



Ohio

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Guide to Total Resources and Reimbursements for Tangible and Public Utility Personal Property Tax Losses under House Bill 64

This guide and accompanying spreadsheet are intended to assist local governments in understanding changes to the reimbursements. **Please note, reimbursement amounts beyond FY 2016 are estimates assuming all levies remain charged and payable.**

House Bill 64 (the biennial operating budget bill) includes an opportunity for schools and local governments to appeal the reimbursement classification and the data used for each variable, but any appeal must be done during fiscal year 2016. Local governments are encouraged to review the accompanying spreadsheet.

Please contact TPP@tax.state.oh.us with any questions or concerns.

Guide to 'Local' spreadsheet:

A. Indicate, this variable identifies the type of levy and political jurisdiction reimbursed. As under current law, county levies are, in general, divided by levy purpose into six service classifications. Those classifications, along with the non-county reimbursement classifications, are listed below:

County aging

County child services

County health services

County mental health and developmental disability services (MH/DD)

County operating

County inside millage (IM) debt

Townships

Municipal operatingⁱ

Municipal inside millage (IM) debt

Special district

Library district

B. *Home County Number*, number 1 through 88 identifying home county, calculations are based on the sum of total resources for all counties in which a jurisdiction has property; as with current distributions, estimates are organized by the home county responsible for making distributions to the jurisdiction.

C. *Home County Name*, name of the home county, see *Home County Number* (B).

D. *Political Unit Number*, this variable is a numerical identifier used by the Department of Taxation.

E. *Jurisdiction Name*, name of the political unit. In the case of townships with excluding areas having levy authority, this is the primary name of the township.

F. *TPP Distribution*, this is the sum of reimbursements for the loss of general business tangible personal (TPP) property revenue received by the jurisdiction for the stated purpose in 2014, excluding reimbursement for levies not charged and payable in 2015.

G. *PUTP Distribution*, this is the sum of reimbursements for the loss of public utility tangible personal (PUTP) property revenue received by the jurisdiction for the stated purpose in 2014, excluding reimbursement for levies not charged and payable in 2015.

H. *Reimbursement*, this is the sum of TPP Distribution (Column F) and PUTP Distribution (Column G).

I. *Property Taxes Charged*, this is the estimated property taxes charged for the stated purpose based on 2014 tax rates, 2014 real and public utility property values. Debt levies are excluded for all jurisdictions.

J. *Sales Tax 2014*, this variable is a component of the total resources of County Operating jurisdictions. The sales tax variable is the sum of the amounts distributed to the county in calendar year 2014 for sales and use taxes levied under sections 5739.021 and 5741.021 of the Revised Code for the purpose of providing additional general revenues for the county or supporting criminal and administrative justice services in the county, or both; collections from additional county tax (ACT) are excluded from this sum.

K. *Casino FY 2015*, for municipalities this is the sum of amounts distributed from the gross casino revenue host city fund. For county operating jurisdictions, this is the sum of amounts distributed from the gross casino revenue county fund.

L. *Est. CULGF*, this is the estimated distribution the jurisdiction will receive from the County Undivided Local Government Fund (CULGF) in 2015 based on the product of the jurisdiction's share of the 2015 CULGF as certified to the Tax Commissioner by the County Auditor and the actual amount distributed to the CULGF in 2014.

M. *PLF 2014*, this is the distribution to the library district from the Public Library Fund (PLF) as reported by county auditors.

L. *State share of instruction*, this is a component of total resources for institutions of higher education and is the final state share of instruction allocated for fiscal year 2014 as calculated by the board of regents and reported to the state controlling board.

O. *Municipal Income Tax (MIT) 2013*, this is the sum of municipal income tax collected in 2013 as reported to the tax commissioner.

P. *Direct Muni LGF 2014*, this is the direct distribution from the Local Government Fund (LGF) received by qualifying municipalities in 2014.

Q. *Est. Total Resources*, this is the sum of all applicable revenue sources in Columns H through P

R. *Est. Reliance*, this is the quotient of *Reimbursement* (Column H) divided by *Total Resources* (Column Q).

S. *August 2015*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of August, the county auditor will then make distributions to the local jurisdictions. The proposed August distribution will be 50% of the total fiscal year distribution ($50\% * FY 2016$ Distribution in Column U).

T. *February 2016*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of February, the county auditor will then make distributions to the local jurisdictions. The proposed February distribution will be 50% of the total fiscal year distribution ($50\% * FY 2016$ in Column U).

U. *FY 2016*, for county and municipal inside millage debt reimbursements, this is the sum of 2014 distributions. For all other jurisdictions and reimbursements, this is the greater of zero or the difference between *Reimbursement* (Column H) less the product of 2% and *Total Resources* (Column Q).

V. *August 2016*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of August, the county auditor will then make distributions to the local jurisdictions. For inside millage losses, 50% of TPP Distribution (Column F) and PUTP Distribution (Column G) will be distributed. For all other purposes, the August distribution will be 50% of the total fiscal year distribution ($50\% * FY 2017$ in Column Y).

W. *CY 2016*, the sum of distributions made in calendar year 2016 (*February 2016* in Column T and *August 2016* in Column V).

X. *February 2017*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of February, the county auditor will then make distributions to the local jurisdictions. For county and municipal inside millage debt reimbursements, 50% of the TPP Distribution (Column H) will be distributed. For all other jurisdictions, the proposed February distribution will be 50% of the total fiscal year distribution ($50\% * FY 2017$ in Column Y).

Y. *FY 2017*, for county and municipal inside millage debt reimbursements; this is the sum of 2014 distributions for TPP losses and the sum of 50% of the 2014 distributions for PUTP lossesⁱⁱ. For all other jurisdictions and reimbursements, this is the greater of zero or the difference between *Reimbursement* (Column H) less the product of 4% and *Total Resources* (Column Q).

Z. *August 2017*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of August, the county auditor will then make distributions to the local jurisdictions. For county and municipal inside millage debt reimbursements, 50% of the TPP Distribution (Column H) will be distributed. For all other jurisdictions, the proposed February distribution will be 50% of the total fiscal year distribution (50% * *FY 2018* in Column AC).

AA. *CY 2017*, the sum of distributions made in calendar year 2017 (*February 2017* in Column X and *August 2017* in Column Z).

AB. *February 2018*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of February, the county auditor will then make distributions to the local jurisdictions. The proposed February distribution will be 50% of the total fiscal year distribution (50% * *FY 2018* in Column AC). No reimbursements are made for inside millage debt losses in 2018 and thereafter.

AC. *FY 2018*, for county and municipal inside millage debt reimbursements; this is the sum of 50% of the 2014 distributions for TPP². For all other jurisdictions and reimbursements, this is the greater of zero or the difference between *Reimbursement* (Column H) less the product of 6% and *Total Resources* (Column Q).

AD. *August 2018*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of August, the county auditor will then make distributions to the local jurisdictions. The proposed August distribution will be 50% of the total fiscal year distribution (50% * *FY 2019* in Column AG).

AE. *CY 2018*, the sum of distributions made in calendar year 2018 (*February 2018* in Column AB and *August 2018* in Column AD).

AF. *February 2019*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of February, the county auditor will then make distributions to the local jurisdictions. The proposed February distribution will be 50% of the total fiscal year distribution (50% * *FY 2019* in Column AG).

AG. *FY 2019*, this is the greater of zero or the difference between *Reimbursement* (Column H) less the product of 8% and *Total Resources* (Column Q).

AH. *August 2019*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of August, the county auditor will then make distributions to the local jurisdictions. The proposed August distribution will be 50% of the total fiscal year distribution (50% * *FY 2020* in Column AK).

AI. *CY 2019*, the sum of distributions made in calendar year 2019 (*February 2019* in Column AB and *August 2018* in Column AD).

AJ. *February 2020*, distributions will be made from the Department of Taxation to the county auditors on or before the last day of February, the county auditor will then make distributions to the local jurisdictions. The proposed February distribution will be 50% of the total fiscal year distribution (50% * *FY 2020* in Column AK).

AK. *FY 2020*, this is the greater of zero or the difference between *Reimbursement* (Column H) less the product of 10% and *Total Resources* (Column Q).

ⁱ Municipal operating includes all property tax levies of a municipality, except those with the following levy names: library, airport resurfacing; bond or any levy name including the word "bond"; capital improvement or any levy name including the word "capital"; debt or any levy name including the word "debt"; equipment or any levy name including the word "equipment," unless the levy is for combined operating and equipment; employee termination fund; fire pension or any levy containing the word "pension," including police pensions; fireman's fund or any practically similar name; sinking fund; road improvements or any levy containing the word "road"; fire truck or apparatus; flood or any levy containing the word "flood"; conservancy district; county health; note retirement; sewage, or any levy containing the words "sewage" or "sewer"; park improvement; parkland acquisition; storm drain; street or any levy name containing the word "street"; lighting, or any levy name containing the word "lighting"; and water. Under current law, levies for these enumerated purposes were reimbursed in 2014 at 25% of the total levy loss; H.B. 64 completes the phase-out of reimbursement on these levies and no reimbursement shall be paid in FY 2016 or thereafter.

ⁱⁱ Under current law, which is unchanged in H.B. 64, PUTP reimbursement for inside millage debt losses is not paid in calendar year 2017. Under current law, which is unchanged in H.B. 64, TPP reimbursement for inside millage debt losses is not paid in calendar year 2018.