



CORPORATION FRANCHISE TAX

Ohio first imposed a corporation franchise tax in 1902 at a rate of one mill (.001) on the value of capital stock (net worth) in Ohio. That rate remained until 1959 when it was raised to three mills, followed by one-mill increases in 1967 and 1969. This five-mill net worth tax was joined in 1971 by an alternate tax on net income in Ohio. The current corporation franchise tax requires taxpayers to compute the tax on both net worth and net income and pay on the base that produces the highest tax.

During the 1980s and 1990s there were many changes to the corporation franchise tax, but rates settled from 1988-98 at 5.82 mills on net worth with tax on net income staying at 5.1 percent on the first \$50,000 of income and 8.9 percent on remaining net income.

In 1999, the corporation franchise tax was significantly changed, including rate cuts on net worth to four mills and net income to 8.5 percent. In addition, the net worth tax was capped at \$150,000 for non-financial institutions and the formula for determining how net worth is established (apportioned) for tax purposes was replaced with a new apportionment formula for net income (see **Exhibits 1 and 2** for details on the apportionment formula).

The corporation franchise tax applies differently to financial institutions than it does to general corporations. Financial institutions are subject only to a net worth tax with a rate of 13 mills and work with a different apportionment formula than applies to general corporations.

All corporations, except family farm corporations and financial institutions, are also subject to a **litter tax** which is also determined using the net worth and/or net income factors. Litter tax revenues are dedicated to a special recycling and litter prevention fund administered by the Ohio Department of Natural Resources.

In Fiscal Year 2004, the corporation franchise tax generated just under \$870.6 million in total revenue (for all funds, and includes some payments for previous year(s) liabilities). This

tax is the third largest source of revenue among taxes supporting Ohio's General Revenue Fund.

Most of the FY 2004 revenue, amounting to \$809.2 million, or 93 percent, was distributed to the General Revenue Fund. The Local Government Fund received \$41.5 million or 4.7 percent; and \$5.9 million or 0.7 percent was distributed to the Local Government Revenue Assistance Fund. These distributions were made according to the percentages established by House Bill 95, the biennial budget bill for fiscal years 2004 and 2005.

The tables in this chapter provide data from tax year 2003 taken from reports due and filed in 2003. For all corporations except financial institutions, the reported tax liability (including litter tax) before credits was \$819.7 million. After tax credits, liability was \$647.7 million.

Data on financial institutions are reported separately from general corporations and are shown in the final table. Financial institutions reported tax liability before credits of \$162.2 million for tax year 2003.

Of the total tax liability before credits for general corporations, about 75 percent came from net income taxpayers. Of all corporation franchise taxpayers, 20 percent paid tax on net income, 34 percent paid tax on net worth, and the remaining 46 percent paid the minimum tax.

Of financial institutions, banks filed 64 percent of all returns and paid 78 percent of the total tax liability. Savings and loans filed 28 percent of returns and paid 22 percent of the total liability. Other types of financial institutions accounted for the balance of returns and tax liability.

Taxpayer (Ohio Revised Code 5733.01):

The Ohio corporation franchise tax is imposed on both domestic and foreign corporations for the privilege of doing business in Ohio. It is paid by corporations that:

- are organized for-profit;
- own capital or property in Ohio;
- hold a charter or certificate of compliance

- authorizing business operations in Ohio; or
- have nexus with Ohio.

Unless exempted, both domestic and foreign for-profit corporations and nonprofit agricultural cooperatives (i.e., Chapter 1729 or like corporations) are subject to the corporation franchise tax. Business trusts defined in R.C. 1746.01 and having nexus with Ohio are also subject to the corporation franchise tax.

Tax Base (R.C. 5709.50, 5709.65, 5733.04, 5733.05, 5733.051, 5733.056):

The franchise tax is levied on the value of a corporation's issued and outstanding shares of stock. Generally a corporation must determine the value of that stock under both the net income and net worth base, and pay on the base that produces the greater tax.

Financial institutions are not subject to the tax on net income but are subject to the tax on the net worth base at a higher rate than other taxpayers.

Qualifying holding companies and certain high-tech start-up companies pay tax on the net income base only.

1. Net Worth Base* (R.C. 5733.05(C):

The net worth base value of issued and outstanding shares of stock is determined by subtracting from book net worth those items excluded by statute (see **Exemptions and Exclusions**). The tax is calculated by multiplying the taxpayer's adjusted net worth by the net worth apportionment ratio by the net worth tax rate of four mills (.004). For financial institutions, the tax is determined by multiplying the taxpayer's adjusted net worth by the taxpayer's Ohio apportionment ratio by the net worth rate of 13 mills (.013).

(*See **Exhibit 1**)

2. Net Income Base (R.C. 5733.05(B):

The net income base value of issued and outstanding shares is calculated by making

certain deductions from and additions to federal taxable income before net operating loss deductions and special deductions for the taxable year (see **Exemptions and Exclusions**). The adjusted income is then allocated (nonbusiness income) or apportioned (business income) in and outside Ohio, depending on its source.

Allocable Income (for taxable years ending after June 25, 2003)(R.C. 5733.051):

Unless the Tax Commissioner requires an alternative method of allocation or approves the taxpayer's requested alternative method, only nonbusiness income is allocated in and outside Ohio.

Apportionable Income (for taxable years ending after June 25, 2003):

All income is presumed to be apportionable business income unless the taxpayer shows otherwise or the Tax Commissioner approves or requires an alternative method of apportionment. Business income is apportioned to Ohio according to a weighted three-factor formula: property, payroll, and sales (see **Exhibit 2**).

Net Income:

Ohio taxable (net) income is equal to the sum of nonbusiness income allocated to Ohio and business income apportioned to Ohio less Ohio net operating losses carried forward from an earlier year.

Rates (R.C. 5733.06):

1. Franchise Tax Rates:

Net Worth –

Net worth taxable value is taxed at the rate of four mills (.004). The maximum tax on the net worth base is \$150,000 per taxpayer (non-financial institutions).

Net Income –

Net income is taxed at the rate of 5.1 percent on the first \$50,000 of Ohio taxable income and 8.5 percent on Ohio taxable income in excess of \$50,000. Corporations that meet the ownership requirements to file a combined report must share the \$0 to \$50,000 tax bracket to which the 5.1 percent rate applies, regardless of whether or not they actually file a combined return.

Minimum fee –

For taxable years ending after June 25, 2003, the minimum tax liability for certain large taxpayers is \$1,000, and for taxpayers other

than large taxpayers, the minimum fee is \$50.

2. Litter Tax Rates (R.C. 5733.065 and 5733.066):

Tier I litter tax applies to all corporations except family farm corporations and financial institutions. The rates are:

Net Worth – 0.14 mills (.0014) on the taxable value (adjusted net worth) of the corporation, or

Net Income – 0.11 percent (.0011) on the first \$50,000 of Ohio taxable income plus 0.22 percent (.0022) on taxable income in excess of \$50,000. The maximum Tier I litter tax charged any taxpayer or group of combined taxpayers is \$5,000.

Tier II litter tax applies to taxpayers that manufacture or sell litter stream products in Ohio. The Tier II litter tax rates are:

Net Worth – 0.14 mills (.0014) on the taxable value of the corporation, or

Net Income – 0.22 percent (.0022) on Ohio taxable income in excess of \$50,000. The maximum Tier II tax charged any taxpayer or group of combined taxpayers is \$5,000.

Litter stream products include general beverages, beverage containers and packaging, take-out food packaging, tobacco products, candy, and gum.

3. Financial Institutions Rate (R.C. 5733.06):

Financial institutions are subject to tax on the net worth base at a rate of 13 mills (.013).

Exemptions, Exclusions, Deductions and Additions:

1. Corporations not Subject to the Franchise Tax (R.C. 1733.43, 5733.01, 5733.04, 5733.06, 5733.09, and 5733.10):

- (a) Nonprofit corporations (except certain agricultural and consumer cooperatives);
- (b) Municipal corporations;
- (c) Public utilities subject to public utility excise tax;
- (d) Credit unions;
- (e) Dealers in intangibles;
- (f) Corporations required to file annual

reports with the Ohio Superintendent of Insurance;

- (g) "Real estate investment trusts," "regulated investment companies," and "real estate mortgage investment conduits" as defined in the Internal Revenue Code (I.R.C.);
- (h) Corporations electing treatment as an "S" corporation under the I.R.C. and their qualified subchapter S subsidiaries (QSSS);
- (i) Limited liability companies (LLCs), if treated as a partnership for federal tax purposes; and
- (j) Corporations in Chapter 7 bankruptcy proceedings except for the portion of the current tax year such corporation (s) had the power to exercise their corporate franchise unimpaired by such proceedings.

2. Additions and Deductions in Determining Net Worth (R.C. 5709.25, 5709.35, 5709.50, 5709.65, 5915.29, 6111.36 and 5733.056):

Add to book net worth (assets minus liabilities) the "qualifying amount" (see 5733.05(D)(1)) (does not apply to financial institutions).

Deduct from book net worth:

- (a) Certified Ohio civil defense structures;
- (b) Land in Ohio devoted exclusively to agriculture;
- (c) Qualified improvements to property located in an enterprise zone (applies only to financial institutions); and
- (d) Appreciation and goodwill (applies only to financial institutions).

3. Adjustments in Determining Ohio Net Income (R.C. 5709.35, 5733.04, 5733.042, 5733.053, 5733.054, 5733.055, and 5733.058):

- (a) Deduct certain income from sources outside the United States;
- (b) Deduct I.R.C. section 243 dividends received deduction;
- (c) To the extent not otherwise deducted, deduct dividends received from public utilities, insurance companies, and financial institutions in which the taxpayer has the ownership interests as described by statute (receipts from these companies are eliminated in determining the sales factor for

Exhibit 1 — Corporation Franchise Tax Net Worth Tax Base

Ohio

Taxable = Net Value

Value of Stock * X [(Property factor x .20)** + (Payroll Factor x .20)** + (Sales Factor x .60)]**

* Excludes value of pollution control, coal conversion, and energy conversion facilities property, qualified property in an enterprise zone, and land devoted exclusively to agriculture. See **Exhibit 2** for explanation of factors.

** Net income base apportionment ratio adjusted to include nonbusiness property, payroll, and sales excluded from the net income base apportionment factors.

Exhibit 2 — Corporation Franchise Tax Net Income Tax Base (does not apply to financial institutions)

Ohio Taxable Income*	=	Business Income Apportioned to Ohio	+	Nonbusiness Income Allocated to Ohio	–	Ohio Net Operating Loss Carry forward Deduction
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* Also includes income (or deducts a loss) from a transferor corporation and includes positive adjustments (or deducts negative adjustments) for related entities and related members.

1. Net Income Apportionment Formula:

Ohio Apportioned Net Income = Apportionable Income x [(Property Factor x.20) + (Payroll Factor x.20) + (Sales Factor x.60)]

2. The factors are computed as follows*:

Property Factor = $\frac{\text{Average cost of owned or rented real and tangible personal property used in business in Ohio}}{\text{Average cost of such property used everywhere}}$**

Payroll Factor * = $\frac{\text{Total compensation paid in Ohio}}{\text{Total compensation paid everywhere}}$**

Sales Factor** = $\frac{\text{Sales in Ohio}}{\text{Sales everywhere}}$**

* The net income base factors do not include property, payroll or sales relating to nonbusiness income.

** Excludes from both the numerator and the denominator the original cost of: (a) property within Ohio with respect to which the state has issued an Air Pollution, Noise Pollution, or an Industrial Water Pollution Control Certificate; and (b) property used exclusively during the taxable year for qualified research. Excludes from only the numerator the original cost of qualifying improvements to land or tangible personal property at an enterprise zone facility for which the taxpayer holds a Tax Incentive Qualification Certificate issued by the Ohio Department of Development.

*** Excludes from both the numerator and the denominator compensation paid in Ohio to employees engaged in qualified research. Excludes from only the numerator compensation paid to certain new employees at an enterprise zone facility for which the taxpayer holds a Tax Incentive Qualification certificate issued by the Ohio Department of Development.

**** For sales of tangible personal property, sales inside and outside of Ohio are determined by the final destination of the property sold; other sales are situated according to where the purchaser received the benefit of that which was purchased. Sales derived from nonbusiness allocable income are not included in this factor. Interest and dividends likewise are not included in the sales factor.

- apportioning net income and net worth);
- (d) Deduct gains and add losses from the sale of capital assets and I.R.C. section 1231 assets to the extent such gains and losses occurred prior to becoming a taxpayer;
 - (e) Deduct interest on Ohio public and purchase obligations and gains from the sale of Ohio public obligations (losses from sales of Ohio public obligations are added to net income);
 - (f) Deduct wage and salary expense not otherwise deducted for federal tax purposes because of the targeted jobs tax credit and/or the work opportunity tax credit;
 - (g) Deduct net interest income on federal government obligations;
 - (h) Deduct Ohio net operating loss carried forward from the prior 20 years (there is no Ohio net operating loss carry back provision);
 - (i) Deduct amounts contributed to an individual development account program;
 - (j) Deduct net income attributable to an "exempted investment" in a public utility (net loss from exempted investment in a public utility is added to net income);
 - (k) Add the amount claimed as a credit for taxes paid by a qualifying pass-through entity to the extent that the amount was deducted or excluded from the corporation's federal taxable income;
 - (l) Add interest and intangibles expense paid to certain related members;
 - (m) Add income (and deduct losses) earned by a transferor corporation that merges into the taxpayer in a tax-free reorganization; and
 - (n) Add depreciation expense adjustment for I.R.C. section 168(k) bonus depreciation and additional I.R.C. section 179 depreciation. Deduct one-fifth of this add-back in each of the five subsequent years.

Credits:

1. Recycling and Litter Prevention Donations (R.C. 5733.064):

Taxpayers may claim a nonrefundable credit equal to 50 percent of cash donations for litter control made to municipalities, counties, and townships that qualify for grants from the litter control and recycling special account. This credit is limited to the

lesser of cash donations or 50 percent of the additional tax liability from the litter tax rates.

2. Enterprise Zone Day Care and Training (R.C. 5709.65(A)):

Taxpayers that locate in an enterprise zone and hold a tax incentive qualification certificate issued by the Ohio Department of Development may claim a nonrefundable credit equal to:

- (a) The amount reimbursed to specified employees for the cost of day care services up to a maximum of \$300 per child;
- (b) The amount reimbursed to specified employees for training costs up to a maximum of \$1,000 per employee.

3. Savings and Loan Association Fees (R.C. 5733.063):

Savings and loan associations are permitted a nonrefundable credit against the tax due that is equal to the annual assessment of Savings and Loan Associations under R.C. 1155.13, less the amount the association paid in supervisory fees during the taxable year to the Federal Savings and Loan Insurance Corporation (or the amount it would have paid if insured).

4. Taxes Paid by a Qualifying Pass-Through Entity (R.C. 5733.0611):

A corporation that is a qualifying investor in a qualifying pass-through entity can claim a nonrefundable credit equal to the corporation's proportionate share of the tax paid by the qualifying pass-through entity.

5. Export Sales (R.C. 5733.069):

For tax years prior to 2001, corporations that increased export sales and increased Ohio payroll or property were allowed a nonrefundable credit. For tax years 2001 through 2005, only unused amounts carried forward from prior years are allowed.

6. New Jobs (R.C. 5733.0610):

A taxpayer may claim a refundable credit for new jobs created pursuant to an agreement with the Tax Credit Authority created under R.C. 122.17. The credit equals a designated percentage of the total Ohio income tax withheld from new employees during the taxable year. The percentage is established by agreement between the taxpayer and the Tax Credit Authority. The credit is permitted for a period of up to ten years.

7. Grape Production Property (R.C. 5733.32):

A taxpayer may claim a nonrefundable credit equal to 10 percent of the cost of purchasing and installing or constructing qualifying property used to produce grapes in Ohio.

8. Eligible New Employees in an Enterprise Zone (R.C. 5709.66):

A taxpayer that is issued a tax credit certificate for an eligible employee may claim a \$1,000 nonrefundable credit for each taxable year covered under the enterprise zone agreement during which that employee is employed by the taxpayer.

9. Technology Investment Tax (R.C. 5733.35):

Investors that provide capital to certain qualifying small, Ohio-based research and development or technology transfer companies may be eligible for a nonrefundable credit equal to 25 percent of the taxpayer's at-risk investment. The credit must be approved by the state Industrial Technology and Enterprise Board. The maximum cumulative value of credits granted to all taxpayers cannot exceed \$10 million.

10. Eligible Costs Associated with a Voluntary Action (R.C. 5733.34):

The authority for the Director of the Department of Development to grant tax credits under this program has expired. Except for unused credit carry-forward amounts, this nonrefundable credit cannot be claimed after tax year 2004.

11. Purchases of New Manufacturing Machinery and Equipment – 7.5 Percent/13.5 Percent (R.C. 5733.33):

New manufacturing machinery and equipment purchased by manufacturers between July 1, 1995 and December 31, 2015 for installation in Ohio is eligible for an investment tax credit. The nonrefundable credit equals 7.5 percent of the amount by which the cost of qualifying equipment purchased during a calendar year for use in an Ohio county exceeds the taxpayer's "base investment" for that county. The credit rate for investments in certain eligible areas (inner city areas, distressed areas, labor surplus areas, situational distress areas, and certain Ohio counties) is 13.5 percent. One-seventh of the credit may be claimed in each of the seven tax years following the purchase year.

12. Day Care (R.C. 5733.37):

A nonrefundable tax credit equal to 50 percent of the start-up expenses of a day care center established on the taxpayer's site and used by the taxpayer's employees (the maximum credit is \$100,000) may be claimed for tax years 1999 through 2003. No new credit is generated for tax year 2004 and thereafter. Unused credits may be carried forward for five taxable years.

13. Qualifying Affiliated Groups (R.C. 5733.068):

If as a result of the related entity and related member adjustments, an affiliated group will pay over \$3.5 million more franchise tax than the members of the group otherwise would have paid had the members of the group not made the related entity and related member adjustments, then the members of the affiliated group may claim a nonrefundable credit equal to the difference between the additional tax and \$3.5 million. However, the credit is limited to \$1.5 million for the affiliated group (even if the additional tax exceeds \$5.0 million).

14. Job Training (R.C. 5733.42):

This temporary nonrefundable credit applies to franchise taxpayers for tax years 2004, 2005, and 2006 that incurred "eligible training costs" and received a tax credit certificate from the Director of the Ohio Department of Job and Family Services with respect to an "eligible training program" for "eligible employees." The credits cannot exceed \$20 million per calendar year and are granted to qualified applicants in the order in which the applications are submitted.

15. Maintaining Railroad Crossing Warning Devices (R.C. 5733.43):

Railroad companies can claim a nonrefundable credit for maintaining signs, signals, gates, and other electrical warning devices at public highway-railway crossings in Ohio at common grade. The credit equals 10 percent of the annual maintenance costs for each active grade-crossing warning device in Ohio and cannot exceed \$200 for each device.

16. Job Retention (R.C. 5733.0610(B)):

This nonrefundable credit is for manufacturers that make a capital investment of at least \$200 million (or under certain conditions \$100 million) at a

single Ohio site during three consecutive calendar years in the period beginning January 1, 2002 and ending December 31, 2006. To qualify, the taxpayer must employ an average of 1,000 full-time employees at the site during each of the 12 months preceding application. In addition, the taxpayer must retain at least 1,000 full-time employees at the site for the entire term of the credit agreement. The credit is determined in an agreement between the taxpayer and the Ohio Tax Credit Authority and equals a percentage (not to exceed 75 percent) of the Ohio income tax withheld from the wages paid to the taxpayer's employees at the project site. The credit began in tax year 2003 and is limited to a term of ten years.

17. Ethanol Plant Investment**(R.C. 5733.46 and 901.13):**

This nonrefundable credit equals 50 percent of the investment of a taxpayer in R.C. 901.13 certified ethanol plants in the calendar year preceding the tax year. The credit is limited to \$5,000 per taxpayer per plant. The credit applies to tax years 2003 through 2013.

18. Qualified Research Expense (R.C. 5733.351):

For years 2004 and thereafter this nonrefundable credit equals 7.0 percent of a taxpayer's "qualified research expense" (see I.R.C. section 41) in Ohio during a taxable year exceeding the average annual qualified research expenses for the three preceding years.

19. Lottery Commission Withholding (R.C. 5747.062(B)(2)):

This refundable credit equals the amount the Ohio Lottery Commission withheld from payments to the taxpayer

20. Coal/Electric Companies (R.C. 5733.39):

Beginning in tax year 2003, an electric company may claim a nonrefundable credit of \$3.0 per ton of Ohio coal used in its coal-fired electric generating units after April 30, 2002 but before January 1, 2005.

21. Small Telephone Companies (R.C. 5733.57):

For tax years 2005 through 2009 certain small telephone companies can claim a credit equal to a percentage of the amount by which the telephone company's tax before credits exceeds the public utility gross receipts tax that would have been

charged had the law not been changed.

22. Nonrecurring 9-1-1 Charges for Telephone Companies (R.C. 5733.55):

Beginning in tax year 2005, a telephone company is allowed a nonrefundable credit equal to the amount of the company's eligible nonrecurring 9-1-1 charges. A telephone company must claim this credit for the taxable year in which the 9-1-1 service becomes available for use.

23. Programs to Aid the Communicatively Impaired (R.C. 5733.56):

Beginning in tax year 2005, a telephone company can claim a nonrefundable credit if it provides a telephone service to aid the communicatively impaired in accessing the telephone network under R.C. 4905.79. The credit equals the cost of providing the program during the taxable year, excluding any costs incurred prior to July 1, 2004.

24. Research and Development Loan Repayment (R.C. 5733.352):

The amount of the credit equals the borrower's qualified research and development loan payments during the calendar year immediately preceding the tax year. The payments include principal and interest on a loan made to the borrower from Ohio's research and development fund administered by the Ohio Department of Development.

Special Provisions:

1. Corporations ceasing business in Ohio may be subject to an "exit tax" on unreported Ohio net income earned in the two calendar years prior to the tax year (see R.C. 5733.06(H)).
2. A transferee corporation, in a tax-free reorganization, is required to include in its income the income of the transferor if the transferor is not subject to the franchise tax (see R.C. 5733.053).
3. A corporation claiming the credit for its proportionate share of taxes paid by a qualifying pass-through entity must add to federal taxable income the amount claimed as a credit, to the extent such amount was deducted or excluded from the corporation's federal taxable income (see R.C. 5733.04(I)(14)).

4. Qualifying pass-through entities (partnerships, S corporations, and LLCs treated as a partnership for federal income tax purposes) doing business in or having nexus with Ohio:
 - are required to pay tax on the qualifying investors' share of the entity's Ohio profits.
 - are subject to a 5.0 percent withholding tax on the sum of the (individual's) distributive shares of the entity's Ohio income and gain.
 - are subject to an 8.5 percent tax on the sum of the (nonindividual's) distributive shares of Ohio income and gain.

No tax is due unless the sum of the entity's adjusted qualifying amounts exceeds \$1,000 (see R.C. 5733.40, 5733.41, 5733.04(I)(14), 5733.0611, 5747.41 through 5747.453, 5747.01(A)(16) and 5747.059).
5. The net worth tax for financial institutions differs substantially from the net worth tax for regular corporations (see R.C. 5733.056).
6. Each taxpayer must include in its adjusted qualifying amounts, allocable and apportionable income or loss, property, compensation, and sales, the taxpayer's proportionate or distributive share of such items for any pass-through entity in which the taxpayer has a direct or indirect ownership interest (see R.C. 5733.057).
7. If more than half of a taxpayer's capital stock (with voting rights) is owned or controlled by another corporation or related interest, the Tax Commissioner may permit or require the combining of net income to calculate the tax base. Qualifying taxpayers may elect to file a combined report if each has nondividend income from Ohio. This election may not be changed by the taxpayer without the Tax Commissioner's consent. Combination provisions do not apply to the net worth base (see R.C. 5733.052).
8. Intangible expenses and costs paid to certain related members are added to income (see R.C. 5733.042).

Filing and Payment Dates (R.C. 5733.02, 5733.021, 5733.022, 5733.13):

January 31:

If by this date the corporation does not file the annual report and make full payment of the tax due, then the corporation must file an estimated report and pay one-third of that estimated liability. If the estimated tax liability is the minimum fee, the corporation must make full payment by January 31.

March 31:

By this date the corporation must either file its franchise tax report and pay the remaining tax due or the corporation must file a request for extension and pay the second one-third of its estimated tax liability.

May 31:

By this date, a corporation must either file the annual report and pay the remaining tax due or file a request for additional extension and pay the remaining one-third of its estimated tax liability. A corporation receiving this extension must file its annual report and pay any remaining tax liability by the 15th day of the month following the extended due date for filing its federal corporation income tax return.

The **interest rate** on both underpayments and overpayments is based on the average federal short-term rate in effect in July of the previous year plus three percentage points. For calendar year 2004, the rate is 4.0 percent. The rate will increase to 5.0 percent in calendar year 2005.

Disposition of Revenue (R.C. 4981.09, 5733.12, 5733.122):

After necessary deposits to the Attorney General Claims Fund, the Litter Control Tax Administration Fund, and the Recycling and Litter Prevention Fund, the Local Government Fund receives 4.2 percent, the Local Government Revenue Assistance Fund receives 0.6 percent, and the General Revenue Fund receives 95.2 percent of collections.

House Bill 95, 125th General Assembly, the FY 2004/2005 Biennial Budget Bill, temporarily

replaced the revenue distribution described above and continued a freeze on local government funds that began in 2002 and froze the funds at their FY 2001 levels. During each month of the July 2003 — June 2005 period, the Local Government Fund and Local Government Revenue Assistance Fund receive the same amount as each received during the corresponding months of the July 2002 — June 2003 period. However, June 2004 distributions were reduced by the July 2003 H.B. 405 adjustment (\$25.3 million for LGF and \$3.7 million for LGRAF). Those amounts are added back to the July 2004 and July 2005 distributions.

The amount appropriated annually for administration of the litter tax is credited to the Litter Control Tax Administration Fund. The annual amount credited to the Recycling and Litter Prevention Fund equals the litter tax liability in the second preceding year.

Administration:

The corporation franchise tax is administered by the Department of Taxation. Some tax credits are administered by the Ohio Department of Development. Tax payments are payable to the Ohio Treasurer of State but are received by the Department of Taxation. Certain large taxpayers are required to pay by electronic funds transfer (EFT). Taxpayers that are required to pay by EFT must register through the Treasurer of State.

Ohio Revised Code Citations:

Chapters 122, 1733, 4981, 5703, 5709, 5733, and 5915.

Recent Legislation:

Substitute H.B. 127, 125th General Assembly (effective December 11, 2003 for taxable years ending on or after December 11, 2003).

For the manufacturer's credit, this law extends the period for purchasing machinery and equipment from December 31, 2005 through 2015. New purchases must be installed no later than December 31, 2016.

In addition, this new law enacted numerous amendments to the sales factor effective for taxable years ending on or after December 11, 2003.

Amended Sub. H.B. 95, 125th General Assembly (effective June 26, 2003 for taxable years ending on or after June 26, 2003).

This law enacted significant changes to the apportionment and allocation of income to Ohio including distinguishing and defining business and nonbusiness income:

- **Business income** includes income from real property, tangible or intangible personal property, if the property constitutes an integral part of regular business operations. It also includes income (gain or loss) from liquidating a business (see R.C.5733.04(Q)).
- **Nonbusiness income** means all income other than business income (see R.C. 5733.04(R)).

This law also amended how certain nonbusiness income is allocated and when some such income is apportionable.

Property, payroll and sales factor provisions:

For taxable years ending on or after June 26, 2003, the law makes certain changes to:

- Net income-base apportionment. (see R.C.5733.05(B)(2)).
- Property factor.
- Net worth-base apportionment.
- 5/6—1/5 adjustment for I.R.C. section 179 depreciation expense.
- **Minimum fee increased to \$1,000 for larger corporations:** Applies to corporations: (a) with gross receipts from all activities in a taxable year totalling \$5.0 million or more; or (b) employing 300 or more people in and outside Ohio at any time during the taxable year. For all other taxpayers the minimum fee is \$50.
- **Telephone Companies:** A telephone company no longer paying excise tax under R.C. 5727.30 on its gross receipts billed after June 30, 2004 is subject to franchise tax for tax years 2005 and thereafter.
- **Telecommunications Companies:** R.C. 5733.05(B)(2)(e) provides that the Tax Commissioner may adopt rules providing for alternative allocation and apportionment methods, and alternative calculations of a corporation's base, that apply to corporations engaged in telecommunications.

Am. Sub. Senate Bill 180, 124th General Assembly (effective April 9, 2003).

- **Job Retention Tax Credit amendments, R.C. 122.171 and 5733.0610(B):**
This law expands the credit to allow eligibility:
 - To non-manufacturers performing “significant corporate administrative functions” at a project site.
 - If the average wage of all full-time employees at a project site exceeds 400 percent of the federal minimum wage, for investments of a minimum \$100 million (not \$200 million) over three consecutive calendar years. If under 400 percent, the law continues to require a \$200 million investment.
 - For the capitalized costs of research and development, in addition to the investment in physical plant.
 - For project sites including a complex of facilities within a 15-mile radius. Prior law allowed only a five-mile radius.
- **Credit for losses on loans made to the Ohio Venture Capital program, R.C. 150.01 to 150.10, 5733.49, 5733.98, 5747.80 and 5747.98:**
The law established a franchise (and individual income) tax credit for lenders and investors for losses on their loans to the Ohio Venture Capital program. Taxpayers may not claim the credits during the first four years of the OVC program (commencing with the date the Ohio Tax Credit Authority establishes its investment policy).

Sub. S.B. 200, 124th General Assembly (effective September 6, 2002). This law enacted several provisions in various Revised Code sections:

- **Uniform application for refund procedure (R.C.5703.70):**
Established a uniform application for refund procedure for the franchise and various other taxes.
- **Uniform petition for reassessment procedure (R.C. 5703.60):**
Established a uniform petition for reassessment procedure and a uniform assessment correction procedure for the franchise and various other taxes. This law

also permits the Tax Commissioner to correct an assessment even if the taxpayer has not filed a petition or proper petition for reassessment.

- **Late payment penalty (R.C. 5733.28 and 5733.021(C):**
If a taxpayer fails to pay the amount of tax required by the date prescribed, the Tax Commissioner may impose a penalty not to exceed 15 percent of the delinquent payment. Under prior law the R.C. 5733.28(A)(2) penalty for late payment could not exceed twice the interest charged under R.C. 5733.26(A).
- **Penalty safe-harbor for estimated payments (R.C. 5733.021(C):**
For purposes of determining the R.C. 5733.28(A)(2) failure to pay penalty for various periods of delinquency, the Tax Commissioner may charge a penalty on the delinquent portion of the estimated tax.
- **Ohio net operating losses (R.C. 5733.04(I)(1)):**
For Ohio net operating losses incurred in taxable years beginning on or after August 6, 1997, the designated carry over period is 20 consecutive taxable years following the taxable year in which the net operating loss occurs. Ohio net operating losses may not be carried back.
- **Refund statute of limitations (R.C. 5733.12):**
For purposes of the refund statute of limitations, payments made before the due date or extended due date for filing the report to which the payment relates are deemed to have been made on the due date or extended due date.

Am. Sub. S.B. 261, 124th General Assembly (effective June 5, 2002). This law enacted franchise tax changes in several sections of the Revised Code:

- **Bonus depreciation (R.C. 5733.04(I)(17) and (I)(18):**
Taxpayers whose taxable year ended on or after June 5, 2002 are required to add back 5/6 of their I.R.C. section 168(k) bonus depreciation. Then, for each of the succeeding five tax years the taxpayer must deduct 1/5 of the amount previously added back

(the Department of Taxation refers to this provision as the 5/6 – 1/5 rule).

- **Disregarded entities (R.C. 5733.01(F)):** For purposes of the franchise tax, the term “disregarded entity” means an entity that for its taxable year is by default, or has elected to be, disregarded as an entity separate from its owner pursuant to 26 Code of Federal Regulations 301.7701-3. If the disregarded entity has nexus with Ohio, then the corporate owner has nexus with Ohio.

tax net income base afforded by Public Law (P.L.) 86-272 Section 381, Title 15 U.S. Code determined by the taxpayer’s business activities during the tax year, the calendar year for which the tax is imposed or, instead, by the taxpayer’s business activities during the taxable year on which the net income is measured?

Holding: The Ohio Supreme Court reversed the earlier decision of the Board of Tax Appeals and held that the issue of whether or not P.L. 86-272, Section 381, Title 15 U.S. Code prohibits the imposition of franchise tax measured by the net income base is determined by the taxpayer’s activities during the taxable year in which the taxpayer earned that income – not by the taxpayer’s activities during the subsequent tax year or on January 1 of that subsequent tax year.

If the taxpayer’s activities in Ohio during the taxable year exceeded the activities protected by P.L. 86-272 but in the subsequent tax year the taxpayer’s activities did not exceed the protected activities, then P.L. 86-272 offers no protection for the tax year, and for that tax year the corporation is subject to the franchise tax on the net income base. Conversely, if the taxpayer’s activities in Ohio during the taxable year did not exceed the activities protected by P.L. 86-272 but in the subsequent tax year the taxpayer’s activities did exceed the protected activities, P.L. 86-272 does offer protection for the tax year, and for that tax year the corporation is not subject to the franchise tax on the net income base.

Recent Significant Court Decisions:

***LSDHC Corp. v. Zaino* (2003), 98 Ohio St.3d 450.**

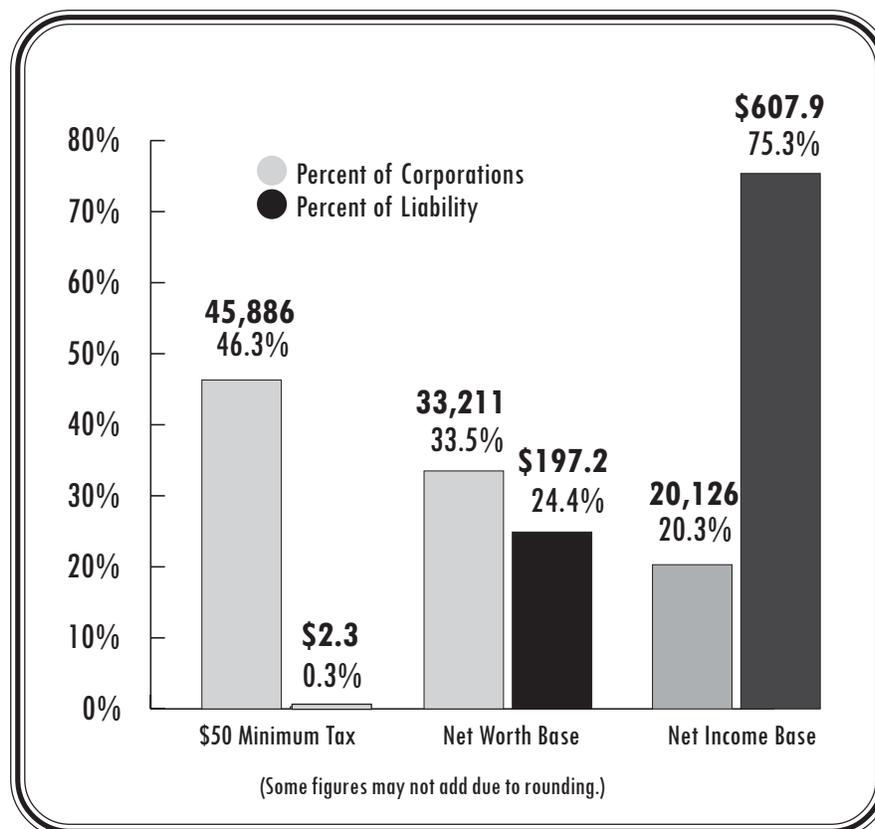
Issue: Is the federal protection from the franchise

Percentage of Corporations and Tax Liability by Tax Base, Tax Year 2003

Total Number of Corporations 99,223, Total Reported Tax Liability \$807.4 million

(figures in millions)

(excludes financial institutions)



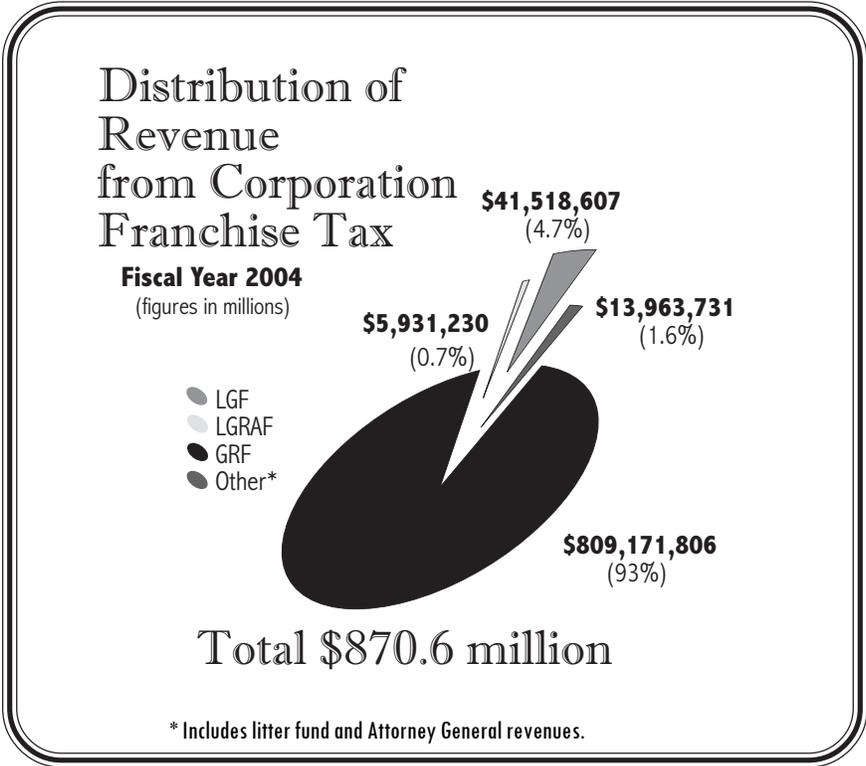


Table 1
Corporation Franchise Tax
Collections,
Fiscal Years 2000 - 2004

Fiscal Year	Gross Tax Collections	Refunds	Net Tax Collections
2000	\$1,219,484,766	\$189,600,815	\$1,029,883,951
2001	1,158,910,767	185,943,569	972,967,198
2002	1,011,443,330	237,075,921	774,367,410
2003	1,015,027,341	206,770,271	808,257,070
2004	1,060,594,780	190,009,406	870,585,374



Table 2
Corporation Franchise Tax —
Number of Corporations By Tax Base and Industry
Tax Year 2003

Industry	Number of Corporations by Tax Base			
	Minimum	Net Worth	Net Income	Total
Agriculture & Forestry	392	541	273	1,206
Mining	260	318	76	654
Construction	2,665	2,919	1,549	7,133
Manufacturing	3,136	5,057	2,108	10,301
Transport, Communication, Utility	1,527	1,334	711	3,572
Wholesale Trade	1,739	2,708	1,422	5,869
Retail Trade	3,113	3,783	2,000	8,896
Finance, Insurance, Real Estate	4,407	3,417	2,206	10,030
Services	11,324	7,161	4,582	23,067
Unknown*	17,323	5,973	5,199	28,495
TOTAL	45,886	33,211	20,126	99,223

* Industry classification was not indicated by the taxpayer.

Table 3
Corporation Franchise Tax —
Number of Corporations By Tax Base and Tax Liability Level
Tax Year 2003

Tax Liability Level		Number of Corporations by Tax Base			
		Minimum	Net Worth	Net Income	Total
Minimum		45,886	—	—	45,886
\$51	- 1,000	—	19,101	7,735	26,836
1,001	- 2,000	—	4,667	3,183	7,850
2,001	- 3,000	—	2,282	1,828	4,110
3,001	- 4,000	—	1,256	851	2,107
4,001	- 5,000	—	795	728	1,523
5,001	- 10,000	—	1,844	1,790	3,634
10,001	- 15,000	—	763	836	1,599
15,001	- 20,000	—	483	498	981
20,001	- 25,000	—	299	360	659
25,001	- 30,000	—	186	255	441
30,001	- 35,000	—	168	212	380
35,001	- 50,000	—	346	396	742
50,001	- 100,000	—	446	616	1,062
100,001	- 200,000	—	575	368	943
200,001	- 500,000	—	0	267	267
500,001	- 1,000,000	—	0	108	108
Over	- \$1,000,000	—	0	95	95
TOTAL		45,886	33,211	20,126	99,223

Table 4
Corporation Franchise Tax —
Reported Tax Liability by Tax Base and Industry
Tax Year 2003

Industry	Tax Liability Before Litter Tax and Credits By Tax Base			Litter Tax (a)	Liability Before Tax Credits	Tax Credits	Liability After Tax Credits
	Minimum	Net Worth	Net Income				
Agriculture & Forestry	\$19,600	\$865,340	\$1,140,898	\$44,540	\$2,070,378	\$145,502	\$1,924,876
Mining	13,000	2,618,486	6,279,350	127,933	9,038,769	1,064,770	7,973,999
Construction	133,250	5,365,045	21,794,773	502,725	27,795,793	346,728	27,449,065
Manufacturing	156,800	65,322,993	182,704,738	3,833,448	252,017,980	87,408,395	164,609,585
Transport, Communication, Utility	76,350	13,280,487	122,921,650	765,769	137,044,256	39,778,261	97,265,995
Wholesale Trade	86,950	16,059,100	57,759,174	1,115,223	75,020,447	5,742,323	69,278,124
Retail Trade	155,650	11,813,537	60,438,587	1,053,727	73,461,501	3,927,265	69,534,236
Finance, Insurance, Real Estate	220,350	21,114,345	58,229,983	1,173,026	80,737,704	13,407,574	67,330,130
Services	566,200	22,886,235	55,572,281	1,557,860	80,582,576	7,737,831	72,844,745
Unknown (b)	866,150	37,912,874	41,045,766	2,101,384	81,926,174	12,475,002	69,451,172
Total	\$2,294,300	\$197,238,442	\$607,887,200	\$12,275,635	\$819,695,578	\$172,033,651	\$647,661,927

(a) Combines Tier One of litter tax, which is paid by all corporations; and Tier Two of litter tax, which is paid only by "litter stream" corporations.

(b) Industry classification was not indicated by taxpayer.

Table 5
Corporation Franchise Tax — Reported Tax Liability
By Tax Base and Tax Liability Level, Tax Year 2003

Tax Liability Level	Tax Liability Before Litter Tax and Credits By Tax Base				Litter Tax*	Liability Before Tax Credits	Tax Credits	Liability After Tax Credits
	Minimum	Net Worth	Net Income	Total				
Minimum	\$2,294,300	—	—	\$2,294,300	\$0	\$2,294,300	\$7,669,220	-\$5,374,920
\$51 - 1,000	—	\$6,680,806	\$3,281,775	9,962,581	303,539	10,266,121	303,179	9,962,942
1,001 - 2,000	—	6,468,694	4,508,551	10,977,245	324,684	11,301,929	506,270	10,795,659
2,001 - 3,000	—	5,463,011	4,413,617	9,876,628	282,771	10,159,399	880,294	9,279,105
3,001 - 4,000	—	4,191,818	2,891,811	7,083,629	210,323	7,293,952	403,824	6,890,128
4,001 - 5,000	—	3,459,223	3,223,599	6,682,822	192,266	6,875,088	399,675	6,475,413
5,001 - 10,000	—	12,559,284	12,473,470	25,032,754	726,294	25,759,048	2,384,639	23,374,409
10,001 - 15,000	—	9,173,328	10,018,985	19,192,313	545,683	19,737,996	1,888,889	17,849,107
15,001 - 20,000	—	8,059,548	8,561,200	16,620,748	480,293	17,101,041	1,816,690	15,284,351
20,001 - 25,000	—	6,587,080	7,823,229	14,410,309	406,101	14,816,410	1,915,276	12,901,134
25,001 - 30,000	—	5,073,623	6,831,642	11,905,265	331,929	12,237,194	1,438,599	10,798,595
30,001 - 35,000	—	5,257,793	6,986,640	12,244,433	330,139	12,574,572	1,315,542	11,259,030
35,001 - 50,000	—	13,873,756	16,285,068	30,158,824	835,082	30,993,906	5,341,933	25,651,973
50,001 - 100,000	—	30,178,665	42,125,857	72,304,522	1,973,622	74,278,144	11,703,255	62,574,889
100,001 - 200,000	—	80,211,813	51,421,783	131,633,596	3,338,216	134,971,812	38,268,530	96,703,282
200,001 - 500,000	—	—	81,070,552	81,070,552	1,156,540	82,227,092	13,208,703	69,018,389
500,001 - 1,000,000	—	—	74,041,882	74,041,882	468,125	74,510,007	14,798,331	59,711,676
Over - \$1,000,000	—	—	271,927,539	271,927,539	370,028	272,297,567	67,790,802	204,506,765
TOTAL	\$2,294,300	\$197,238,442	\$607,887,200	\$807,419,942	\$12,275,635	\$819,695,578	\$172,033,651	\$647,661,927

* Combines Tier One of litter tax, which is paid by all corporations, and Tier Two of litter tax, which is paid only by "litter stream" corporations.

Table 6
 Corporation Franchise Tax —
 Number of Manufacturing Corporations
 By Tax Base and Industry
 Tax Year 2003

Industry	Number of Corporations by Tax Base			
	Minimum	Net Worth	Net Income	Total
Food	149	213	153	515
Tobacco	3	4	6	13
Apparel and Other Textiles	73	75	38	186
Lumber and Wood Products	118	183	81	382
Paper	78	129	41	248
Printing and Publishing	280	324	131	735
Chemicals	227	365	172	764
Petroleum and Coal	37	46	21	104
Rubber and Plastics	189	308	152	649
Leather Products	8	13	1	22
Stone, Clay, & Glass Products	97	180	91	368
Primary Metal	127	190	71	388
Fabricated Metal	660	1,297	460	2,417
Machinery (nonelectrical)	330	553	172	1,055
Electrical Machinery	243	388	141	772
Transportation Equipment	107	165	89	361
Miscellaneous Manufacturing	410	624	288	1,322
TOTAL	3,136	5,057	2,108	10,301

Table 7
 Corporation Franchise Tax —
 Number of Manufacturing Corporations
 By Tax Base and Tax Liability Level
 Tax Year 2003

Tax Liability Level	Number of Corporations by Tax Base			
	Minimum	Net Worth	Net Income	Total
Minimum	3,136	—	—	3,136
\$51 - 1,000	—	1,937	365	2,302
1,001 - 2,000	—	770	246	1,016
2,001 - 3,000	—	451	168	619
3,001 - 4,000	—	247	81	328
4,001 - 5,000	—	165	71	236
5,001 - 10,000	—	445	213	658
10,001 - 15,000	—	197	141	338
15,001 - 20,000	—	147	93	240
20,001 - 25,000	—	100	65	165
25,001 - 30,000	—	48	47	95
30,001 - 35,000	—	47	41	88
35,001 - 50,000	—	103	93	196
50,001 - 100,000	—	167	183	350
100,001 - 200,000	—	233	120	353
200,001 - 500,000	—	0	105	105
500,001 - 1,000,000	—	0	42	42
Over \$1,000,000	—	0	34	34
TOTAL	3,136	5,057	2,108	10,301



Table 8
Corporation Franchise Tax — Reported Tax Liability for
Manufacturing Corporations, by Tax Base and Industry Classification
Tax Year 2003

Industry	Tax Liability Before Litter Tax and Credits by Tax Base			Litter Tax*	Liability Before Tax Credits	Tax Credits	Liability After Tax Credits
	Minimum	Net Worth	Net Income				
Food	\$7,450	\$3,251,789	\$26,771,785	\$30,031,024	\$320,933	\$7,313,697	\$23,038,260
Tobacco Manufacturers	150	171,220	10,522,825	10,694,195	47,310	0	10,741,505
Apparel and Other Textiles	3,650	692,871	1,077,267	1,773,788	44,928	87,027	1,731,689
Lumber and Wood Products	5,900	1,333,731	3,069,854	4,409,485	79,282	1,457,207	3,031,560
Paper	3,900	2,685,321	1,763,998	4,453,219	161,792	2,836,969	1,778,042
Printing and Publishing	14,000	1,927,764	5,666,524	7,608,288	145,713	2,800,037	4,953,964
Chemicals	11,350	11,046,026	29,899,092	40,956,468	521,416	8,441,478	33,036,406
Petroleum and Coal	1,850	1,339,096	893,518	2,234,464	49,019	586,814	1,696,669
Rubber and Plastics	9,450	3,445,005	7,971,361	11,425,816	245,206	4,655,347	7,015,675
Leather Products	400	203,647	4,404	208,451	7,256	0	215,707
Stone, Clay, & Glass Products	4,850	2,732,200	6,223,294	8,960,344	157,607	4,603,045	4,514,906
Primary Metal	6,350	3,545,490	7,881,851	11,433,691	181,345	5,631,491	5,983,545
Fabricated Metal	33,000	8,127,924	15,116,943	23,277,867	506,506	8,214,698	15,569,675
Machinery (nonelectrical)	16,500	5,056,941	13,933,231	19,006,672	246,750	10,214,446	9,038,976
Electrical Machinery	12,150	7,022,479	8,736,063	15,770,692	348,222	4,237,905	11,881,010
Transportation Equipment	5,350	5,826,049	27,089,305	32,920,704	342,258	20,734,731	12,528,231
Miscellaneous Manufacturing	20,500	6,915,440	16,083,423	23,019,363	427,905	5,593,503	17,853,765
TOTAL	\$156,800	\$65,322,993	\$182,704,738	\$248,184,531	\$3,833,448	\$87,408,395	\$164,609,585

*Tier One of litter tax is paid by all corporations. Tier Two of litter tax is paid only by "litter stream" corporations.

Table 9
 Corporation Franchise Tax — Reported Tax Liability For Manufacturing Corporations,
 by Tax Base and Tax Liability Level, Tax Year 2003

Tax Liability Level	Tax Liability Before Litter Tax and Credits By Tax Base				Litter Tax*	Liability Before Tax Credits	Tax Credits	Liability After Tax Credits
	Minimum	Net Worth	Net Income	Total				
Minimum	\$156,800	—	—	\$156,800	0	\$156,800	\$816,946	-\$660,146
\$51 - 1,000	—	\$783,887	\$172,285	956,172	\$31,170	987,343	117,748	869,595
1,001 - 2,000	—	1,078,446	350,427	1,428,873	44,883	1,473,756	209,734	1,264,022
2,001 - 3,000	—	1,078,730	399,324	1,478,054	46,780	1,524,834	639,420	885,414
3,001 - 4,000	—	828,213	271,890	1,100,103	34,420	1,134,523	290,842	843,681
4,001 - 5,000	—	721,825	311,060	1,032,885	31,998	1,064,883	212,772	852,111
5,001 - 10,000	—	3,018,695	1,503,136	4,521,831	136,867	4,658,698	1,314,856	3,343,842
10,001 - 15,000	—	2,352,800	1,762,918	4,115,718	122,556	4,238,274	1,186,591	3,051,683
15,001 - 20,000	—	2,458,045	1,720,787	4,178,832	121,799	4,300,631	1,118,337	3,182,294
20,001 - 25,000	—	2,182,428	1,423,757	3,606,185	108,728	3,714,913	940,794	2,774,119
25,001 - 30,000	—	1,283,334	1,288,718	2,572,052	76,622	2,648,674	819,661	1,829,013
30,001 - 35,000	—	1,443,574	1,575,101	3,018,675	82,309	3,100,984	794,923	2,306,061
35,001 - 50,000	—	4,163,948	3,855,001	8,018,949	229,250	8,248,199	2,978,736	5,269,463
50,001 - 100,000	—	11,346,586	12,728,360	24,074,946	679,655	24,754,601	7,133,640	17,620,961
100,001 - 200,000	—	32,582,482	16,875,082	49,457,564	1,309,761	50,767,325	26,563,124	24,204,201
200,001 - 500,000	—	—	31,833,523	31,833,523	464,586	32,298,109	7,725,139	24,572,970
500,001 - 1,000,000	—	—	29,102,941	29,102,941	187,799	29,290,740	7,750,757	21,539,983
Over \$1,000,000	—	—	77,530,428	77,530,428	124,265	77,654,693	26,794,375	50,860,318
TOTAL	\$156,800	\$65,322,993	\$182,704,738	\$248,184,531	\$3,833,448	\$252,017,980	\$87,408,395	\$164,609,585

* Combines Tier One litter tax, which is paid by all corporations, and Tier Two litter tax, which is paid only by "litter stream" corporations.

Table 10
 Corporation Franchise Tax —
 Number of Financial Institutions and Reported Tax Liability, By Type of Institution
 Tax Year 2003

Tax Liability Class	Number of Corporations By Type				Tax Liability Before Credits By Type				
	Banks	Savings & Loans	Other*	Total	Banks	Savings & Loans	Other*	Total	Tax Credits
\$51 - 1,000	10	4	17	31	\$3,790	\$682	\$2,340	\$6,812	—
1,001 - 2,000	4	0	2	6	5,614	0	3,084	8,698	—
2,001 - 3,000	2	0	3	5	4,667	0	6,665	11,332	—
3,001 - 4,000	0	0	0	0	0	0	0	0	—
4,001 - 5,000	1	0	0	1	4,946	0	0	4,946	—
5,001 - 10,000	5	0	2	7	39,539	0	11,654	51,193	—
10,001 - 15,000	4	1	0	5	49,034	10,759	0	59,793	\$1,877
15,001 - 20,000	4	2	3	9	70,202	32,788	51,443	154,433	—
20,001 - 25,000	5	3	0	8	112,110	67,985	0	180,095	5,744
25,001 - 30,000	3	1	0	4	79,177	27,037	0	106,214	4,690
30,001 - 35,000	4	1	0	5	133,202	33,103	0	166,305	4,446
35,001 - 50,000	17	8	2	27	712,269	327,192	84,190	1,123,651	8,719
50,001 - 100,000	60	28	1	89	4,560,319	2,184,268	52,238	6,796,825	29,389
100,001 - 200,000	56	23	0	79	7,985,898	3,408,495	0	11,394,393	218,424
200,001 - 500,000	48	23	0	71	15,098,497	6,802,161	0	21,900,658	214,539
500,001 - 1,000,000	15	11	0	26	10,808,747	7,493,951	0	18,302,698	596,344
Over \$1,000,000	15	5	1	21	85,990,574	14,880,451	1,095,399	101,966,424	616,745
TOTAL	253	110	31	394	\$125,658,585	\$35,268,872	\$1,307,013	\$162,234,470	\$1,700,917

* Primarily credit agencies that accept deposits.