

HB 2830-6: DRAFT TAX REFORM PLAN

1. COMMERCIAL ACTIVITY TAX(1-1-19)
 - APPLIES TO ALL ENTITY TYPES
 - OHIO BASE INCLUDING FIT
 - FILING THRESHOLD \$150,000 IN RECEIPTS
 - \$250 MIN FOR RECEIPTS LESS THAN \$3 MILLION
 - RATES APPLIED TO RECEIPTS ABOVE \$3 MILLION
 - .75% RATE FOR SERVICES
 - .35% RATE FOR RETAIL TRADE
 - .25% RATE FOR WHOLESALE
 - .15% RATE FOR NATURAL RESOURCES
 - .48% RATE FOR ALL OTHER
 - 50% CAT CREDIT FOR PASS THROUGHES IN 2019/25% STARTING IN 20
2. NEW PERSONAL INCOME TAX RATE STRUCTURE: (2019 TAX YEAR)
 - 4.0%, 6.75%, 8.8% FOR TAXABLE INCOME <\$25K (S), <\$50 K(J), 9.0%, 9.9%
 - INCREASE EITC TO 10% OF FEDERAL CREDIT (1-1-19)
3. ELIMINATE CORPORATE INCOME TAX (1-1-19)

REVENUE IMPACT ESTIMATES

(MILLIONS)	2017-19	2019-21	2021-23	2023-25
COMMERCIAL ACTIVITY TAX	\$ 549	\$ 2,561	\$ 2,813	\$ 3,078
50%/25% CAT CREDIT FOR PASS THROUGHES	\$ (69)	\$ (202)	\$ (176)	\$ (192)
PERSONAL INCOME TAX	\$ (68)	\$ (369)	\$ (379)	\$ (390)
CORPORATE INCOME TAX	\$ -	\$ (1,076)	\$ (1,122)	\$ (1,171)
REVENUE TO EDUCATION FUND	\$ 471	\$ 2,313	\$ 2,587	\$ 2,831
REVENUE TO HIGHWAY FUND	\$ 10	\$ 46	\$ 50	\$ 55
REVENUE TO GENERAL FUND	\$ (68)	\$ (1,445)	\$ (1,501)	\$ (1,561)
NET REVENUE IMPACT	\$ 413	\$ 914	\$ 1,136	\$ 1,325

LRO: 6-17-17