



## Revenue From Taxes Administered by the Tax Commissioner

The Tax Commissioner's primary responsibility is the administration of most state and some local taxes. These taxes yielded approximately \$24.8 billion in net collections during the 2012 fiscal year (July 1, 2011 through June 30, 2012). A breakdown of the collections from these taxes is shown in Table 1 for both state-collected taxes, represented by fiscal year, and locally-collected taxes, on a calendar year basis.

Readers of Table 1 should keep in mind that taxes imposed by one level of government may be collected by another, and that taxes collected by one level of government may be shared with another. For this reason, the tax collection figures attributed to state or local governments in the table do not necessarily indicate amounts available for expenditure by either the state or local governments. In addition, some state taxes are not administered by the Tax Commissioner, but by other state agencies. Thus, collections for these other taxes – including the foreign and domestic insurance taxes, motor vehicle license tax, and liquor gallonage tax – are not shown in Table 1.

The state-collected taxes administered by the Tax Commissioner yielded net tax collections of approximately \$24.8 billion during the fiscal year. This was an increase of approximately \$791.4 million from the previous fiscal year, or 3.3 percent. Receipts from locally-collected taxes were approximately \$1.0 billion in the 2011 calendar year, an increase of about \$25.4 million from the prior year, or about 2.5 percent.

Table 2 shows state General Revenue Fund revenue sources for fiscal year 2012. Excluding federal aid, total revenue amounted to approximately \$19.8 billion. Of this total, tax revenue represented \$19.0 billion.

As the second table shows, the largest single revenue source for the general fund was the individual income tax, with approximately \$8.4 billion distributed to the fund. The sales tax was the second largest revenue source, contributing about \$8.1 billion. From the 2011 to the 2012 fiscal year, income tax revenue increased by approximately 3.8 percent, and sales tax collections grew by 6.7 percent.

Ohio's other major taxes have experienced quite disparate patterns, largely due to tax law changes.

Corporation franchise tax revenues actually declined earlier this decade, followed by a robust recovery; however, a scheduled five-year phase-out for most of this tax began in tax year 2006, ensuring revenue decline in succeeding years.

Beginning in fiscal year 2008, the cigarette tax became the third-largest tax source for the General Revenue Fund. This is because the cigarette tax rate has increased several times in recent years: from 24 cents per pack to 55 cents per pack beginning in fiscal year 2003; and from 55 cents per pack to \$1.25 per pack beginning in fiscal year 2006.

Public utility excise tax revenue has declined substantially from its pre-2002 levels, but this was partially offset by the creation of the kilowatt-hour tax in May 2001. This tax replaced the excise tax for electric and rural electric companies. The kilowatt-hour tax generated \$538.0 million in revenue in fiscal year 2012, of which \$294.8 million was deposited into the General Revenue Fund. The remaining was distributed to schools and local governments.

Revenue from taxes administered by the Department of Taxation comprised 97.4 percent of total General Revenue Fund taxes in fiscal year 2012. Most of the remaining 2.6 percent is comprised of foreign and domestic insurance taxes, which are administered by the Ohio Department of Insurance.

The first pie chart at the end of this chapter illustrates the General Revenue Fund tax sources for the fiscal year. The largest source, individual income tax, accounted for approximately 44.4 percent of tax revenue into the general fund for fiscal year 2012.

The total revenue from all state tax sources amounted to approximately \$23.8 billion. The second pie chart shows the taxes that comprise this total.

Further statistical information on most of these taxes is contained in other Department of Taxation publications. Some of these are available at the Department of Taxation's Web site ([tax.ohio.gov](http://tax.ohio.gov)); others can be obtained by contacting the Tax Analysis Division at (614) 466-3960.

Table 1

### Collections For Taxes Administered by Ohio Tax Commissioner

This table shows both gross and net tax collections for both 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 contained within the Ohio Administrative Knowledge System (OAKS), the figures here will differ from data shown elsewhere in this report. Other tables in this report frequently represent taxes reported as shown on returns filed during the fiscal year, rather than actual collections during the fiscal year. For locally-collected taxes, collections are shown on a calendar year, rather than a fiscal year, basis.

State-Collected Taxes	Gross Tax Collections		Net Tax Collections		Percent Change, 11-12
	FY 2011	FY 2012	FY 2011	FY 2012	
State Sales and Use	\$7,840,491,101	\$8,370,781,303	\$7,767,709,214	\$8,272,728,367	6.50%
Local Sales and Use	1,788,376,945	1,881,492,427	1,788,376,945	1,881,492,427	5.21%
Resort Area Excise	826,990	1,005,583	826,990	1,005,583	21.60%
State Personal Income	9,927,820,671	10,820,858,462	8,820,081,867	9,029,657,530	2.38%
Municipal Inc. Tax/Electric Light Cos.	24,262,489	10,784,539	24,262,489	10,784,539	-55.55%
School District Income	347,379,220	367,262,470	325,480,550	347,703,581	6.83%
Corporation Franchise <sup>1</sup>	312,516,576	267,298,017	237,205,103	117,445,711	-50.49%
Commercial Activity Tax <sup>4</sup>	1,523,864,857	1,700,038,894	1,451,603,687	1,655,941,193	14.08%
Dealers in Intangibles	40,784,350	33,364,640	39,600,561	20,249,575	-48.87%
Motor Vehicle Fuel	1,775,802,181	1,702,234,619	1,757,223,923	1,684,208,304	-4.16%
Motor Fuel Use	36,167,631	31,715,980	35,667,239	31,242,793	-12.40%
Public Utility Excise	125,119,842	116,481,205	124,835,990	113,894,222	-8.76%
Kilowatt-Hour Excise	536,019,235	537,948,994	535,988,378	537,948,994	0.37%
Natural Gas Consumption	67,141,739	60,190,655	67,141,739	60,190,655	-10.35%
Cigarette Excise	856,445,985	844,188,367	855,610,371	843,180,381	-1.45%
Local Cigarette Excise	20,303,953	20,117,900	20,288,344	20,089,842	-0.98%
Alcoholic Beverage Excise <sup>2</sup>	56,443,657	58,768,088	56,371,007	58,675,016	4.09%
Local Alcoholic Beverage <sup>2,3</sup>	5,707,109	5,616,092	5,691,500	5,616,092	-1.32%
Replacement Tire Fee	7,155,949	7,328,628	6,735,870	7,271,123	7.95%
Horse Racing	7,571,026	7,121,903	7,571,026	7,121,903	-5.93%
Severance	11,196,862	10,182,190	11,196,862	10,182,190	-9.06%
Estate Tax	72,081,416	66,521,926	72,081,416	66,521,926	-7.71%
Casino Gross Revenue Tax	0	19,760,133	0	19,760,133	N/A
<b>Total State-Collected Taxes</b>	<b>\$25,383,479,785</b>	<b>\$26,401,063,015</b>	<b>\$24,011,551,072</b>	<b>\$24,802,912,081</b>	<b>3.30%</b>
<b>Locally-Collected Taxes</b>					
	Tax Collections		Percent		
	CY 2010	CY 2011	Change, 10-11		
Tangible Personal Property <sup>5</sup>	\$28,395,825	\$0	N/A		
Public Utility Property <sup>6</sup>	676,598,501	747,249,291	10.44%		
Estate <sup>7</sup>	302,132,985	285,267,557	-5.58%		
<b>Total Locally-Collected Taxes</b>	<b>\$1,007,127,311</b>	<b>\$1,032,516,849</b>	<b>2.52%</b>		

Sources: Fiscal year 2011 and 2012 data on state-collected taxes was extracted from the state accounting system (OAKS). Data on locally-collected taxes is based on Department of Taxation's own data sources.

1 For most taxpayers, the corporation franchise tax was phased out over a five-year period, beginning in tax year 2006.

2 Excludes tax on liquor since it is administered by the Ohio Department of Commerce, Division of Liquor Control.

3 Collected for Cuyahoga County.

4 The commercial activity tax was phased in over a five-year period, beginning in fiscal year 2006.

5 The tangible personal property tax was phased out over a four-year period beginning in tax year 2006, except for telephone property which is being phased out over a five year period beginning in tax year 2007.

6 Consists of taxes levied on the tangible personal property of public utilities for collection in the following year.

7 Consists of fiscal year 2009 and 2010 data, respectively (rather than calendar years 2008 and 2009). Reflects both state and local shares of estate tax collections.

Table 2

<b>General Revenue Fund Sources: Fiscal Year 2012</b>	
<b>Major Taxes:</b>	<b>2012 Collections</b>
Personal Income	\$8,432,909
Sales and Use	8,087,002
Corporation Franchise	117,079
Commercial Activity	417,130
Public Utility Excise	113,894
Kilowatt-Hour Excise	294,829
Cigarette Excise	843,180
Alcoholic Beverage Taxes (including liquor gallonage)	97,052
<b>Subtotal: Major Taxes</b>	<b>\$18,463,266</b>
<b>Other Taxes:</b>	
Domestic Insurance	189,072
Estate	66,522
Foreign Insurance	266,488
Dealers in Intangibles	19,872
<b>Subtotal: Other Taxes</b>	<b>541,954</b>
<b>Total: All Tax Revenue</b>	<b>\$19,005,220</b>
<b>Non-Tax Revenue</b>	
Earnings on Investments	5,370
Liquor Profits	92,500
Miscellaneous <sup>1</sup>	719,440
<b>Total: Non-Tax Revenue</b>	<b>\$817,310</b>
<b>GRAND TOTAL</b>	<b>\$19,822,530</b>

Source: Ohio Office of Budget and Management.

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

Chart 1

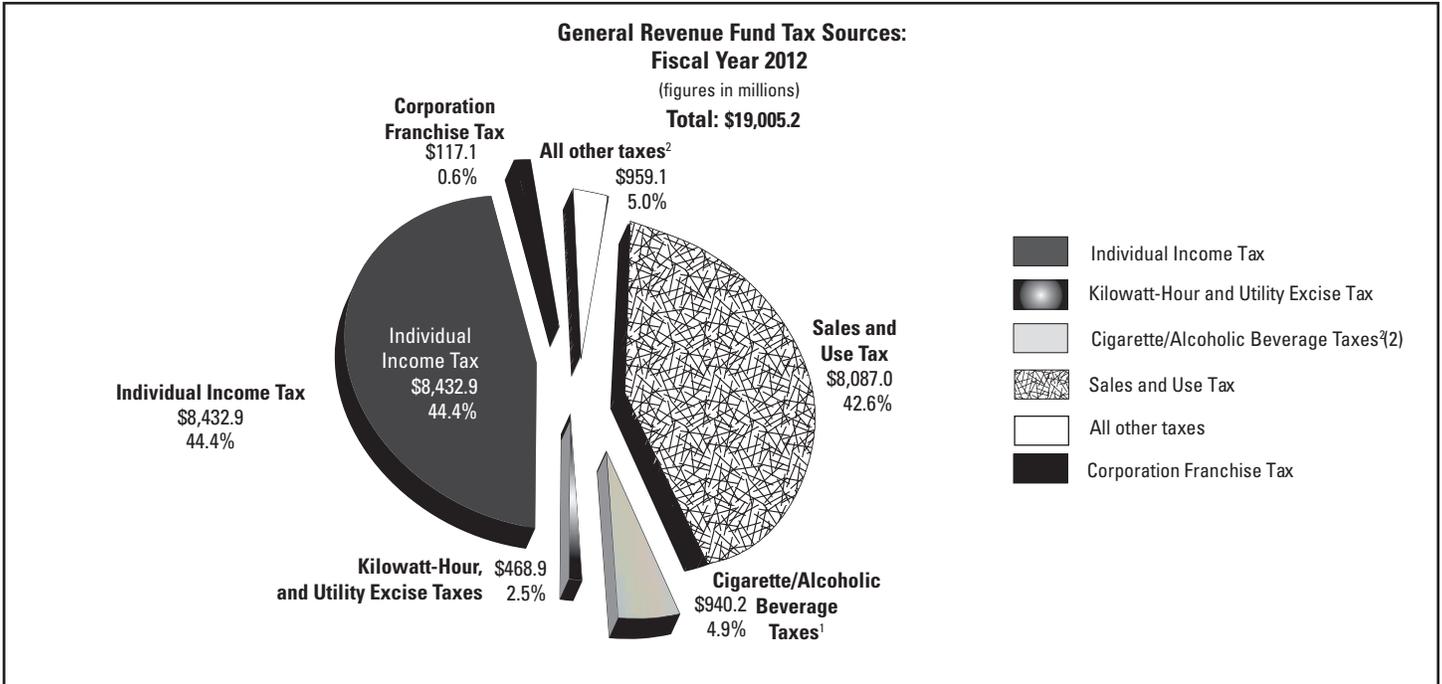
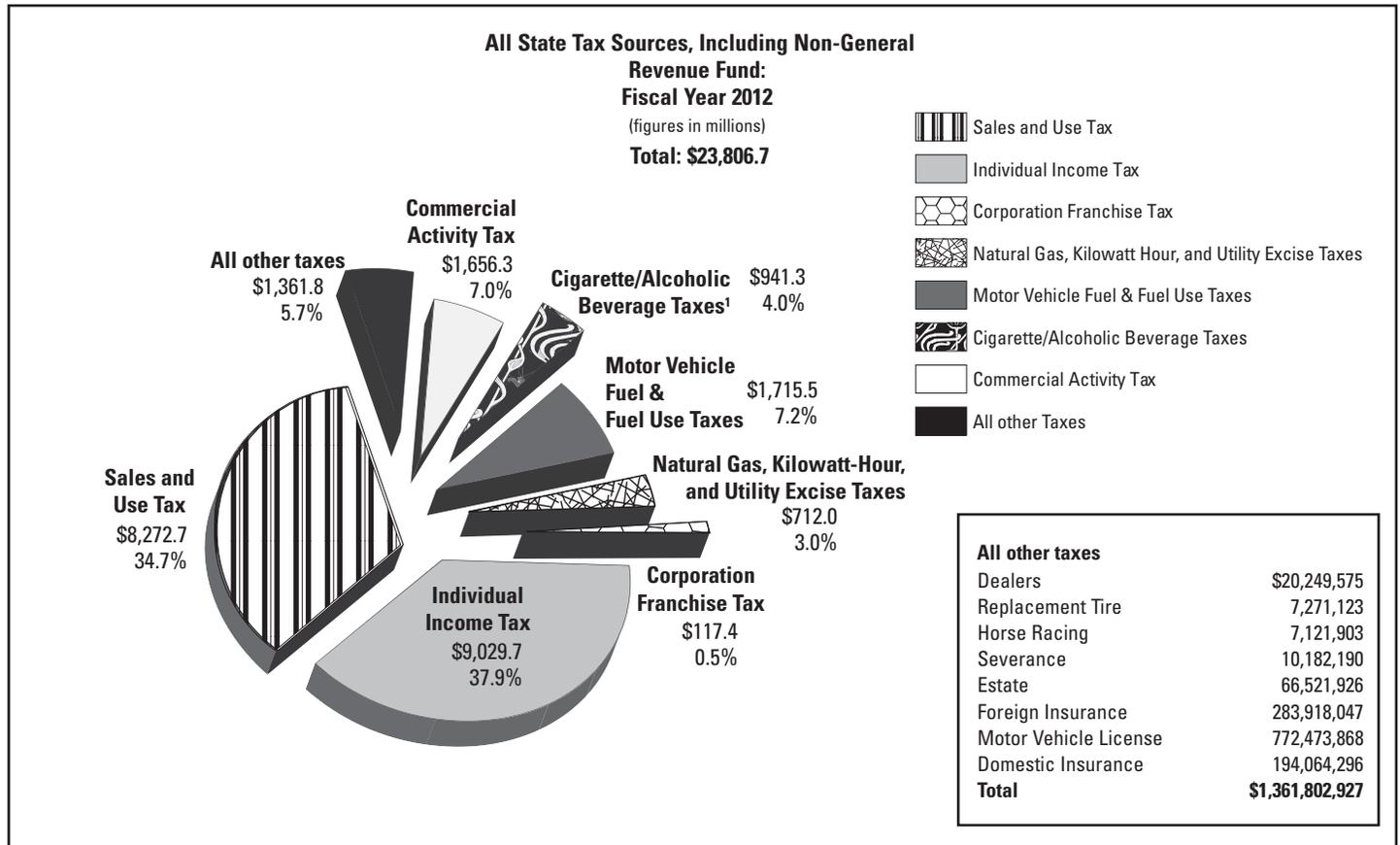


Chart 2



1 Includes tax on liquor of \$39.4 million which is administered by the Department of Commerce, Division of Liquor Control.  
 2 This figure is comprised of domestic insurance, foreign insurance, estate and dealers in intangibles taxes.