

REVENUE FROM TAXES ADMINISTERED BY THE TAX COMMISSIONER

The Tax Commissioner is responsible for administering state and local taxes which yielded about \$22.5 billion in net collections for fiscal year 2001. The state's 2001 fiscal year was the period from July 1, 2000 through June 30, 2001. A breakdown of the collections from these taxes is shown in Table 6 for both state-collected and locally-collected taxes. It should be noted, however, that taxes imposed by one level of government may be collected by another, and that taxes collected by one level of government may be shared with another. Furthermore, some state taxes (specifically, the foreign and domestic insurance taxes, motor vehicle license tax, and liquor gallonage tax) are not administered by the Tax Commissioner, and are instead administered by other state agencies. Therefore, the tax collection figures

attributed to state or local governments in the table do not necessarily indicate amounts available for expenditure by the two governmental levels.

Figures for both gross and net tax collections from state-collected taxes are shown in Table 6. Gross collections are equal to total taxes collected, including taxes which were later refunded. Net tax collections are equal to gross collections less all refunds. The source for the state-collected taxes is the Office of Budget and Management for both gross and net collections. These figures will differ from data shown elsewhere in this report which generally represent taxes administered as shown on returns filed during the fiscal year rather than actual collections during the fiscal year.

Table 6
Collections for Taxes Administered by Ohio Tax Commissioner^(a)

| State-Collected Taxes | Gross Tax Collections | | Net Tax Collections ^(b) | | Percent |
|----------------------------------------|-------------------------|-------------------------|------------------------------------|-------------------------|---------------|
| | FY2000 | FY2001 | FY2000 | FY2001 | Change 00-01 |
| State Sales and Use | \$6,263,250,997 | \$6,287,758,244 | \$6,213,961,851 | \$6,237,110,410 | 0.37% |
| Local Sales and Use | 1,321,129,345 | 1,352,436,625 | 1,321,129,345 | 1,352,436,625 | 2.37% |
| Resort Area Excise | 718,624 | 719,420 | 718,624 | 719,420 | 0.11% |
| State Personal Income | 8,983,891,961 | 9,221,429,278 | 8,084,576,329 | 8,119,314,587 | 0.43% |
| Corporation Franchise | 1,219,484,766 | 1,158,910,767 | 1,029,883,951 | 972,967,198 | -5.53% |
| Motor Vehicle Fuel | 1,418,996,649 | 1,325,132,798 | 1,404,945,725 | 1,307,275,001 | -6.95% |
| Public Utility Excise | 704,245,493 | 691,925,015 | 675,339,746 | 674,314,690 | -0.15% |
| Kilowatt-Hour Excise (c) | 0 | 38,026,261 | 0 | 38,026,261 | - |
| Cigarette Excise (d) | 289,795,508 | 283,978,172 | 287,710,095 | 282,481,419 | -1.82% |
| Local Cigarette Excise | 5,055,311 | 5,037,137 | 5,055,311 | 5,037,137 | -0.36% |
| Dealers in Intangibles | 22,615,436 | 24,913,075 | 22,333,722 | 24,881,108 | 11.41% |
| Motor Fuel Use | 67,238,061 | 75,662,992 | 66,889,345 | 75,311,561 | 12.59% |
| Alcoholic Beverage Excise (e) | 56,125,329 | 55,862,063 | 55,993,783 | 55,740,722 | -0.45% |
| Replacement Tire Fee | 3,339,367 | 3,470,795 | 3,339,367 | 3,470,795 | 3.94% |
| Local Alcoholic Beverage (e) | 6,284,465 | 5,851,787 | 6,284,465 | 5,851,787 | -6.88% |
| Horse Racing | 16,582,056 | 17,321,198 | 16,582,056 | 17,321,198 | 4.46% |
| Severance | 8,295,336 | 7,981,539 | 8,283,562 | 7,967,438 | -3.82% |
| School District Income | <u>150,083,042</u> | <u>161,257,059</u> | <u>42,296,915</u> | <u>153,238,001</u> | <u>7.69%</u> |
| Total State-Collected Taxes | \$20,537,131,745 | \$20,717,674,225 | \$19,345,324,191 | \$19,333,465,359 | -0.06% |
| Locally-Collected Taxes | Tax Collections | | | Percent | |
| | CY1999 | | CY2000 | Change 99-00 | |
| Tangible Personal Property | \$1,644,773,487 | | \$1,720,740,378 | 4.62% | |
| Public Utility Property ^(e) | 960,237,298 | | 967,674,709 | 0.77% | |
| Estate ^(g) | <u>434,626,809</u> | | <u>451,541,611</u> | 3.89% | |
| Total Locally-Collected Tax | \$3,039,637,594 | | \$3,139,956,698 | 3.30% | |

(a) Sources: For state-collected taxes, Ohio Office of Budget and Management. For locally-collected taxes, Ohio Department of Taxation.

(b) Gross tax collections less refunds.

(c) Tax became effective in May 2001, with collections beginning in June 2001. Figure reflects the June 2001 revenues for all funds, including the School District Property Tax Replacement Fund and the Local Government Property Tax Replacement Fund.

(d) Includes other tobacco products tax.

(e) Excludes tax on liquor since it is administered by the Department of Commerce, Division of Liquor Control.

(f) Includes only tangible personal property taxes levied for collection the following year.

(g) Fiscal years 2000 and 2001, respectively.

The state-collected taxes administered by the Tax Commissioner yielded net tax collections of \$19.3 billion during the fiscal year. This was a reduction of approximately \$11.9 million from the previous fiscal year. Receipts from locally-collected taxes were \$3.1 billion in calendar year 2000, which was an increase of 3.3 percent from 1999.

Table 7 shows state General Revenue Fund revenues for fiscal year 2001. Excluding federal aid, total revenue amounted to approximately \$16.8 billion. As the table shows, the largest single revenue source was the personal income tax, with approximately \$7.3 billion distributed to the General Revenue Fund. The sales tax was the second largest revenue source with \$5.9 billion going to the GRF. Income tax revenue increased 0.4 percent and sales tax collections also increased 0.4 percent from fiscal year 2000 to 2001. Chart 2 shows the collections for the four largest taxes over the last 10 years. Over this period of time, the corporate franchise and the public

utilities taxes have grown very little while the sales and personal income taxes have continued to increase.

Revenue from taxes administered by the Department of Taxation comprised 91.3 percent of the total General Revenue Fund in fiscal year 2001. Chart 3 on page 15 illustrates the General Revenue Fund sources for fiscal year 2001. The largest source, personal income tax, accounted for 43.3 percent in F.Y. 2001. The total revenue from all state tax sources amounted to \$19.3 billion. Chart 4 on page 15 shows the taxes that make-up this total.

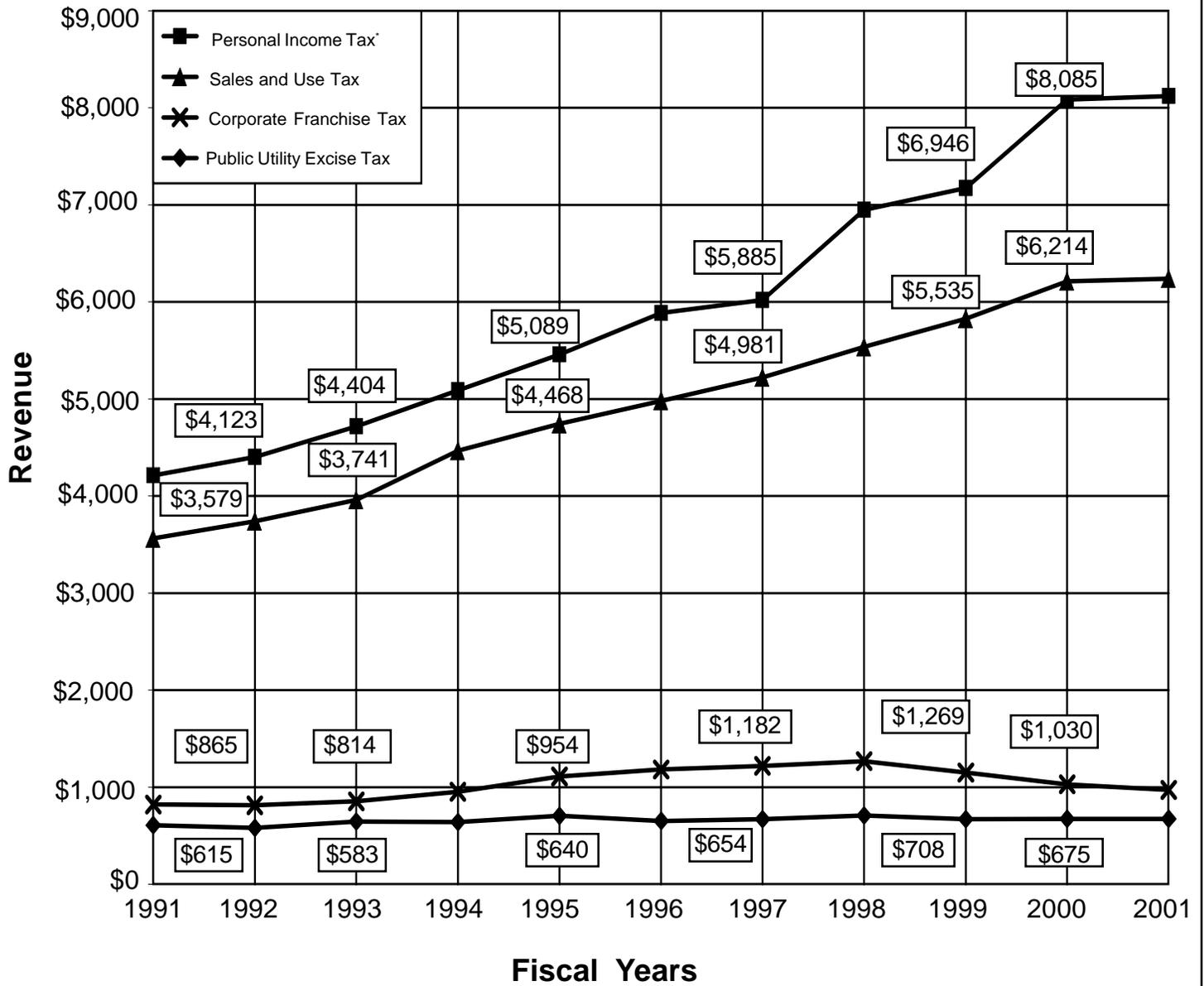
Further information on most of these taxes is contained in other Department of Taxation publications. All of these publications are available in hard copy from the Tax Analysis Division (phone: 614-466-3960) or Taxation's web site (www.state.oh.us/tax).

Table 7
General Revenue Fund Sources
Fiscal Year 2001 (Excluding Federal Aid)

| Revenue Source | Fiscal Year 2001 Collections | |
|-------------------------------------------------------|------------------------------|-------------------------------|
| Personal Income Tax | | \$7,263,433,532 |
| Sales and Use Tax | | 5,935,581,498 |
| Corporation Franchise Tax | | 915,258,469 |
| Public Utility Excise Tax | | 640,547,547 |
| Kilowatt-Hour Excise Tax | | 22,806,630 |
| Cigarette Tax (including other tobacco products) | | 282,480,725 |
| Alcoholic Beverage Taxes (including liquor gallonage) | | 84,030,162 |
| Other Taxes: | | |
| Domestic Insurance Tax | \$109,292,242 | |
| Estate Tax | 166,004,251 | |
| Foreign Insurance Tax | 220,563,101 | |
| Intangible Property Tax | <u>9,498,445</u> | |
| Total | | \$505,358,039 |
| Non-Tax Revenue: | | |
| Earnings on Investment | \$153,338,968 | |
| Liquor Profits | 102,000,000 | |
| Miscellaneous* | <u>876,527,116</u> | |
| Total | | <u>\$1,131,866,084</u> |
| GRAND TOTAL | | \$16,781,362,686 |

* Includes certain transfers into the general revenue fund, licenses and fees, and other income.

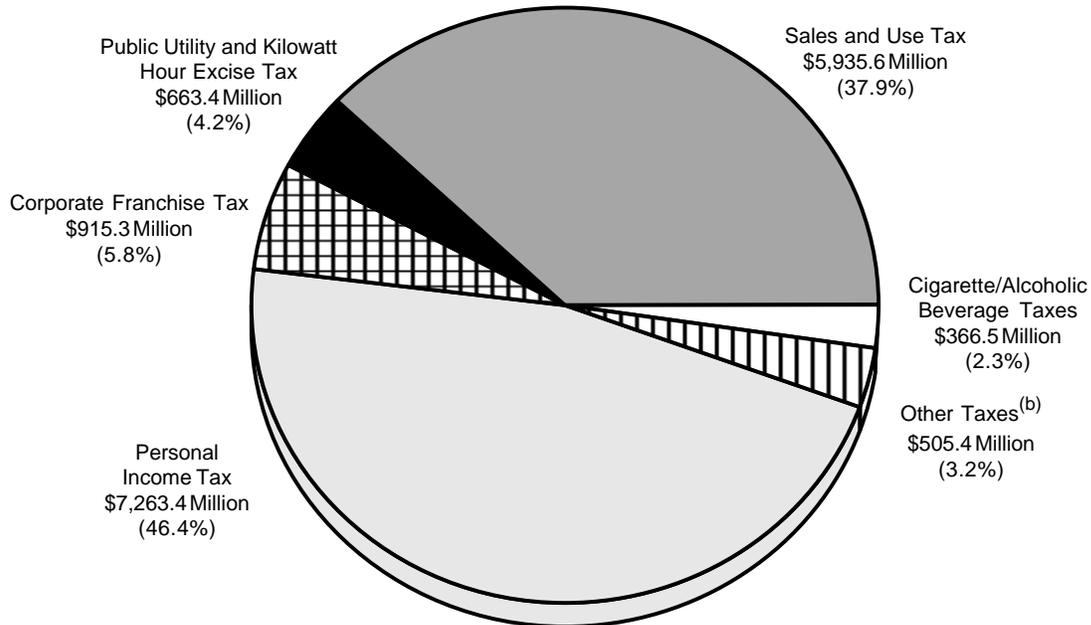
Chart 2
Revenue Collections: Sales and Use, Personal Income, Corporation Franchise, and Public Utility Excise Tax, Fiscal Years 1991 - 2001
 (figures are in millions)



* State personal income tax collections have been reduced due to tax rate cuts since 1996. Had rates not been cut, personal income tax receipts since 1996 would have been considerably higher.

Chart 3 General Revenue Fund Tax Sources Fiscal Year 2001

TOTAL: \$15,649.5 million(a)
(figures are in millions)

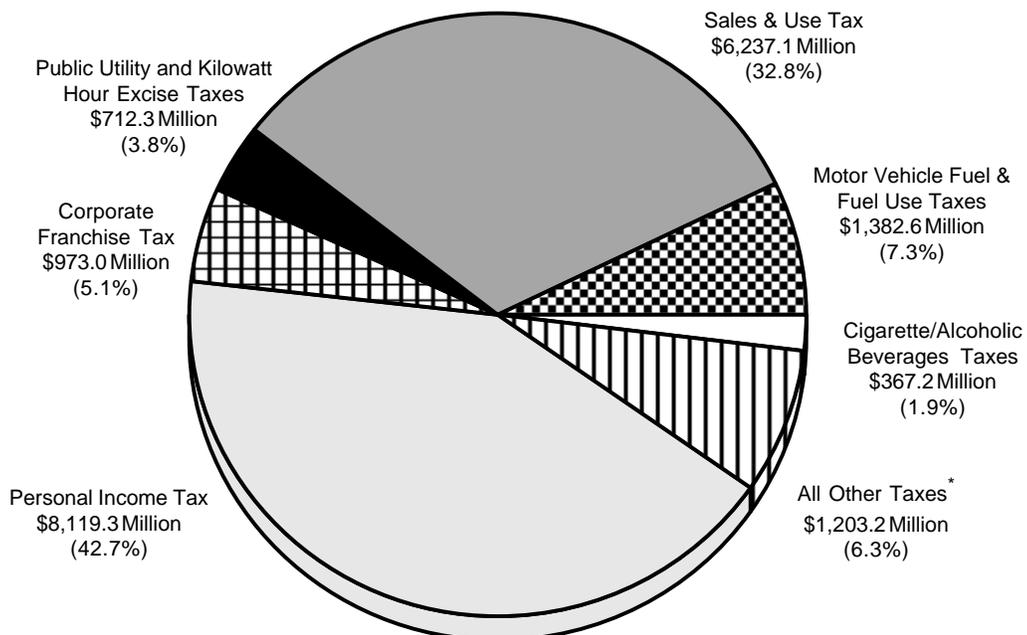


(a) Excludes non tax revenue of \$1,131.9 million.

(b) This figure is comprised of the following state tax revenue sources: domestic & foreign insurance; estate; and dealers in intangibles tax.

Chart 4 All State Tax Sources Fiscal Year 2001

Total: \$18,994.8 million
(figures are in millions)



(*) This figure is comprised of the following state tax revenue sources: motor vehicle license; dealers in intangibles; estate; horse racing; foreign and domestic insurance; severance; replacement tire; alcoholic beverages and cigarette taxes.