

SCHOOL DISTRICT INDIVIDUAL INCOME TAX

In 1981, the Ohio General Assembly granted school districts the authority to levy an income tax. Certain provisions of that law were repealed in 1983 so that no additional school districts could levy the tax. Any school district enacting the tax before August 3, 1983, could continue to levy the tax. Prior to the repeal, voters approved the tax in six school districts, one of which repealed the tax through voter referendum in 1986. In 1989, the General Assembly reinstated provisions of the original law allowing additional school districts to levy the tax. From 1989-1997, 120 districts passed income taxes (five subsequently expired), raising the total number to 120.

The school district income tax is imposed on the incomes of residents and estates of the school district. The Department of Taxation administers the tax. Collections are made through employer withholding, individual quarterly estimated payments, and annual returns. During fiscal year 1999, total gross collections for all districts were \$142.6 million, prior to deductions for administrative costs and refunds (see Table 47 on page 67).

TAX BASE (R.C. 5748.01):

For individuals, Ohio adjusted gross income for state income tax purposes less \$1,050 for each exemption in 1999. For estates, taxable income for state income tax purposes.

RATES (R.C. 5748.02):

Rates must be multiples of a quarter of one percent. The rate must be approved by a vote of the school district residents before implementation. (For tax year 1999, 120 school districts are levying the school district income tax.) The tax rates range from 0.25 percent to 2.0 percent, with only 15 above one percent.

SPECIAL PROVISION:

Senior Citizen Credit: A taxpayer 65 years of age or older during the taxable year receives a \$50 credit against the amount of school district income tax due. Only one credit is allowed for each return.

TAXPAYER (R.C. 5748.01):

Every individual or every estate residing in a school district which imposes the school district income tax.

FILING AND PAYMENT DATES (R.C. 5747.06 - 5747.09):

Individual Taxpayers:

1. Calendar year taxpayer files an annual return between January 1 and April 15.
2. Fiscal year taxpayer files before the 15th day of the fourth month after the end of the fiscal year.
3. Taxpayer must file a quarterly estimated return if the taxpayer expects to be under-withheld by more than \$300 for the combined school district and state of Ohio individual income taxes. Quarterly payments of the tax must be made on or before April 15, June 15, and September 15 of the current year and January 15 of the next year.

For Employers:

1. If the employer withholds on a quarterly basis for state income tax purposes, payment is due for both taxes within 30 days after the quarter ending March, June, September, and December.
2. If the employer withholds on a monthly or partial weekly basis for state purposes, remittances are made within ten banking days after the end of each month.

DISPOSITION OF REVENUE (R.C. 5747.03):

Collections are deposited into a School District Income Tax Fund to be distributed back to the school district less 1.5 percent retained for state administrative purposes. Distributions are made back to school districts on the last day of April, July, October and January. Payments are for the net amount in each school districts' account after refunds and administrative fees as of the end of the prior calendar quarter.

OHIO REVISED CODE CITATIONS:

Chapters 5747 and 5748.

Table 47
School District Income Tax
Collections for Fiscal Years 1997, 1998 and 1999

All Districts	1997 ^(a)	1998 ^(b)	1999 ^(b)
Individual Returns	\$33,692,500	\$37,228,460	\$46,455,570
Employer Withholding	<u>77,119,956</u>	<u>86,008,055</u>	<u>96,127,306</u>
Total Collections	110,812,456	\$123,236,515	\$142,582,876
Refunds and Administration	(6,198,829)	(7,493,353)	(8,723,789)
Interest Earned	<u>1,070,396</u>	<u>1,349,139</u>	<u>1,514,234</u>
Net to School Districts	\$105,684,023	\$115,743,162	\$135,373,321
<p>(a) Includes collections for 119 school districts.</p> <p>(b) Includes collections for 120 school districts</p>			

Table 48
Ohio School District Income Tax Levies
As of January 1999

No.	County	School District	Year		No.	County	School District	Year	
			Rate	Tax Enacted				Rate	Tax Enacted
1	Allen	Spencerville LSD (4)	1.00%	1992	73	Mercer	Fort Recovery LSD	1.00	1990
2	Ashland	Loudonville-Perrysville EVSD	0.50	1991	74	Mercer	Parkway LSD (2)	1.00	1995
3	Auglaize	Wapakoneta CSD	0.75	1990	75	Miami	Bradford EVSD	1.75	1982
4	Auglaize	Waynesfield-Goshen LSD (3)	1.00	1991	76	Miami	Covington EVSD	0.50	1993
5	Belmont	Barnesville EVSD (2)	0.50	1995	77	Miami	Miami East LSD	0.50	1991
6	Butler	Madison LSD	0.50	1990	78	Miami	Newton LSD	1.00	1992
7	Butler	New Miami LSD	1.00	1989	79	Miami	Piqua CSD	0.50	1990
8	Champaign	Mechanicsburg EVSD	0.50	1989	80	Montgomery	New Lebanon LSD (2)	0.75	1997
9	Champaign	Triad LSD	1.00	1996	81	Montgomery	Valley View LSD (d)	1.25	1991
10	Champaign	West Liberty-Salem LSD(a)	1.50	1983	82	Morrow	Highland LSD	0.50	1991
11	Clark	Southeastern LSD	1.00	1989	83	Morrow	Mt Gilead EVSD (1)	0.75	1994
12	Clermont	Clermont-Northeastern LSD	1.00	1995	84	Morrow	Northmor LSD	1.00	1992
13	Clermont	Goshen LSD	1.00	1990	85	Paulding	Antwerp LSD	0.75	1990
14	Columbiana	Crestview LSD	1.00	1989	86	Paulding	Paulding EVSD	1.00	1990
15	Columbiana	Salem CSD (2)	1.00	1995	87	Paulding	Wayne Trace LSD (3)	0.75	1991
16	Columbiana	United LSD	0.50	1991	88	Pickaway	Teays Valley LSD	0.75	1991
17	Crawford	Buckeye Central LSD	1.50	1989	89	Preble	National Trail LSD	1.00	1991
18	Darke	Ansonia LSD	0.75	1991	90	Preble	Eaton CSD (3)	0.75	1992
19	Darke	Arcanum-Butler LSD	0.75	1991	91	Preble	Preble Shawnee LSD	1.00	1990
20	Darke	Franklin-Monroe LSD	0.75	1992	92	Putnam	Columbus Grove LSD (2)	0.75	1995
21	Darke	Greenville CSD	0.50	1989	93	Putnam	Continental LSD	1.00	1990
22	Darke	Mississinawa Valley LSD	0.50	1989	94	Putnam	Leipsic LSD	0.75	1991
23	Darke	Tri-Village LSD	1.00	1990	95	Putnam	Miller City-New Cleveland LSD	1.25	1992
24	Defiance	Central LSD	0.75	1991	96	Putnam	Ottawa-Glandorf LSD	0.50	1992
25	Defiance	Defiance CSD	0.50	1991	97	Putnam	Pandora-Gilboa LSD (5)	0.75	1993
26	Defiance	Hicksville EVSD	0.75	1991	98	Richland	Plymouth LSD	1.00	1990
27	Delaware	Big Walnut LSD (1)	0.75	1994	99	Ross	Union-Scioto LSD (1)	0.50	1991
28	Delaware	Buckeye Valley LSD	1.00	1992	100	Ross	Zane Trace LSD (2)	0.50	1995
29	Fairfield	Bloom-Carroll LSD	0.75	1996	101	Sandusky	Fremont CSD (5)	0.75	1993
30	Fairfield	Fairfield Union LSD	0.75	1990	102	Seneca	Bettsville LSD (5)	1.00	1993
31	Fairfield	Liberty Union-Thurston LSD	1.25	1990	103	Seneca	New Riegel LSD	0.75	1989
32	Fairfield	Pickerington LSD	1.00	1990	104	Shelby	Anna LSD	0.50	1982
33	Franklin	Canal Winchester LSD	0.75	1990	105	Shelby	Fairlawn LSD	0.75	1990
34	Franklin	Reynoldsburg CSD	0.50	1989	106	Shelby	Fort Loramie LSD (1)	0.75	1994
35	Fulton	Evergreen LSD	0.75	1989	107	Shelby	Hardin-Houston LSD	0.75	1990
36	Fulton	Gorham Fayette LSD	1.00	1991	108	Shelby	Russia LSD	0.75	1991
37	Geauga	Berkshire LSD	0.75	1992	109	Stark	Massillon CSD (3)	0.75	1997
38	Greene	Cedar Cliff LSD	1.00	1990	110	Union	Fairbanks LSD	0.75	1989
39	Greene	Fairborn CSD	0.50	1989	111	Union	North Union LSD	1.00	1990
40	Greene	Greeneview LSD	0.50	1990	112	Vinton	Vinton County LSD (1)	0.50	1994
41	Greene	Xenia CSD (3)	0.50	1997	113	Wayne	Northwestern LSD	1.25	1989
42	Hamilton	Wyoming CSD	1.25	1989	114	Williams	Edgerton LSD	1.00	1991
43	Hancock	Arlington LSD	1.25	1983	115	Williams	Stryker LSD	1.00	1990
44	Hancock	Cory-Rawson LSD	1.00	1991	116	Wood	Bowling Green CSD (4)	0.50	1992
45	Hancock	Liberty-Benton LSD (4)	0.75	1994	117	Wood	Elmwood LSD (e)	1.25	1991
46	Hancock	McComb LSD	1.00	1983	118	Wood	Perrysburg EVSD	0.50	1991
47	Hancock	Vanlue LSD (2)	1.25	1995	119	Wyandot	Mohawk LSD (2)	1.00	1995
48	Hardin	Ada EVSD (4)	0.75	1992	120	Wyandot	Upper Sandusky EVSD (1)	0.50	1995
49	Hardin	Hardin-Northern LSD	1.00	1990					
50	Hardin	Kenton CSD	1.00	1995					
51	Hardin	Ridgemont LSD	1.00	1990	(a)	West Liberty Salem's 1.0% tax expires December 31, 2001 and its 0.50% tax is continuing.			
52	Hardin	Upper Scioto Valley LSD	0.50	1995					
53	Henry	Holgate LSD	1.00	1991	(b)	Patrick Henry's 0.75% tax expires December 31, 2002 and its 1.0% tax is continuing.			
54	Henry	Liberty Center LSD	1.00	1995					
55	Henry	Patrick Henry LSD (b)	1.75	1990	(c)	Celina's 0.25% tax expires December 31, 2000 and its 0.75% tax expires December 31, 2002.			
56	Highland	Hillsboro CSD	1.00	1991					
57	Huron	New London LSD	1.00	1990	(d)	Valley View's 0.75% tax expires December 31, 2000 and its 0.50% tax expires December 31, 2001.			
58	Huron	Norwalk CSD	0.50	1991					
59	Huron	South Central LSD	1.25	1990	(e)	Elmwood's 0.50% tax expires December 31, 2000 and its 0.75% tax expires December 31, 2001.			
60	Huron	Western Reserve LSD	1.25	1990					
61	Knox	Centerburg LSD	0.75	1989	(f)	Danville's 1.50% tax expires December 31, 2003 and its 0.50% tax is continuing.			
62	Knox	Danville LSD (f)	2.00	1989					
63	Licking	Licking Valley LSD	1.00	1993	(1)	Expires December 31, 1999			
64	Licking	Newark CSD (4)	1.00	1997	(2)	Expires December 31, 2000			
65	Licking	Northridge LSD (2)	1.00	1997	(3)	Expires December 31, 2001			
66	Licking	Southwest Licking LSD	0.75	1990	(4)	Expires December 31, 2002			
67	Logan	Riverside LSD (1)	0.75	1994	(5)	Expires December 31, 2003			
68	Lorain	Oberlin CSD	1.00	1990	(6)	Expires December 31, 2004			
69	Lorain	Wellington EVSD	1.00	1990					
70	Madison	Jefferson LSD (6)	0.50	1994					
71	Mercer	Celina CSD (c)	1.00%	1995					
72	Mercer	Coldwater EVSD	0.50	1989					