



# Department of Taxation

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Tables CAT-1 & CAT-2  
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## **COMMERCIAL ACTIVITY TAX: Number of Taxpayers and Tax Return Data, Fiscal Year 2016**

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 annual basis. In general, persons with annual gross receipts of \$150,000 or less are not subject to the commercial activity tax, and filers with more than \$150,000 but less than or equal to \$1 million taxable gross receipts in the previous calendar year pay the \$150 annual minimum tax, and file an annual return.

Filers with over \$1 million in taxable gross receipts are required to pay an annual minimum tax and additional tax at a rate of 0.26% of taxable gross receipts that have been reduced by a \$1 million exclusion to taxable gross receipts. 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.

The attached CAT-1 and CAT-2 tables reflect information reported quarterly returns for the quarterly obligation periods July 1, 2015 to June 30, 2016, encompassing FY 2016. The quarterly CAT returns for these time periods were due in November 2015, February 2016, May 2016, and August 2016, respectively. Also included in this table are annual returns based on calendar year 2015, due in May 2016. The table includes tax returns received by the Department of Taxation on or after July 1, 2015 to on or before September 30, 2016, any original or amended returns filed after September 30, 2015 are not reflected in this table. 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 2016 was approximately \$1,842.7 million. Of this amount approximately \$101.1 million was attributable to the annual minimum tax and approximately \$1,741.6 million was attributable to the 0.26% tax rate. Taxable gross receipts amounted to approximately \$756.4 billion but the exclusion available on each return reduced taxable gross receipts to net taxable gross receipts, which amounted to approximately \$669.9 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. In fiscal year 2016, the retail sector comprised the largest group of taxpayers, and accounted for 12.0% of all taxpayers. This was followed by taxpayers in the manufacturing (11.0%), construction (10.3%), and professional, scientific and technical services (10.2%) categories. In terms of net tax liability, manufacturers accounted for the largest share at 23.8% of the total. The retail (21.1%) and wholesale (12.8%) sectors accounted 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 2016 taxable gross receipts were less than \$1 million accounted for approximately 64.2% of all returns, but less than 1.0% of the net total liability. Filers with taxable gross receipts of \$1 billion and above comprised less than 0.1% of all returns but accounted for approximately 20.2% of net total tax liability.

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

**Fiscal Year 2016 Commercial Activity Tax Returns:**  
 Number of Returns and Reported Financial Data, by Industrial Classification <sup>(a)</sup>  
*Dollar amounts are in thousands*

Industrial Sector	NAICS Code Ranges	Number of Filers	Taxable Gross Receipts	Exclusion <sup>(b) (e)</sup>	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax <sup>(c)</sup>	Tax at 0.26% rate plus Minimum Tax, before all credits <sup>(e)</sup>	Non-refundable Tax Credits <sup>(d)</sup>	Refundable Tax Credits <sup>(d)</sup>	Net Total Tax Due:
											0.26% Tax and Minimum Tax, after all credits
Agriculture, Forestry, and Fishing	111100-115310	6,605	\$ 7,049,046	\$ 3,319,318	\$ 3,729,728	\$ 9,699	\$ 2,568	\$ 12,266	\$ 32	\$ 22	\$ 12,215
Mining	211110-213110	804	\$ 8,048,323	\$ 398,748	\$ 7,649,575	\$ 19,897	\$ 658	\$ 20,556	\$ 398	\$ 59	\$ 20,106
Utilities (excluding telecommunications)	221100-221300	182	\$ 14,430,730	\$ 129,960	\$ 14,300,770	\$ 37,182	\$ 224	\$ 37,406	\$ 160	\$ -	\$ 36,278
Construction	236110-238900	14,883	\$ 44,346,536	\$ 9,233,585	\$ 35,112,951	\$ 91,293	\$ 11,193	\$ 102,482	\$ 305	\$ 3,247	\$ 98,948
Manufacturing	311110-339900	15,806	\$ 199,821,162	\$ 11,273,163	\$ 188,547,999	\$ 490,197	\$ 17,600	\$ 507,794	\$ 78,189	\$ 50,900	\$ 391,323
Wholesale Trade	423100-425120	8,997	\$ 90,054,907	\$ 6,334,873	\$ 83,720,033	\$ 217,638	\$ 9,977	\$ 227,613	\$ 2,740	\$ 15,580	\$ 210,102
Retail Trade	441110-454390	17,262	\$ 145,578,281	\$ 11,042,255	\$ 134,536,026	\$ 349,798	\$ 12,789	\$ 362,581	\$ 2,543	\$ 15,204	\$ 345,745
Transportation and Warehousing	481000-493100	4,453	\$ 20,025,517	\$ 2,726,438	\$ 17,299,079	\$ 44,973	\$ 3,496	\$ 48,468	\$ 719	\$ 426	\$ 47,832
Information (including telecommunications)	511110-519100	1,554	\$ 32,273,897	\$ 964,444	\$ 31,309,453	\$ 81,368	\$ 1,366	\$ 82,734	\$ 3,801	\$ 5,974	\$ 75,350
Finance and Insurance	522110-525990	5,310	\$ 16,451,998	\$ 2,515,280	\$ 13,936,718	\$ 36,265	\$ 2,587	\$ 38,850	\$ 164	\$ 12,400	\$ 26,263
Real Estate, and Rental & Leasing of Property	531110-533110	13,816	\$ 21,446,809	\$ 7,063,909	\$ 14,382,900	\$ 37,396	\$ 6,423	\$ 43,815	\$ 43	\$ 84	\$ 43,705
Professional, Scientific and Technical Services	541110-541990	14,660	\$ 40,425,953	\$ 8,223,660	\$ 32,202,293	\$ 83,726	\$ 9,016	\$ 92,739	\$ 2,569	\$ 4,834	\$ 86,065
Management of Companies (Holding Companies)	551111-551112	860	\$ 37,931,119	\$ 680,250	\$ 37,250,869	\$ 96,895	\$ 1,405	\$ 98,300	\$ 4,591	\$ 7,241	\$ 87,455
Administrative & Support Services, and Waste Management & Remediation Services	561110-562000	4,038	\$ 12,469,176	\$ 2,355,486	\$ 10,113,689	\$ 26,298	\$ 2,699	\$ 28,996	\$ 169	\$ 1,341	\$ 27,522
Education, Health Care and Social Assistance	611000-624410	11,092	\$ 27,238,188	\$ 7,168,743	\$ 20,069,445	\$ 52,180	\$ 7,488	\$ 59,665	\$ 475	\$ 603	\$ 59,046
Arts, Entertainment, and Recreation	711100-713900	1,686	\$ 4,776,670	\$ 905,987	\$ 3,870,683	\$ 10,064	\$ 795	\$ 10,858	\$ -	\$ 3,420	\$ 7,437
Accommodation and Food Services	721110-722515	9,278	\$ 19,953,668	\$ 5,791,692	\$ 14,161,976	\$ 36,820	\$ 5,482	\$ 42,300	\$ 194	\$ 198	\$ 41,907
Other Services	811110-812990	7,969	\$ 9,010,228	\$ 4,134,408	\$ 4,875,820	\$ 12,677	\$ 3,360	\$ 16,036	\$ -	\$ 975	\$ 15,060
Unclassified	n/a	4,968	\$ 5,090,816	\$ 2,293,718	\$ 2,797,098	\$ 7,272	\$ 1,968	\$ 9,239	\$ 198	\$ 75	\$ 9,090
<b>TOTAL</b>		<b>144,223</b>	<b>\$ 756,423,024</b>	<b>\$ 86,555,919</b>	<b>\$ 669,867,105</b>	<b>\$ 1,741,636</b>	<b>\$ 101,094</b>	<b>\$ 1,842,699</b>	<b>\$ 97,290</b>	<b>\$ 122,582</b>	<b>\$ 1,641,450</b>

- (a) The total tax liability shown in this table does not match actual commercial activity tax revenues in fiscal year 2016. The table reflects reported tax liability, not actual payments made. The table reflects information from quarterly returns for the quarterly obligation periods July 1, 2015 to June 30, 2016, encompassing FY 2016. The quarterly CAT returns for these time periods were due in November 2015, February 2016, May 2016, and August 2016, respectively. Also included in this table are annual returns based on calendar year 2015, due in May 2016. The table includes tax returns received by the Department of Taxation on or after July 1, 2015 to on or before September 30, 2016, any original or amended returns filed after September 30, 2015 are not reflected in this table.
- (b) For each filer, the entire annual exclusion of \$1,000,000 may be taken on the quarterly return for the first calendar quarter obligation period, up to the amount of total gross receipts. Any unused exclusion is carried forward to subsequent quarters.
- (c) 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.
- (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 September 30, 2016. Any credits filed, reviewed, or verified after September 30, 2016 are not reflected in this table.
- (e) 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.

**Fiscal Year 2016 Commercial Activity Tax:**  
 Number of Returns and Reported Financial Data, by Size of Taxable Gross Receipts <sup>(a)</sup>  
*Dollar amounts are in thousands*

Size Range of Taxable Gross Receipts <sup>(b)</sup>	Number of Filers	Taxable Gross Receipts		Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax <sup>(d)</sup>	Tax at 0.26% rate plus Minimum Tax, before all credits <sup>(f)</sup>	Non-refundable Tax Credits <sup>(e)</sup>	Refundable Tax Credits <sup>(e)</sup>	Net Total Tax Due: 0.26% Tax and Minimum Tax, after all credits
			Exclusion <sup>(c) (f)</sup>							
Less than \$1,000,000	92,608	\$ 37,091,751	\$ 35,975,240	\$ 1,116,511	\$ 2,901	\$ 14,850	\$ 17,720	\$ 2,289	\$ 13,294	\$ 4,399
\$1,000,000 - \$1,999,999	20,380	\$ 29,124,730	\$ 19,524,891	\$ 9,599,839	\$ 24,957	\$ 16,832	\$ 41,789	\$ 1,107	\$ 747	\$ 40,965
\$2,000,000 - \$2,999,999	8,739	\$ 21,318,011	\$ 8,857,654	\$ 12,460,357	\$ 32,397	\$ 15,794	\$ 48,191	\$ 1,150	\$ 455	\$ 47,560
\$3,000,000 - \$3,999,999	4,797	\$ 16,612,321	\$ 4,754,691	\$ 11,857,629	\$ 30,829	\$ 9,913	\$ 40,742	\$ 811	\$ 888	\$ 39,700
\$4,000,000 - \$4,999,999	2,972	\$ 13,253,642	\$ 2,950,776	\$ 10,302,866	\$ 26,786	\$ 7,027	\$ 33,813	\$ 615	\$ 430	\$ 33,174
\$5,000,000 - \$9,999,999	6,426	\$ 44,944,322	\$ 6,348,319	\$ 38,596,003	\$ 100,343	\$ 15,917	\$ 116,260	\$ 6,568	\$ 4,046	\$ 111,564
\$10,000,000 - \$24,999,999	4,588	\$ 70,501,978	\$ 4,501,865	\$ 66,000,112	\$ 171,600	\$ 11,429	\$ 183,029	\$ 3,452	\$ 9,377	\$ 172,127
\$25,000,000 - \$49,999,999	1,739	\$ 61,257,756	\$ 1,711,687	\$ 59,546,069	\$ 154,817	\$ 4,367	\$ 159,184	\$ 2,572	\$ 4,896	\$ 152,602
\$50,000,000 - \$99,999,999	968	\$ 67,427,760	\$ 949,795	\$ 66,477,965	\$ 172,836	\$ 2,442	\$ 175,278	\$ 3,958	\$ 21,906	\$ 149,936
\$100,000,000 - \$499,999,999	845	\$ 172,162,243	\$ 820,000	\$ 171,342,243	\$ 445,407	\$ 2,107	\$ 447,514	\$ 15,509	\$ 21,551	\$ 411,781
\$500,000,000 - \$999,999,999	95	\$ 63,373,251	\$ 96,000	\$ 63,277,251	\$ 164,561	\$ 247	\$ 164,808	\$ 10,969	\$ 8,442	\$ 145,397
\$1 billion and above	66	\$ 159,355,259	\$ 65,000	\$ 159,290,259	\$ 414,202	\$ 169	\$ 414,371	\$ 48,290	\$ 36,551	\$ 332,245
<b>TOTAL</b>	<b>144,223</b>	<b>\$ 756,423,024</b>	<b>\$ 86,555,919</b>	<b>\$ 669,867,105</b>	<b>\$ 1,741,636</b>	<b>\$ 101,094</b>	<b>\$ 1,842,699</b>	<b>\$ 97,290</b>	<b>\$ 122,582</b>	<b>\$ 1,641,450</b>

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- (b) These categories reflect aggregate taxable gross receipts (before exclusion) as reported by taxpayers on returns. For example, a taxpayer whose taxable gross receipts were \$5 million, \$6 million, \$4 million, and \$7 million, on returns filed in November 2015, February 2016, May 2015, and August 2016, respectively, would have total fiscal year 2015 taxable gross receipts of \$22 million, and thereby would be included within the \$10 - \$25 million category.
- (c) For each filer, the entire annual exclusion of \$1,000,000 may be taken on the quarterly return for the first calendar quarter obligation period, up to the amount of total gross receipts. Any unused exclusion is carried forward to subsequent quarters.
- (d) 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.
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