$ 595,244
Gallia	2	\$ 34,294	Sandusky	4	\$ 2,978,469
Geauga	4	\$ 203,811	Scioto	2	\$ 220,096
Greene	5	\$ 692,243	Seneca	6	\$ 302,362
Guernsey	2	\$ 143,429	Shelby	6	\$ 1,069,901
Hamilton	32	\$ 11,523,459	Stark	13	\$ 4,945,930
Hancock	6	\$ 573,219	Summit	22	\$ 10,163,436
Hardin	9	\$ 67,747	Trumbull	7	\$ 1,059,762
Harrison	5	\$ 47,980	Tuscarawas	16	\$ 449,175
Henry	8	\$ 119,088	Union	3	\$ 391,234
Highland	3	\$ 304,132	Van Wert	5	\$ 100,736
Hocking	1	\$ 76,772	Vinton	0	\$ -
Holmes	2	\$ 24,295	Warren	10	\$ 1,575,054
Huron	7	\$ 284,426	Washington	3	\$ 347,620
Jackson	3	\$ 50,768	Wayne	13	\$ 408,398
Jefferson	9	\$ 329,430	Williams	7	\$ 439,000
Knox	5	\$ 380,247	Wood	20	\$ 2,790,227
Lake	16	\$ 4,941,126	Wyandot	4	\$ 56,288
Lawrence	2	\$ 22,167			
Licking	11	\$ 1,851,853	Total	653	\$ 170,108,787

¹ Distributions are made in FY 2022 for collections from June 2021 to May 2022.² Distributions are inclusive of amounts for JEDDs and JEDZs.

Source: Ohio Department of Taxation

Property Tax - Public Utility Property**Table 42****Public Utility Property Tax: Tax Years 2017-2021
Taxes Levied (dollars in millions)**

<u>Tax Year</u>	<u>Total</u>
2017	\$ 1,328.1
2018	\$ 1,516.7
2019	\$ 1,963.3
2020	\$ 2,079.3
2021	\$ 2,184.5

Source: Ohio Department of Taxation

Fiscal Year 2022

Property Tax - Public Utility Property (continued)

Table 43					
Property Tax, Public Utility: Tax Year 2021 Assessed Value and Taxes Levied, by County (dollars in thousands)					
County	Taxable Value	Taxes Levied and Charged	County	Taxable Value	Taxes Levied and Charged
Adams	\$ 100,531	\$ 5,003	Logan	\$ 54,700	\$ 3,665
Allen	\$ 230,366	\$ 14,794	Lorain	\$ 569,434	\$ 50,415
Ashland	\$ 337,153	\$ 26,197	Lucas	\$ 506,177	\$ 55,860
Ashtabula	\$ 156,978	\$ 12,869	Madison	\$ 84,965	\$ 5,565
Athens	\$ 235,406	\$ 17,450	Mahoning	\$ 358,385	\$ 30,294
Auglaize	\$ 57,499	\$ 3,349	Marion	\$ 142,898	\$ 9,744
Belmont	\$ 600,861	\$ 36,705	Medina	\$ 431,456	\$ 39,546
Brown	\$ 65,185	\$ 3,318	Meigs	\$ 89,045	\$ 4,489
Butler	\$ 624,751	\$ 47,644	Mercer	\$ 33,169	\$ 1,948
Carroll	\$ 385,331	\$ 20,385	Miami	\$ 98,035	\$ 7,107
Champaign	\$ 39,075	\$ 2,931	Monroe	\$ 791,746	\$ 39,481
Clark	\$ 184,918	\$ 15,049	Montgomery	\$ 529,349	\$ 61,769
Clermont	\$ 282,333	\$ 25,416	Morgan	\$ 159,179	\$ 8,534
Clinton	\$ 83,707	\$ 4,537	Morrow	\$ 67,010	\$ 3,989
Columbiana	\$ 481,480	\$ 27,073	Muskingum	\$ 502,988	\$ 29,105
Coshocton	\$ 100,830	\$ 6,309	Noble	\$ 516,156	\$ 24,568
Crawford	\$ 333,677	\$ 24,828	Ottawa	\$ 174,609	\$ 11,697
Cuyahoga	\$ 1,463,477	\$ 181,345	Paulding	\$ 84,489	\$ 4,265
Darke	\$ 89,293	\$ 4,931	Perry	\$ 291,804	\$ 17,711
Defiance	\$ 263,750	\$ 18,368	Pickaway	\$ 356,164	\$ 19,681
Delaware	\$ 476,517	\$ 44,672	Pike	\$ 125,379	\$ 6,244
Erie	\$ 295,862	\$ 26,259	Portage	\$ 188,075	\$ 18,492
Fairfield	\$ 451,478	\$ 35,672	Preble	\$ 54,371	\$ 3,215
Fayette	\$ 175,506	\$ 9,439	Putnam	\$ 96,478	\$ 4,949
Franklin	\$ 1,467,833	\$ 171,958	Richland	\$ 452,198	\$ 36,410
Fulton	\$ 238,413	\$ 18,003	Ross	\$ 178,837	\$ 11,178
Gallia	\$ 275,691	\$ 11,787	Sandusky	\$ 372,159	\$ 26,819
Geauga	\$ 132,180	\$ 13,480	Scioto	\$ 186,729	\$ 11,628
Greene	\$ 164,295	\$ 14,716	Seneca	\$ 412,698	\$ 26,959
Guernsey	\$ 196,230	\$ 11,017	Shelby	\$ 54,217	\$ 3,403
Hamilton	\$ 1,324,717	\$ 144,963	Stark	\$ 932,453	\$ 77,803
Hancock	\$ 245,229	\$ 13,863	Summit	\$ 652,809	\$ 64,036
Hardin	\$ 66,875	\$ 4,158	Trumbull	\$ 241,147	\$ 19,417
Harrison	\$ 491,085	\$ 31,013	Tuscarawas	\$ 382,892	\$ 23,440
Henry	\$ 269,103	\$ 18,954	Union	\$ 154,807	\$ 13,083
Highland	\$ 80,468	\$ 3,825	Van Wert	\$ 89,412	\$ 5,488
Hocking	\$ 315,249	\$ 18,629	Vinton	\$ 208,051	\$ 9,273
Holmes	\$ 80,215	\$ 4,740	Warren	\$ 472,176	\$ 38,057
Huron	\$ 87,918	\$ 5,531	Washington	\$ 405,179	\$ 23,589
Jackson	\$ 160,668	\$ 6,930	Wayne	\$ 585,519	\$ 43,133
Jefferson	\$ 566,599	\$ 35,401	Williams	\$ 43,679	\$ 3,195
Knox	\$ 142,096	\$ 9,549	Wood	\$ 555,438	\$ 43,104
Lake	\$ 388,625	\$ 38,115	Wyandot	\$ 40,854	\$ 2,269
Lawrence	\$ 517,489	\$ 18,358			
Licking	\$ 422,753	\$ 30,394	Total	\$ 27,877,006	\$ 2,184,542

Source: Ohio Department of Taxation

Property Tax - Public Utility Property (continued)

Table 44						
Property Tax, Public Utility: Tax Years 2017-2021 Assessed Values, by Class of Utility (dollars in thousands)						
Class of Utility	2021 Number of Taxpayers¹	Assessed Values				
		2017	2018	2019	2020	2021
Electric	44	\$ 11,489,571	\$ 12,185,543	\$ 13,177,201	\$ 14,293,233	\$ 15,395,667
Natural Gas	30	\$ 1,664,783	\$ 1,812,008	\$ 1,941,964	\$ 2,097,105	\$ 2,249,831
Pipeline	21	\$ 2,480,881	\$ 4,178,513	\$ 9,258,538	\$ 9,277,425	\$ 9,344,650
Rural Electric	26	\$ 577,012	\$ 589,189	\$ 611,472	\$ 642,494	\$ 663,696
Other ²	42	\$ 210,663	\$ 208,996	\$ 207,675	\$ 211,820	\$ 223,161
Total	163	\$ 16,422,910	\$ 18,974,248	\$ 25,196,849	\$ 26,522,077	\$ 27,877,006

¹ Only companies with taxable property

² Water works, water transportation, heating, energy, and personal property leased or rented to a public utility taxpayer.

Source: Ohio Department of Taxation

Fiscal Year 2022

Property Tax - Real Property

Table 45
Real Property Tax: Tax Year 2021 Taxable Values, Effective Tax Rates, Taxes Charged ¹ and Property Tax Relief, by County (dollars in thousands)

County	Class 1 Taxable Value	Class 2 Taxable Value	Total Taxable Value	Class 1 Effective Rate	Class 2 Effective Rate	Taxes Charged	Non-business credit	Owner-Occupied credit	Homestead Exemption Reduction	Net Taxes Charged	Net Effective Tax Rate
Adams	\$ 365,065	\$ 51,097	\$ 416,162	42.66	50.67	\$ 18,161	\$ 1,339	\$ 83	\$ 600	\$ 16,139	38.78
Allen	\$ 1,705,910	\$ 469,459	\$ 2,175,369	50.01	57.36	\$ 112,248	\$ 7,499	\$ 1,273	\$ 2,525	\$ 100,952	46.41
Ashland	\$ 930,092	\$ 182,968	\$ 1,113,059	47.67	56.91	\$ 54,753	\$ 3,940	\$ 664	\$ 1,424	\$ 48,725	43.78
Ashtabula	\$ 1,544,547	\$ 335,356	\$ 1,879,904	54.68	66.29	\$ 106,688	\$ 6,651	\$ 923	\$ 3,472	\$ 95,642	50.88
Athens	\$ 838,745	\$ 257,570	\$ 1,096,315	55.85	57.37	\$ 61,621	\$ 3,714	\$ 498	\$ 1,430	\$ 55,979	51.06
Auglaize	\$ 1,000,793	\$ 169,475	\$ 1,170,268	42.47	53.54	\$ 51,573	\$ 3,936	\$ 631	\$ 952	\$ 46,055	39.35
Belmont	\$ 1,159,661	\$ 621,841	\$ 1,781,502	40.66	49.43	\$ 77,894	\$ 4,203	\$ 578	\$ 1,806	\$ 71,308	40.03
Brown	\$ 850,831	\$ 75,741	\$ 926,571	36.96	42.55	\$ 34,671	\$ 2,967	\$ 279	\$ 859	\$ 30,566	32.99
Butler	\$ 715,286	\$ 2,026,485	\$ 9,179,348	52.79	59.53	\$ 498,270	\$ 35,275	\$ 7,254	\$ 8,038	\$ 447,703	48.77
Carroll	\$ 596,628	\$ 127,038	\$ 723,666	41.38	41.82	\$ 30,001	\$ 2,294	\$ 251	\$ 651	\$ 26,805	37.04
Champaign	\$ 816,298	\$ 104,275	\$ 920,573	47.16	63.53	\$ 45,122	\$ 3,242	\$ 441	\$ 1,163	\$ 40,277	43.75
Clark	\$ 1,973,911	\$ 473,143	\$ 2,447,053	59.37	68.96	\$ 149,815	\$ 10,350	\$ 1,697	\$ 4,820	\$ 132,949	54.33
Clermont	\$ 4,144,982	\$ 782,805	\$ 4,927,787	60.13	74.43	\$ 307,494	\$ 22,595	\$ 4,730	\$ 5,277	\$ 274,892	55.78
Clinton	\$ 838,082	\$ 174,142	\$ 1,012,223	42.51	48.69	\$ 44,106	\$ 3,066	\$ 491	\$ 864	\$ 39,686	39.21
Columbiana	\$ 1,526,587	\$ 294,266	\$ 1,820,853	44.39	48.45	\$ 80,502	\$ 6,250	\$ 978	\$ 2,657	\$ 70,616	38.78
Coshocton	\$ 619,433	\$ 127,936	\$ 747,369	44.93	52.88	\$ 34,593	\$ 2,352	\$ 298	\$ 957	\$ 30,986	41.46
Crawford	\$ 635,563	\$ 99,519	\$ 735,082	52.38	64.65	\$ 39,727	\$ 2,947	\$ 355	\$ 1,504	\$ 34,922	47.51
Cuyahoga	\$ 24,384,470	\$ 8,781,068	\$ 33,165,538	80.25	94.16	\$ 2,783,675	\$ 162,781	\$ 32,556	\$ 50,301	\$ 2,538,037	76.53
Darke	\$ 1,093,660	\$ 161,729	\$ 1,255,389	42.54	50.00	\$ 54,613	\$ 4,233	\$ 621	\$ 1,385	\$ 48,374	38.53
Defiance	\$ 712,320	\$ 129,509	\$ 841,829	46.33	54.86	\$ 40,107	\$ 2,915	\$ 469	\$ 1,104	\$ 35,619	42.31
Delaware	\$ 8,145,133	\$ 972,435	\$ 9,117,568	67.64	77.55	\$ 626,326	\$ 46,080	\$ 9,598	\$ 4,360	\$ 566,289	62.11
Erie	\$ 1,816,132	\$ 484,008	\$ 2,300,140	50.15	68.51	\$ 124,242	\$ 7,760	\$ 1,213	\$ 2,455	\$ 112,814	49.05
Fairfield	\$ 3,707,051	\$ 540,757	\$ 4,247,809	52.03	59.69	\$ 225,138	\$ 16,563	\$ 3,042	\$ 3,243	\$ 202,291	47.62
Fayette	\$ 599,633	\$ 113,428	\$ 713,061	46.66	50.04	\$ 33,654	\$ 2,455	\$ 316	\$ 646	\$ 30,237	42.40
Franklin	\$ 25,350,726	\$ 10,166,923	\$ 35,517,649	66.37	73.25	\$ 2,427,419	\$ 157,168	\$ 33,037	\$ 25,046	\$ 2,212,169	62.28
Fulton	\$ 867,619	\$ 147,071	\$ 1,014,690	56.21	69.44	\$ 58,986	\$ 3,982	\$ 577	\$ 1,282	\$ 53,145	52.38
Gallia	\$ 446,209	\$ 136,839	\$ 583,048	40.94	41.87	\$ 23,999	\$ 1,772	\$ 173	\$ 783	\$ 21,271	36.48
Geauga	\$ 3,089,243	\$ 379,580	\$ 3,468,823	60.68	72.02	\$ 214,786	\$ 15,887	\$ 2,997	\$ 3,169	\$ 192,733	55.56
Greene	\$ 3,757,645	\$ 884,694	\$ 4,642,339	69.40	76.44	\$ 328,419	\$ 21,003	\$ 3,177	\$ 6,131	\$ 298,108	64.21
Guernsey	\$ 686,642	\$ 252,082	\$ 938,724	46.34	50.82	\$ 44,631	\$ 2,590	\$ 298	\$ 1,064	\$ 40,678	43.33
Hamilton	\$ 15,821,657	\$ 5,355,271	\$ 21,176,928	68.84	77.59	\$ 1,504,662	\$ 96,786	\$ 19,223	\$ 20,958	\$ 1,367,694	64.58
Hancock	\$ 1,599,318	\$ 353,606	\$ 1,952,924	43.09	55.28	\$ 88,465	\$ 6,106	\$ 1,096	\$ 1,415	\$ 79,848	40.89
Hardin	\$ 520,495	\$ 68,398	\$ 588,893	49.15	56.06	\$ 29,418	\$ 2,169	\$ 259	\$ 831	\$ 26,158	44.42
Harrison	\$ 275,146	\$ 236,667	\$ 511,812	42.41	56.66	\$ 25,080	\$ 1,005	\$ 107	\$ 521	\$ 23,445	45.81
Henry	\$ 619,431	\$ 76,459	\$ 695,890	50.57	70.26	\$ 36,695	\$ 2,706	\$ 337	\$ 809	\$ 32,842	47.19
Highland	\$ 789,896	\$ 90,424	\$ 880,321	39.26	44.20	\$ 35,010	\$ 2,936	\$ 351	\$ 976	\$ 30,747	34.93
Hocking	\$ 590,645	\$ 55,055	\$ 645,700	46.93	50.69	\$ 30,511	\$ 2,523	\$ 337	\$ 773	\$ 26,878	41.63
Holmes	\$ 958,938	\$ 219,316	\$ 1,178,254	42.80	45.59	\$ 51,040	\$ 3,641	\$ 426	\$ 547	\$ 46,426	39.40
Huron	\$ 1,049,629	\$ 205,563	\$ 1,255,193	43.52	52.31	\$ 56,431	\$ 3,820	\$ 659	\$ 1,387	\$ 50,566	40.29
Jackson	\$ 454,729	\$ 88,869	\$ 543,598	41.96	46.06	\$ 23,173	\$ 1,561	\$ 173	\$ 751	\$ 20,687	38.06
Jefferson	\$ 881,395	\$ 397,387	\$ 1,278,782	43.82	55.59	\$ 60,709	\$ 3,146	\$ 460	\$ 1,967	\$ 55,137	43.12
Knox	\$ 1,384,646	\$ 136,976	\$ 1,521,621	49.66	54.42	\$ 76,217	\$ 5,454	\$ 760	\$ 1,517	\$ 68,485	45.01
Lake	\$ 5,745,181	\$ 1,214,892	\$ 6,960,073	61.96	77.58	\$ 450,238	\$ 29,995	\$ 6,066	\$ 8,597	\$ 405,579	58.27
Lawrence	\$ 840,571	\$ 154,128	\$ 994,699	34.46	36.46	\$ 34,584	\$ 2,647	\$ 386	\$ 1,450	\$ 30,101	30.26
Licking	\$ 4,251,864	\$ 786,761	\$ 5,038,625	53.33	58.28	\$ 272,610	\$ 18,241	\$ 3,463	\$ 4,710	\$ 246,196	48.86

Property Tax - Real Property (continued)

Table 45 (con't)
Real Property Tax: Tax Year 2021 Taxable Values, Effective Tax Rates, Taxes Charged 1 and Property Tax Relief, by County (dollars in thousands)

County	Class 1 Taxable Value	Class 2 Taxable Value	Total Taxable Value	Class 1 Effective Rate	Class 2 Effective Rate	Taxes Charged	Non-business credit	Owner-Occupied credit	Homestead Exemption Reduction	Net Taxes Charged	Net Effective Tax Rate
Logan	\$ 1,110,410	\$ 214,452	\$ 1,324,862	46.52	52.11	\$ 62,828	\$ 4,361	\$ 489	\$ 1,059	\$ 56,919	42.96
Lorain	\$ 6,968,109	\$ 1,337,739	\$ 8,305,847	57.73	62.78	\$ 486,274	\$ 35,871	\$ 6,928	\$ 9,689	\$ 433,786	52.23
Lucas	\$ 6,442,628	\$ 2,114,575	\$ 8,557,204	72.43	92.33	\$ 661,852	\$ 39,358	\$ 8,065	\$ 15,991	\$ 598,438	69.93
Madison	\$ 1,047,809	\$ 152,231	\$ 1,200,040	44.88	54.65	\$ 55,341	\$ 3,962	\$ 665	\$ 842	\$ 49,872	41.56
Mahoning	\$ 3,410,534	\$ 983,313	\$ 4,393,847	61.31	73.64	\$ 281,514	\$ 18,114	\$ 3,570	\$ 9,224	\$ 250,607	57.04
Marion	\$ 934,311	\$ 197,391	\$ 1,131,702	47.07	52.93	\$ 54,423	\$ 3,584	\$ 442	\$ 1,655	\$ 48,741	43.07
Medina	\$ 4,907,262	\$ 959,266	\$ 5,866,529	55.19	59.42	\$ 327,853	\$ 23,310	\$ 4,730	\$ 5,506	\$ 294,306	50.17
Meigs	\$ 300,675	\$ 46,731	\$ 347,406	40.87	50.07	\$ 14,629	\$ 1,041	\$ 126	\$ 632	\$ 12,830	36.93
Mercer	\$ 1,046,964	\$ 106,865	\$ 1,153,829	46.01	53.19	\$ 53,850	\$ 4,153	\$ 546	\$ 886	\$ 48,266	41.83
Miami	\$ 2,115,123	\$ 466,848	\$ 2,581,971	46.25	56.86	\$ 124,363	\$ 8,892	\$ 1,658	\$ 2,800	\$ 111,013	43.00
Monroe	\$ 297,843	\$ 246,508	\$ 544,351	32.84	49.73	\$ 22,039	\$ 901	\$ 72	\$ 281	\$ 20,785	38.18
Montgomery	\$ 8,147,127	\$ 2,245,736	\$ 10,392,862	81.99	97.26	\$ 886,398	\$ 56,549	\$ 11,014	\$ 24,352	\$ 794,483	76.45
Morgan	\$ 256,118	\$ 18,545	\$ 274,662	35.86	39.51	\$ 9,917	\$ 814	\$ 77	\$ 354	\$ 8,673	31.58
Morrow	\$ 796,720	\$ 64,191	\$ 860,910	47.02	55.10	\$ 40,995	\$ 2,990	\$ 396	\$ 892	\$ 36,718	42.65
Muskingum	\$ 1,481,021	\$ 387,691	\$ 1,868,712	40.71	44.89	\$ 77,696	\$ 5,685	\$ 846	\$ 1,883	\$ 69,282	37.07
Noble	\$ 258,052	\$ 57,944	\$ 315,996	35.19	42.38	\$ 11,538	\$ 879	\$ 80	\$ 247	\$ 10,332	32.70
Ottawa	\$ 1,902,158	\$ 274,657	\$ 2,176,814	41.85	46.94	\$ 92,495	\$ 6,804	\$ 595	\$ 1,395	\$ 83,701	38.45
Paulding	\$ 385,233	\$ 39,211	\$ 424,445	43.58	51.03	\$ 18,788	\$ 1,472	\$ 156	\$ 578	\$ 16,582	39.07
Perry	\$ 580,493	\$ 60,005	\$ 640,498	46.60	51.47	\$ 30,141	\$ 2,274	\$ 377	\$ 987	\$ 26,502	41.38
Pickaway	\$ 1,241,691	\$ 167,974	\$ 1,409,665	44.85	56.11	\$ 65,114	\$ 5,273	\$ 827	\$ 1,176	\$ 57,839	41.03
Pike	\$ 390,877	\$ 45,201	\$ 436,078	39.80	53.44	\$ 17,971	\$ 1,444	\$ 183	\$ 661	\$ 15,683	35.96
Portage	\$ 3,476,207	\$ 798,427	\$ 4,274,635	53.93	66.81	\$ 240,807	\$ 15,872	\$ 2,956	\$ 4,272	\$ 217,707	50.93
Preamble	\$ 824,394	\$ 93,936	\$ 918,329	45.97	52.31	\$ 42,811	\$ 3,194	\$ 504	\$ 1,226	\$ 37,887	41.26
Putnam	\$ 813,077	\$ 79,507	\$ 892,584	41.42	44.59	\$ 37,225	\$ 2,889	\$ 495	\$ 680	\$ 33,160	37.15
Richland	\$ 1,756,539	\$ 346,550	\$ 2,103,089	58.79	78.19	\$ 130,372	\$ 8,711	\$ 1,530	\$ 4,342	\$ 115,789	55.06
Ross	\$ 1,143,824	\$ 213,019	\$ 1,356,843	44.56	55.19	\$ 62,727	\$ 4,222	\$ 675	\$ 1,862	\$ 55,967	41.25
Sandusky	\$ 1,084,099	\$ 233,170	\$ 1,317,270	47.75	53.03	\$ 64,136	\$ 4,556	\$ 733	\$ 1,577	\$ 57,271	43.48
Scioto	\$ 860,623	\$ 183,399	\$ 1,044,022	48.49	54.00	\$ 51,638	\$ 3,337	\$ 556	\$ 2,179	\$ 45,566	43.65
Seneca	\$ 912,413	\$ 146,211	\$ 1,058,624	46.74	62.33	\$ 51,760	\$ 3,677	\$ 537	\$ 1,468	\$ 46,078	43.53
Shelby	\$ 1,010,942	\$ 206,838	\$ 1,217,780	44.20	53.21	\$ 55,694	\$ 4,028	\$ 663	\$ 1,050	\$ 49,952	41.02
Stark	\$ 7,306,773	\$ 1,855,095	\$ 9,161,867	53.05	59.89	\$ 498,755	\$ 31,938	\$ 6,066	\$ 12,195	\$ 448,556	48.96
Summit	\$ 10,703,220	\$ 3,159,992	\$ 13,863,213	66.14	72.16	\$ 935,954	\$ 62,456	\$ 12,557	\$ 18,262	\$ 842,679	60.79
Trumbull	\$ 2,778,343	\$ 683,403	\$ 3,461,746	61.68	69.05	\$ 218,556	\$ 15,711	\$ 2,404	\$ 8,804	\$ 191,638	55.36
Tuscarawas	\$ 1,644,568	\$ 354,349	\$ 1,998,917	46.75	54.41	\$ 96,163	\$ 6,435	\$ 1,009	\$ 2,330	\$ 86,390	43.22
Union	\$ 1,770,905	\$ 251,059	\$ 2,021,964	56.82	75.29	\$ 119,525	\$ 9,668	\$ 1,765	\$ 1,044	\$ 107,048	52.94
Van Wert	\$ 558,670	\$ 68,110	\$ 626,779	42.08	61.34	\$ 27,685	\$ 2,347	\$ 313	\$ 717	\$ 24,308	38.78
Vinton	\$ 205,893	\$ 14,405	\$ 220,298	41.67	47.67	\$ 9,266	\$ 650	\$ 65	\$ 393	\$ 8,158	37.03
Warren	\$ 7,600,993	\$ 1,272,610	\$ 8,873,602	49.05	57.81	\$ 446,378	\$ 32,633	\$ 6,721	\$ 4,440	\$ 402,584	45.37
Washington	\$ 1,019,423	\$ 265,902	\$ 1,285,325	42.02	48.44	\$ 55,719	\$ 3,767	\$ 571	\$ 1,552	\$ 49,829	38.77
Wayne	\$ 2,253,003	\$ 526,696	\$ 2,779,699	49.82	65.36	\$ 146,662	\$ 9,728	\$ 1,605	\$ 2,826	\$ 132,502	47.67
Williams	\$ 699,217	\$ 131,280	\$ 830,497	50.09	61.35	\$ 43,081	\$ 3,048	\$ 467	\$ 1,159	\$ 38,407	46.25
Wood	\$ 2,655,269	\$ 742,205	\$ 3,397,474	60.30	74.84	\$ 215,670	\$ 12,967	\$ 2,389	\$ 3,293	\$ 197,021	57.99
Wyandot	\$ 472,821	\$ 66,365	\$ 539,186	37.88	39.90	\$ 20,559	\$ 1,539	\$ 193	\$ 494	\$ 18,334	34.00
Statewide											
Total/Average²	\$ 232,712,387	\$ 60,842,614	\$ 293,555,001	60.40	72.62	\$ 18,475,242	\$ 1,221,647	\$ 230,216	\$ 344,435	\$ 16,678,944	56.82

¹ Taxes charged in tax year 2021 and collected or reimbursed in calendar year 2022.
² Statewide totals and averages based on submitted data.

Source: Ohio Department of Taxation

Property Tax - Real Property (continued)

	Tax Year					
	2016	2017	2018	2019	2020	2021
Table 46						
Real Property Tax: Taxable Values, Taxes Charged, Average Tax Rates and Tax Relief, Tax Years 2016-2021						
Total Assessed Value	\$ 238,258,556,773	\$ 246,886,179,262	\$ 255,680,744,700	\$ 261,187,251,070	\$ 280,011,663,141	\$ 293,555,000,703
Class I	\$ 186,381,298,184	\$ 193,662,208,379	\$ 200,332,822,690	\$ 204,714,698,700	\$ 220,284,545,400	\$ 232,712,387,110
Class II	\$ 51,877,258,589	\$ 53,223,970,883	\$ 55,347,922,010	\$ 56,472,552,370	\$ 59,727,117,741	\$ 60,842,613,593
Total Taxes Charged ¹	\$ 16,180,476,196	\$ 16,572,340,138	\$ 17,038,751,380	\$ 17,337,841,410	\$ 18,021,433,118	\$ 18,475,242,062
Class I	\$ 12,174,577,652	\$ 12,493,208,505	\$ 12,831,509,700	\$ 13,104,260,240	\$ 13,668,137,149	\$ 14,056,933,499
Class II	\$ 4,005,898,544	\$ 4,079,131,634	\$ 4,207,241,680	\$ 4,233,581,140	\$ 4,353,295,969	\$ 4,418,308,563
Average Effective Tax Rate ²	67.91	67.13	66.64	66.38	64.36	62.94
Class I	65.32	64.51	64.05	64.01	62.05	60.40
Class II	77.22	76.64	76.01	74.97	72.89	72.62
Nonbusiness Credit ³	\$ 1,141,590,642	\$ 1,153,180,151	\$ 1,163,636,308	\$ 1,171,338,443	\$ 1,200,377,583	\$ 1,221,647,044
Owner-Occupied Credit ³	\$ 211,111,896	\$ 214,378,250	\$ 217,440,266	\$ 218,750,160	\$ 225,841,952	\$ 230,215,941
Homestead Exemption Reduction ³	\$ 423,329,751	\$ 408,252,641	\$ 393,028,410	\$ 385,017,996	\$ 364,359,578	\$ 344,435,261
Net Taxes Collectible	\$ 14,404,443,906	\$ 14,796,529,097	\$ 15,264,646,396	\$ 15,562,734,812	\$ 16,230,854,005	\$ 16,678,943,816
¹ Net taxes charged after application of percentage reduction required by O.R.C. 319.301						
² Taxes charged divided by value of taxable property						
³ These figures are after applicable credits and homestead exemption. The data also exclude those taxpayers that filed late for the tax reduction and exclude the administrative fees associated with this program.						
Source: Ohio Department of Taxation						

Resort Area Gross Receipts Tax**Table 47****Resort Area Tax: fiscal years 2018-2022 Distributions by District**

Fiscal Year	Kelleys Island	Put-in-Bay Village	Put-in-Bay Township	City of Canton¹	Total
2018	\$ 163,228	\$ 632,143	\$ 350,528	\$ 38,138	\$ 1,184,037
2019	\$ 166,064	\$ 685,783	\$ 423,473	\$ 143,508	\$ 1,418,828
2020	\$ 118,633	\$ 572,932	\$ 403,326	\$ 126,579	\$ 1,221,471
2021	\$ 188,180	\$ 524,936	\$ 293,876	\$ 41,589	\$ 1,048,581
2022	\$ 334,604	\$ 902,511	\$ 527,256	\$ 239,688	\$ 2,004,059

¹Beginning with the January 2021 distribution the City of Canton's distributions are inclusive of all areas within the Tourism Development District.

Source: Ohio Department of Taxation

Fiscal Year 2022

Sales and Use Tax - Counties and Transit Authorities

Table 48

Permissive (Local) Sales and Use Tax: Calendar Years 2019-2021 Collections, by County

County	2019	2020	2021	Initial Enactment	Tax Rate Dec. 31, 2021	Effective Date of Current Rate
Adams	\$ 4,065,161	\$ 4,498,228	\$ 5,522,213	Jun 1, 1991	1.50 %	Apr 1, 2006
Allen	\$ 17,883,674	\$ 17,914,212	\$ 19,832,823	May 1, 1970	1.00 %	Jun 1, 1987
Ashland	\$ 8,936,368	\$ 9,222,297	\$ 10,790,794	Mar 1, 1971	1.25 %	Jan 1, 1998
Ashtabula	\$ 10,944,492	\$ 12,133,344	\$ 13,548,236	Apr 1, 1977	1.00 %	Jul 1, 1985
Athens	\$ 8,350,605	\$ 8,563,915	\$ 11,389,376	Feb 1, 1982	1.50 %	Apr 1, 2021
Auglaize	\$ 10,282,453	\$ 10,653,754	\$ 11,707,718	Nov 1, 1973	1.50 %	Jun 1, 1996
Belmont	\$ 17,463,145	\$ 16,665,724	\$ 16,971,417	May 1, 1985	1.50 %	Jan 1, 1995
Brown	\$ 5,577,353	\$ 6,550,408	\$ 7,502,106	Aug 1, 1979	1.50 %	Oct 1, 2010
Butler	\$ 45,168,341	\$ 45,012,790	\$ 53,530,347	Jun 1, 1985	0.75 %	Jan 1, 2008
Carroll	\$ 3,464,336	\$ 2,910,582	\$ 3,568,649	Sep 1, 1985	1.00 %	Jul 1, 2006
Champaign	\$ 5,745,584	\$ 6,229,752	\$ 7,023,320	Jan 1, 1986	1.50 %	Jul 1, 2003
Clark	\$ 25,854,322	\$ 27,572,741	\$ 30,852,914	Nov 1, 1972	1.50 %	Jan 1, 2008
Clermont	\$ 29,779,004	\$ 30,951,242	\$ 36,118,667	Aug 1, 1979	1.00 %	Oct 1, 1983
Clinton	\$ 8,051,230	\$ 10,995,511	\$ 12,676,448	May 1, 1972	1.50 %	Oct 1, 2019
Columbiana	\$ 17,120,597	\$ 18,000,761	\$ 20,381,680	Aug 1, 1985	1.50 %	Apr 1, 2007
Coshocton	\$ 5,562,903	\$ 6,053,770	\$ 7,097,719	Jun 1, 1971	1.50 %	Jan 1, 2006
Crawford	\$ 5,588,380	\$ 6,418,416	\$ 7,264,739	May 1, 1978	1.50 %	Oct 1, 2019
Cuyahoga	\$ 268,955,175	\$ 262,973,008	\$ 305,006,112	Sep 1, 1969	1.25 %	Oct 1, 2007
Darke	\$ 9,105,251	\$ 9,708,456	\$ 11,133,455	Jul 1, 1975	1.50 %	Oct 1, 2005
Defiance	\$ 6,236,503	\$ 6,462,608	\$ 7,061,207	Feb 1, 1987	1.00 %	Feb 1, 1987
Delaware	\$ 65,946,034	\$ 66,856,402	\$ 79,044,154	Jan 1, 1972	1.25 %	Oct 1, 1996
Erie	\$ 16,396,008	\$ 15,242,855	\$ 19,659,104	Mar 1, 1977	1.00 %	Oct 1, 2014
Fairfield	\$ 22,345,000	\$ 23,120,387	\$ 27,375,193	Sep 1, 1981	1.00 %	Jan 1, 2010
Fayette	\$ 8,188,681	\$ 8,504,437	\$ 8,906,968	Mar 1, 1983	1.50 %	Jan 1, 2008
Franklin	\$ 309,877,696	\$ 308,378,611	\$ 358,547,494	Sep 1, 1985	1.25 %	Jan 1, 2014
Fulton	\$ 8,256,870	\$ 8,855,776	\$ 10,211,504	May 1, 1972	1.50 %	Jan 1, 2010
Gallia	\$ 5,736,532	\$ 6,670,970	\$ 7,256,513	Dec 1, 1981	1.50 %	Apr 1, 2019
Geauga	\$ 15,941,300	\$ 17,145,965	\$ 19,556,528	Aug 1, 1987	1.00 %	Feb 1, 2004
Greene	\$ 28,764,823	\$ 29,074,878	\$ 33,778,966	Mar 1, 1971	1.00 %	Feb 1, 1987
Guernsey	\$ 8,837,242	\$ 9,024,280	\$ 11,004,998	Feb 1, 1971	1.50 %	Aug 1, 1993
Hamilton	\$ 209,572,609	\$ 209,949,365	\$ 236,438,890	Jun 1, 1970	1.25 %	Apr 1, 2015
Hancock	\$ 16,262,814	\$ 15,623,597	\$ 18,278,801	Feb 1, 1979	1.00 %	Jan 1, 2010
Hardin	\$ 4,607,918	\$ 5,335,319	\$ 5,618,401	Oct 1, 1985	1.50 %	Jan 1, 2005
Harrison	\$ 5,208,876	\$ 3,666,673	\$ 3,551,034	Dec 1, 1985	1.50 %	Jun 1, 1994
Henry	\$ 4,289,486	\$ 4,692,987	\$ 5,500,023	Mar 1, 1972	1.50 %	Apr 1, 2007
Highland	\$ 6,863,826	\$ 7,712,444	\$ 9,013,711	May 1, 1979	1.50 %	Jul 1, 2005
Hocking	\$ 5,281,641	\$ 5,785,745	\$ 6,996,283	Apr 1, 1979	1.50 %	Oct 1, 2017
Holmes	\$ 11,048,212	\$ 12,441,389	\$ 15,390,633	Jul 1, 1977	1.25 %	Apr 1, 2017
Huron	\$ 10,188,208	\$ 10,768,003	\$ 12,711,172	Feb 1, 1978	1.50 %	Jan 1, 1996
Jackson	\$ 5,574,377	\$ 6,417,874	\$ 7,005,086	Apr 1, 1982	1.50 %	Jan 1, 1998
Jefferson	\$ 13,295,391	\$ 13,145,725	\$ 14,634,872	Jun 1, 1973	1.50 %	Nov 1, 1994
Knox	\$ 11,456,412	\$ 12,332,197	\$ 13,985,635	May 1, 1971	1.50 %	Jan 1, 2018
Lake	\$ 38,569,354	\$ 40,006,312	\$ 45,676,969	Jul 1, 1969	1.00 %	Apr 1, 2012
Lawrence	\$ 9,020,903	\$ 10,030,379	\$ 11,114,749	Jun 1, 1986	1.50 %	Jun 1, 1998
Licking	\$ 40,417,794	\$ 42,172,867	\$ 50,235,356	Feb 1, 1971	1.50 %	Jan 1, 2006

Fiscal Year 2022

Sales and Use Tax - Counties and Transit Authorities (continued)

Table 48 (con't)							
Permissive (Local) Sales and Use Tax: Calendar Years 2019-2021 Collections, by County							
County	2019	2020	2021	Initial Enactment	Tax Rate Dec. 31, 2021	Effective Date of Current Rate	
Logan	\$ 10,786,505	\$ 11,262,837	\$ 12,356,036	Jan 1, 1974	1.50 %	Jul 1, 1997	
Lorain	\$ 41,110,682	\$ 44,198,192	\$ 42,011,226	Jul 1, 1985	0.75 %	Apr 1, 2021	
Lucas	\$ 103,271,654	\$ 104,751,786	\$ 120,271,282	Feb 1, 1971	1.50 %	Apr 1, 2015	
Madison	\$ 7,999,050	\$ 8,629,932	\$ 9,354,985	Mar 1, 1983	1.25 %	Jul 1, 1999	
Mahoning	\$ 43,209,488	\$ 44,424,038	\$ 51,204,918	Apr 1, 1980	1.25 %	Apr 1, 2015	
Marion	\$ 12,429,425	\$ 12,920,750	\$ 14,628,270	Sep 1, 1985	1.50 %	Apr 1, 2014	
Medina	\$ 28,217,373	\$ 29,733,457	\$ 33,554,931	Apr 1, 1980	1.00 %	Oct 1, 2014	
Meigs	\$ 2,532,783	\$ 2,747,240	\$ 3,124,981	Feb 1, 1987	1.50 %	Oct 1, 2012	
Mercer	\$ 9,179,458	\$ 9,670,079	\$ 10,764,140	Nov 1, 1971	1.50 %	Apr 1, 2008	
Miami	\$ 18,879,886	\$ 20,832,045	\$ 23,271,458	Dec 1, 1986	1.25 %	Oct 1, 2009	
Monroe	\$ 4,902,259	\$ 3,709,895	\$ 3,644,701	Oct 1, 1986	1.50 %	Jan 1, 2010	
Montgomery	\$ 99,840,874	\$ 103,030,917	\$ 115,877,122	Jan 1, 1971	1.25 %	Oct 1, 2018	
Morgan	\$ 1,625,579	\$ 1,763,470	\$ 1,997,594	Feb 1, 1972	1.50 %	Apr 1, 1990	
Morrow	\$ 4,322,397	\$ 4,447,017	\$ 5,542,771	Jul 1, 1971	1.50 %	Jul 1, 1995	
Muskingum	\$ 19,346,711	\$ 20,537,764	\$ 23,701,606	May 1, 1971	1.50 %	Apr 1, 1993	
Noble	\$ 2,208,484	\$ 1,788,639	\$ 1,982,841	Jan 1, 1971	1.50 %	Feb 1, 1995	
Ottawa	\$ 8,809,747	\$ 8,824,096	\$ 10,659,687	Oct 1, 1973	1.25 %	Jul 1, 2010	
Paulding	\$ 2,429,750	\$ 2,553,263	\$ 2,592,329	Apr 1, 1984	1.00 %	Oct 1, 2021	
Perry	\$ 4,349,456	\$ 4,740,807	\$ 5,655,731	Mar 1, 1971	1.50 %	Apr 1, 2010	
Pickaway	\$ 9,085,215	\$ 10,026,720	\$ 12,019,985	Oct 1, 1983	1.50 %	Dec 1, 2001	
Pike	\$ 4,531,209	\$ 5,222,824	\$ 6,214,132	May 1, 1988	1.50 %	Jan 1, 2006	
Portage	\$ 27,724,371	\$ 29,548,598	\$ 28,149,301	Apr 1, 1971	1.00 %	Jan 1, 2021	
Preble	\$ 5,864,605	\$ 6,380,088	\$ 7,370,769	Nov 1, 1979	1.50 %	May 1, 1994	
Putnam	\$ 5,059,987	\$ 5,326,838	\$ 5,896,819	Jan 1, 1974	1.25 %	Jan 1, 2014	
Richland	\$ 22,429,675	\$ 23,283,135	\$ 26,766,573	Jun 1, 1979	1.25 %	Jul 1, 2016	
Ross	\$ 15,764,533	\$ 16,913,240	\$ 19,633,034	Jan 1, 1974	1.50 %	Oct 1, 1993	
Sandusky	\$ 11,471,442	\$ 11,862,168	\$ 13,380,657	Aug 1, 1979	1.50 %	Oct 1, 2010	
Scioto	\$ 11,453,707	\$ 12,581,167	\$ 14,339,792	May 1, 1979	1.50 %	May 1, 2001	
Seneca	\$ 8,988,617	\$ 9,529,983	\$ 10,972,290	Oct 1, 1983	1.50 %	Aug 1, 2003	
Shelby	\$ 10,827,704	\$ 10,794,387	\$ 11,907,899	Feb 1, 1971	1.50 %	Apr 1, 2008	
Stark	\$ 30,014,432	\$ 30,239,725	\$ 34,887,471	Jan 1, 1987	0.50 %	Apr 1, 2012	
Summit	\$ 47,300,009	\$ 49,258,825	\$ 54,646,261	Feb 1, 1973	0.50 %	Nov 1, 1995	
Trumbull	\$ 25,859,040	\$ 27,330,466	\$ 32,452,367	Jun 1, 1985	1.00 %	Jul 1, 2005	
Tuscarawas	\$ 20,360,383	\$ 19,762,072	\$ 16,086,401	Apr 1, 1971	1.00 %	Oct 1, 2020	
Union	\$ 15,391,974	\$ 15,644,804	\$ 17,151,103	Apr 1, 1989	1.25 %	Jul 1, 2008	
Van Wert	\$ 4,853,892	\$ 5,113,315	\$ 5,799,804	Mar 1, 1972	1.50 %	Mar 1, 1991	
Vinton	\$ 1,388,698	\$ 1,596,637	\$ 1,827,607	May 1, 1985	1.50 %	Mar 1, 1992	
Warren	\$ 54,942,319	\$ 55,760,836	\$ 63,909,357	Jan 1, 1972	1.25 %	Jan 1, 2018	
Washington	\$ 13,742,116	\$ 13,702,486	\$ 15,562,745	Oct 1, 1983	1.50 %	Jan 1, 1990	
Wayne	\$ 12,045,296	\$ 12,705,961	\$ 14,362,905	Mar 1, 1971	0.75 %	Jan 1, 1992	
Williams	\$ 6,577,296	\$ 6,803,831	\$ 7,435,062	Dec 1, 1977	1.50 %	Oct 1, 2003	
Wood	\$ 23,288,490	\$ 24,629,144	\$ 26,663,469	Jun 1, 1971	1.00 %	Nov 1, 1987	
Wyandot	\$ 4,367,462	\$ 4,512,281	\$ 5,010,877	Feb 1, 1985	1.50 %	Oct 1, 2005	
Total	\$ 2,214,866,921	\$ 2,261,542,706	\$ 2,575,116,266				

Note: These figures represent permissive sales tax collections for the calendar year net of the 1.0% administration fee. Distributions to the counties and transit authorities occur two months following the collection month.

Source: Ohio Department of Taxation

Fiscal Year 2022

Sales and Use Tax - Counties and Transit Authorities (continued)

Table 49							
Permissive (Local) Sales Tax: Calendar Years 2019-2021 Transit Authority Collections							
Transit Authority	2019	2020	2021	Initial Enactment	Tax Rate Dec. 31, 2021		Effective Date of Current Rate
Allen County Regional	\$ 303,979.67	\$ 1,742,878	\$ 1,937,250	Oct 1, 2019	0.10 %		Oct 1, 2019
Greater Cleveland Regional	\$ 213,880,839.12	\$ 209,886,534	\$ 243,391,867	Oct 1, 1975	1.00 %		Oct 1, 1975
Central Ohio Regional	\$ 135,122,381.30	\$ 134,216,705	\$ 156,670,070	Sep 1, 1980	0.50 %		Jan 1, 2008
Southwestern Ohio Regional	\$ -	\$ 20,716,595	\$ 142,649,263	Oct 1, 2020	0.80 %		Oct 1, 2020
Laketrans	\$ 9,615,329.90	\$ 16,784,614	\$ 22,716,865	Aug 1, 1988	0.50 %		Apr 1, 2020
Western Reserve	\$ 8,625,693.08	\$ 8,871,925	\$ 10,222,687	Apr 1, 2009	0.25 %		Apr 1, 2009
Greater Dayton	\$ 39,894,632.93	\$ 41,202,490	\$ 46,249,852	Jul 1, 1980	0.50 %		Jul 1, 1980
Portage Area Regional	\$ 5,503,248.65	\$ 5,899,931	\$ 6,834,553	Feb 1, 2002	0.25 %		Feb 1, 2002
Stark Area Regional	\$ 14,973,584.67	\$ 15,098,742	\$ 17,409,012	Jul 1, 1997	0.25 %		Jul 1, 1997
Metro Regional	\$ 46,962,634.58	\$ 49,046,036	\$ 54,396,844	Feb 1, 1991	0.50 %		Jul 1, 2008
Transit Authority Total	\$ 474,882,324	\$ 503,466,450	\$ 702,478,264				

Note: These figures represent permissive sales tax collections for the calendar year net of the 1.0% administration fee. Distributions to the counties and transit authorities occur two months following the collection month.

Source: Ohio Department of Taxation

Business Tax Credit

Table 50		
Business Tax Credits: Fiscal Year 2022		
	Tax Credited	Value of Credits
Refundable Credits		
Job Creation Tax Credit	CAT, FIT, PIT/PTE, PAT	\$ 100,416,237
Historic Preservation Credit	CAT, FIT, PIT/PTE	\$ 17,054,057
Subtotal		\$ 117,470,294
Non-Refundable Credits		
Non-Refundable Job Retention Tax Credit	CAT, PAT	\$ 27,764,380
Ohio Qualified R & D Investment Expenses Tax Credit	CAT, FIT	\$ 55,745,252
Credit for Unused Net Operating Losses Under CFT	CAT	\$ 13,205,099
New Markets Tax Credit	FIT	\$ 6,435,896
Credit for R&D Loan Payments	CAT, PIT/PTE	\$ 948,809
InvestOhio Small Business Investment Tax Credit	PIT/PTE	\$ 2,181,528
Opportunity Zone Investment Credit	PIT/PTE	\$ 10,599,750
Lead Abatement Tax Credit	PIT/PTE	\$ 33,154
Subtotal		\$ 116,913,868
Other Credits Subtotal ¹		\$ 34,777,254
Total of Refundable and Non-Refundable Credits		\$ 269,161,416
¹ Other Credits Subtotal includes credits for which the number of taxpayers was fewer than ten. These credits include Refundable Job Retention Tax Credit, Refundable Motion Picture Production Tax Credit, Refundable Historic Preservation Catalytic Project Credit, Refundable Financial Institutions Tax Credit, and the Non-Refundable Credit for Losses on Loans Made Under the Ohio Capital Venture Program Account.		
Source: Ohio Department of Taxation		

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