



Department of Taxation

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TANGIBLE PERSONAL PROPERTY TAX: *Tax Replacement Payments, Fiscal Year 2013*

Ohio's tangible personal property (TPP) tax was phased out between 2006 and 2010 as part of the tax changes contained in Am. Sub. HB 66, the two-year state budget bill for Fiscal Years 2006-2007. The phase-out was accomplished by lowering the assessment percentage for all tangible personal property, including inventories.

Schools and local governments are reimbursed for the loss of tax revenue due to the elimination of the tax. The commercial activity tax is the primary revenue source for the tax replacement payments although the state General Revenue Fund is used as a funding source if commercial activity tax revenues are insufficient to make the mandated replacement payments. For more details on the phase-out and replacement payments see http://www.tax.ohio.gov/personal_property/phaseout.aspx.

In 2006, reimbursements were calculated based on each local government's TPP revenue. In 2011, the reimbursement formula was altered so that reimbursement, for the majority of political units and levies, depends on each local government's reliance on the reimbursement. In calendar year 2013, replacement payments for the fixed-rate levies of counties, townships, and special districts as well as municipal operating levies were equal to the sum of 2010 reimbursement less 6 percent of the local government's calculated 2010 total resources. Reimbursement for municipal non-operating levies, including pension and capital improvement levies, for calendar year 2013 was equal to 25 percent of the levy's 2010 reimbursement.

In fiscal year 2013, replacement payments to schools and joint vocational districts for fixed-rate operating levies were equal to fiscal year 2011 reimbursement less 4 percent of the district's total resources. Reimbursement for non-operating fixed-rate levies, including permanent improvement and classroom facilities levies, was equal to 50 percent of the fiscal year 2011 reimbursement. In fiscal year 2013, payments to school and joint vocational districts include an "indirect" replacement payment made through the school funding formula.

The amounts displayed are for the November 2012 and May 2013 distributions. The amounts reflect the Local Government Property Tax Replacement Fund distributions (Fund 7081) and the School District Property Tax Replacement Fund (Fund 7047). Fund 7081 is administered by the Ohio Department of Taxation and monies are sent by Taxation to the respective county auditors for the crediting of county, municipal, township, and special district levies only. The Ohio Department of Education administers the School District Property Tax Replacement Fund (Fund 7047). For fiscal year 2013, a total of \$783.0 million was distributed to each county.

The figures shown have been compiled from records of Ohio Department of Taxation.

Tangible Personal Property Tax - Tax Replacement Payments, by County, Fiscal Year 2013

<u>County</u>	<u>Tax Replacement Payments</u>	<u>County</u>	<u>Tax Replacement Payments</u>
Adams	\$240,812	Logan	\$5,379,199
Allen	\$11,959,611	Lorain	\$12,417,616
Ashland	\$3,125,658	Lucas	\$35,512,124
Ashtabula	\$8,567,108	Madison	\$2,170,249
Athens	\$633,765	Mahoning	\$9,690,224
Auglaize	\$4,625,727	Marion	\$4,344,756
Belmont	\$1,917,244	Medina	\$9,179,326
Brown	\$79,216	Meigs	\$64,163
Butler	\$22,795,776	Mercer	\$849,081
Carroll	\$147,728	Miami	\$9,566,843
Champaign	\$2,879,876	Monroe	\$1,957,550
Clark	\$4,592,319	Montgomery	\$42,436,980
Clermont	\$3,899,503	Morgan	\$245,299
Clinton	\$2,712,427	Morrow	\$427,413
Columbiana	\$2,864,583	Muskingum	\$3,429,269
Coshocton	\$1,396,635	Noble	\$277,752
Crawford	\$4,006,712	Ottawa	\$1,578,079
Cuyahoga	\$95,788,307	Paulding	\$434,339
Darke	\$1,323,422	Perry	\$531,569
Defiance	\$3,012,254	Pickaway	\$2,382,971
Delaware	\$3,222,656	Pike	\$3,924,559
Erie	\$11,079,611	Portage	\$10,820,221
Fairfield	\$3,322,848	Preble	\$1,555,831
Fayette	\$1,107,894	Putnam	\$1,279,687
Franklin	\$92,839,861	Richland	\$12,094,245
Fulton	\$4,727,075	Ross	\$5,766,633
Gallia	\$703,866	Sandusky	\$4,460,986
Geauga	\$6,769,707	Scioto	\$1,876,545
Greene	\$2,151,494	Seneca	\$3,590,608
Guernsey	\$2,515,716	Shelby	\$9,743,471
Hamilton	\$77,119,354	Stark	\$25,209,637
Hancock	\$9,451,739	Summit	\$36,481,125
Hardin	\$1,206,926	Trumbull	\$15,545,728
Harrison	\$176,996	Tuscarawas	\$6,276,464
Henry	\$3,911,514	Union	\$12,733,039
Highland	\$668,481	Van Wert	\$1,077,590
Hocking	\$326,348	Vinton	\$184,553
Holmes	\$1,495,180	Warren	\$17,706,819
Huron	\$3,563,569	Washington	\$6,972,246
Jackson	\$740,253	Wayne	\$10,830,825
Jefferson	\$3,085,769	Williams	\$3,835,306
Knox	\$2,066,197	Wood	\$13,081,231
Lake	\$18,175,915	Wyandot	\$1,851,862
Lawrence	\$217,997		
Licking	\$6,051,097	Grand	\$783,040,759

(1) Consists of payments made to school districts and local governments. School district payments reflect both "direct" replacement payments and "indirect" replacements made to schools through a reduction in the school foundation charge-off. Figures reflect payments made in November 2012 and May 2013.