



# Department of Taxation

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Table CAT 1&2  
No. 12 & 13 (2014)  
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## **COMMERCIAL ACTIVITY TAX: Number of Taxpayers and Tax Return Data, Fiscal Year 2013**

The commercial activity tax went into effect on July 1, 2005. It is a privilege tax measured by gross receipts from activities in this state. The tax is a key component of the 2005 tax reform package enacted by Am. Sub. House Bill 66 (126th General Assembly). Major business tax components of the act consist of the phase-out of both the tangible personal property tax and the corporate franchise tax and the phase-in of the commercial activity tax.

The tax is levied and paid on a quarterly or annualized basis. Taxpayers with annual taxable gross receipts above \$1 million must report and pay the tax quarterly. Taxpayers whose annual taxable gross receipts are between \$150,000 and \$1 million are considered annual taxpayers and are subject only to the \$150 minimum tax. Taxpayers with annual gross receipts below \$150,000 are not subject to the commercial activity tax.

The attached CAT-1 and CAT-2 tables reflect information reported on tax returns that were due and filed during fiscal year 2013. For quarterly taxpayers, these returns reflect activity for the April 2012 to March 2013 period; the returns were due and filed in August 2012, November 2012, February 2013 and May 2013. In addition, the data include tax returns filed by annual taxpayers due in May 2013. Each combined taxpayer group and each consolidated elected taxpayer group is shown as a *single filer* in these tables.

As shown in these tables, the total reported commercial activity tax liability before credits for fiscal year 2013 is \$1,634.2 million. Of this amount \$24.5 million is attributable to the minimum tax and \$1,609.7 million is attributable to the 0.26% tax rate. Taxable gross receipts amount to \$736.2 billion but the exclusion available on each return reduces taxable receipts by \$117.1 billion, or 15.9%; the resulting net taxable gross receipts amount to \$619.1 billion.

Table CAT-1 shows tax return information for 19 industrial sectors. The industrial sector data is based on each filer's reported primary business activity, using the North American Industry Classification System (NAICS). The combined taxpayer group or consolidated elected taxpayer group is reported under the primary filer's industry code. The retail sector comprises the largest group of taxpayers, accounting for 12.6% of all taxpayers. This is followed by taxpayers in the unclassified (10.9%), manufacturing (9.8%), professional, scientific and technical services (9.3%), and construction (9.1%) categories. In terms of tax liability, manufacturers account for the largest share at 26.3% of the total. The retail (20.9%) and wholesale (15.4%) sectors account for the next largest shares of total liability.

Table CAT-2 provides tax return information based on the size of each filer's taxable gross receipts (prior to the exclusion). Each combined taxpayer group and each consolidated elected taxpayer group is shown as a single filer, and the filer's gross receipts determine the size category in which the group is placed. Filers whose fiscal year 2013 taxable gross receipts were \$1 million or below account for 69.3% of all returns, but only 1.0% of the total liability. Filers with taxable gross receipts above \$1 billion comprise less than 0.1% of all returns but account for 24.3% of total tax liability.

Data contained in these tables is derived from commercial activity tax returns filed by taxpayers with the Ohio Department of Taxation.

**Fiscal Year 2013 Commercial Activity Tax Returns:**  
 Number of Returns and Reported Financial Data, by Industrial Classification (a)  
 Dollar amounts are in 1,000's

Industrial Sector	NAICS Code Ranges	Number of Filers	Taxable Gross Receipts	Exclusion (b)	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax (c)	Tax Before Credits	Non-refundable Tax Credits (d)	Refundable Tax Credits (d)	Total Tax Due: 0.26% Tax and Minimum Tax
Agriculture, Forestry, and Fishing	111100-115310	6,782	\$7,796,770	\$3,788,352	\$4,008,418	\$10,422	\$1,023	\$11,444	\$0	\$0	\$11,444
Mining	211110-213110	849	5,888,835	940,545	4,948,290	12,866	125	12,991	283	178	12,530
Utilities (excluding telecommunications)	221100-221300	161	15,829,399	1,109,204	14,720,196	38,273	24	38,297	288	0	38,009
Construction	236110-238900	15,422	34,828,732	9,834,380	24,994,352	64,985	2,259	67,244	109	125	67,010
Manufacturing	311110-339900	16,477	190,434,399	16,746,877	173,687,522	451,588	2,417	454,004	31,240	22,649	400,115
Wholesale Trade	423100-425120	9,259	107,609,870	9,194,449	98,415,422	255,880	1,348	257,228	7,661	14,528	235,040
Retail Trade	441110-454390	21,163	140,026,650	15,695,208	124,331,442	323,262	3,073	326,335	638	7,555	318,141
Transportation and Warehousing	481000-493100	4,635	16,942,938	3,951,671	12,991,267	33,777	676	34,453	54	1,308	33,091
Information (including telecommunications)	511110-519100	1,705	28,617,208	2,096,947	26,520,261	68,953	247	69,200	1,524	254	67,422
Finance and Insurance	522110-525990	5,874	9,607,002	2,695,907	6,911,095	17,969	854	18,823	0	3,301	15,523
Real Estate, and Rental & Leasing of Property	531110-533110	14,126	17,567,197	7,214,338	10,352,859	26,917	2,045	28,962	21	25	28,916
Professional, Scientific and Technical Services	541110-541990	15,764	37,910,630	10,093,803	27,816,826	72,324	2,303	74,626	364	7,015	67,248
Management of Companies (Holding Companies)	551111-551112	937	44,715,036	2,671,583	42,043,452	109,313	134	109,447	1,390	11,134	96,924
Administrative & Support Services, and Waste Management & Remediation Services	561110-562000	4,256	9,924,504	2,559,656	7,364,849	19,149	624	19,772	190	189	19,392
Education, Health Care and Social Assistance	611000-624410	12,502	25,218,775	8,753,934	16,464,840	42,809	1,812	44,620	304	0	44,316
Arts, Entertainment, and Recreation	711100-713900	1,734	3,190,150	886,970	2,303,180	5,988	253	6,241	0	0	6,241
Accommodation and Food Services	721110-722410	9,573	16,849,348	6,294,068	10,555,280	27,444	1,407	28,851	19	0	28,832
Other Services	811110-812990	8,637	8,122,417	4,357,712	3,764,705	9,788	1,266	11,054	0	0	11,054
Unclassified	n/a	18,404	15,138,540	8,233,246	6,905,294	17,954	2,651	20,605	29	39	20,537
<b>TOTAL</b>		<b>168,260</b>	<b>\$736,218,402</b>	<b>\$117,118,851</b>	<b>\$619,099,551</b>	<b>\$1,609,659</b>	<b>\$24,540</b>	<b>\$1,634,199</b>	<b>\$44,114</b>	<b>\$68,300</b>	<b>\$1,521,785</b>

(a) The total tax liability shown in this table does not match actual commercial activity tax revenues in fiscal year 2013. The table reflects reported tax liability, not actual payments made. In addition the table reflects information from tax returns processed by the Department of Taxation on or after July 1, 2012 to on or before September 30, 2013, and includes quarterly returns for the 2nd, 3rd, 4th calendar quarters of 2012, the 1st calendar quarter of 2013, and annual returns. The quarterly CAT returns for these time periods are due in August 2012, November 2012, February 2013 and May 2013, respectively, and the annual returns are due May 2013. Each of these due dates fall within fiscal year ending June 30, 2013. Any original or amended returns filed after September 30, 2013 are not reflected in this table.

(b) Each quarter a taxpayer's first \$250,000 in taxable receipts is excluded from the 0.26% tax, resulting in an annual exclusion of \$1 million per taxpayer. Beginning with the returns filed for the first quarter calendar year 2013, due May 2013, 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.

(c) The annual minimum tax is \$150. All taxpayers (annual taxpayers and quarterly taxpayers alike) are required to pay the annual minimum tax.

(d) Nonrefundable credits and refundable credits listed on this table were filed according to the time schedule described in footnote (a), and were reviewed and verified by the Department of Taxation, Commercial Activities Tax Division, as of December 31, 2013. Any credits filed after September 30, 2013 or reviewed and verified after December 31, 2013 are not reflected in this table.

**Fiscal Year 2013 Commercial Activity Tax:**

Number of Returns and Reported Financial Data, by Size of Taxable Gross Receipts (a)

*Dollar amounts are in 1,000's*

Size of FY 2013 Taxable Gross Receipts (b)	Number of Filers	Taxable Gross Receipts	Exclusion (c)	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax (d)	Tax Before Credits	Non-refundable Tax Credits (e)	Refundable Tax Credits (e)	Total Tax Due: 0.26% Tax and Minimum Tax
Less than \$1,000,000	116,551	39,114,751	38,596,357	518,393	1,348	16,640	17,988	1	2,768	15,219
\$1,000,000 - \$1,999,999	21,510	30,286,087	22,937,874	7,348,214	19,105	3,436	22,541	29	1,726	20,786
\$2,000,000 - \$2,999,999	8,667	21,124,553	11,442,491	9,682,062	25,173	1,291	26,464	80	192	26,192
\$3,000,000 - \$3,999,999	4,671	16,139,070	7,115,900	9,023,170	23,460	690	24,151	62	127	23,962
\$4,000,000 - \$4,999,999	2,899	12,936,410	4,806,523	8,129,887	21,138	429	21,567	123	441	21,003
\$5,000,000 - \$9,999,999	6,294	44,018,767	10,885,973	33,132,793	86,145	926	87,071	436	838	85,797
\$10,000,000 - \$24,999,999	4,187	64,577,754	7,637,976	56,939,777	148,043	616	148,660	973	2,587	145,100
\$25,000,000 - \$49,999,999	1,658	58,062,017	3,310,525	54,751,492	142,354	243	142,597	1,363	6,208	135,026
\$50,000,000 - \$99,999,999	895	62,193,567	2,232,880	59,960,687	155,898	132	156,030	1,394	12,485	142,150
\$100,000,000 - \$499,999,999	777	159,271,595	3,504,592	155,767,004	404,994	114	405,109	6,785	10,449	387,875
\$500,000,000 - \$999,999,999	89	62,544,643	1,365,201	61,179,442	159,067	13	159,080	8,403	2,459	148,217
\$1 billion and above	62	165,949,188	3,282,558	162,666,629	422,933	9	422,943	24,464	28,020	370,458
<b>TOTAL</b>	<b>168,260</b>	<b>736,218,402</b>	<b>117,118,851</b>	<b>619,099,551</b>	<b>1,609,659</b>	<b>24,540</b>	<b>1,634,199</b>	<b>44,114</b>	<b>68,300</b>	<b>1,521,785</b>

(a) The total tax liability shown in this table does not match actual commercial activity tax revenues in fiscal year 2013. The table reflects reported tax liability, not actual payments made. In addition the table reflects information from tax returns processed by the Department of Taxation on or after July 1, 2012 to on or before September 30, 2013, and includes quarterly returns for the 2nd, 3rd, 4th calendar quarters of 2012, the 1st calendar quarter of 2013, and annual returns for calendar year 2012. The quarterly CAT returns for these time periods are due in August 2012, November 2012, February 2013 and May 2013, respectively, and the annual returns are due May 2013. Each of these due dates fall within fiscal year ending June 30, 2013. Any original or amended returns filed after September 30, 2013 are not reflected in this table.

(b) These categories reflect aggregate taxable gross receipts (before exclusion) as reported by taxpayers on returns that were due and filed during fiscal year 2013. For example, a taxpayer whose taxable gross receipts were \$5 million, \$6 million, \$4 million, and \$7 million, on returns filed in August 2012, November 2012, February 2013 and May 2013, respectively, would have total fiscal year 2013 taxable gross receipts of \$22 million, and thereby would be included within the \$10 - \$25 million category.

(c) Each quarter a taxpayer's first \$250,000 in taxable receipts is excluded from the 0.26% tax, resulting in an annual exclusion of \$1 million per taxpayer. Beginning with the returns filed for the first quarter calendar year 2013, due May 2013, 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.

(d) The annual minimum tax is \$150. All taxpayers (annual taxpayers and quarterly taxpayers alike) are required to pay the annual minimum tax.

(e) Nonrefundable credits and refundable credits listed on this table were filed according to the time schedule described in footnote (a), and were reviewed and verified by the Department of Taxation, Commercial Activities Tax Division, as of December 31, 2013. Any credits filed after September 30, 2013 or reviewed and verified after December 31, 2013 are not reflected in this table.