

INDIVIDUAL INCOME TAX-STATE

The Ohio individual income tax is the largest revenue producer for the state with total collections in Fiscal Year 2004 exceeding \$8.53 billion, or 43.4 percent of general revenues. Income tax revenue is split between state government, local governments, and libraries in proportions mandated by state law (see **Disposition of Revenue**). The Ohio Constitution requires that 50 percent of collections be returned to the county of origin. The income tax has nine brackets covering ranges of taxable income and corresponding tax rates which progress from a minimum of .0743 percent to a maximum rate of 7.5 percent.

The Ohio income tax on individuals and estates was enacted in December of 1971 and took effect January 1, 1972. An income tax on trusts was enacted in 2002 to help balance the state budget. The trust tax is effective only for taxable years ending on or after June 4, 2002 and on or before December 31, 2004, when the tax is expired.

To facilitate compliance by the taxpayer and tax administration by the state, Ohio's income tax is linked closely to the federal income tax. The "starting point" for computing the Ohio income tax is federal adjusted gross income as defined in the Internal Revenue Code (I.R.C.). The "starting point" for estates and trusts is taxable income as defined in the I.R.C. Taxpayers make specified adjustments to income before applying Ohio tax rates to the remaining amount (Ohio taxable income) and determining tax liability. From this figure, certain credits may be subtracted to arrive at the final income tax due.

Under temporary law, subsequently made permanent, when the state declares a revenue surplus, statutory tax rates are reduced. There were rate reductions from 1996-2000, but none from 2001-2004. In 2004, the personal exemption amount is \$1,300, up from \$1,250 in 2003. Each year the personal exemption amount is indexed for inflation.

This chapter includes twelve tables presenting information compiled from 2002 Ohio individual income tax returns (due by April 15, 2003). The data shows that 5,304,827 taxpayers filed tax

returns, reporting total federal adjusted gross income of approximately \$257 billion, an average of roughly \$48,380 per return. Ohio taxpayers had a total tax liability of \$7,834.5 million for an average liability of \$1,477 per return.

Table 1 has detailed data categorized in 43 income levels.

Table 2 compares total returns filed for 2001 and 2002, grouped by major income levels.

Table 3 compares only *taxable* individual income tax returns for 2001 and 2002.

Table 4 summarizes Table 1, combining major data into nine income levels.

Tables 5, 6, and 7 show nine income levels by filing status — married filing joint, single, and married filing separate.

Table 8 classifies returns and tax liability by Ohio taxable income rather than federal adjusted gross income.

Table 9 contains information on the joint filer credit for couples earning at least \$500 of qualifying Ohio adjusted gross income.

Table 10 provides information pertaining to the senior citizen credit.

Table 11 presents data by county. Cuyahoga County had the most returns, highest income, and highest tax liability. The ten most populous counties accounted for nearly 54 percent of all returns.

Table 12 presents average income per return by county. Delaware County had the highest average income at \$75,869, with Harrison County the lowest at \$29,347.

Taxpayer (Ohio Revised Code 5747.01(N)):

A taxpayer is every person subject to the tax under R.C. 5747.02 which includes every individual and every estate residing in Ohio or earning or receiving income in Ohio. Ohio lottery proceeds are subject to state tax. For taxable years ending on or after June 4, 2002 and on or before December 31, 2004, every resident trust and certain nonresident trusts earning income from Ohio sources are subject to the Ohio income tax.

Tax Base (R.C. 5747.01):

The tax base is the amount of federal adjusted gross income (individuals) or taxable income (estates and trusts) as defined in the I.R.C., plus or minus the adjustments according to Ohio income tax law (see **General Computation of Tax Liability**, below).

Rates (R.C. 5747.02):

Ohio taxable income	2004 tax rate
0 - \$5,000	.743 of Ohio taxable income
\$5,001 - \$10,000	\$37.15 plus 1.486% of excess over \$5,000
\$10,001 - \$15,000	\$111.45 plus 2.972% of excess over \$10,000
\$15,001 - \$20,000	\$260.05 plus 3.715% of excess over \$15,000
\$20,001 - \$40,000	\$445.80 plus 4.457% of excess over \$20,000
\$40,001 - \$80,000	\$1,337.20 plus 5.201% of excess over \$40,000
\$80,001 - \$100,000	\$3,417.60 plus 5.943% of excess over \$80,000
\$100,001 - \$200,000	\$4,606.20 plus 6.9% of excess over \$100,000
Over \$200,000	\$11,506.20 plus 7.5% of excess over \$200,000

Exemptions and Adjustments:

1. Personal and Dependent Exemptions (R.C. 5747.025):

For 2004, a personal exemption is available for each taxpayer and each dependent in the amount of \$1,300. This exemption is adjusted annually based upon the gross domestic product deflator.

General Computation of Tax Liability for the 2004 Individual Income Tax Return

Starting Point: Federal Adjusted Gross Income, Plus or Minus

Additions to the extent not included in FAGI:

1. Non-Ohio state or local government interest and dividends.
2. Pass-through entity add back.
3. Income from an electing small business trust.
4. Reimbursement of college tuition expenses and fees deducted in a previous year.
5. Losses from the sale of Ohio public obligations.
6. Non-medical withdrawals from an Ohio Medical Savings Account.
7. Reimbursement of expenses previously deducted.
8. Non-education expenditure from a college savings account.
9. Add back of 5/6 of the depreciation adjustment for I.R.C. sections 168(k) and 179.

Deductions to the extent not excluded or deducted from FAGI:

1. Certain federal interest and dividends.
2. Income tax paid to other states.
3. State or municipal income tax overpayments deducted on a prior year's federal income tax return.

4. Disability and survivorship benefits.
5. Social security and some railroad retirement benefits.
6. Contributions to a college savings account.
7. Tuition expense paid to an Ohio-based institution (limited deduction).
8. Unsubsidized health insurance, long-term care insurance, and excess medical expense deduction.
9. Funds deposited into, and earnings on, an Ohio Medical Savings Account.
10. Grantor Trust Electing Small Business Trust losses.
11. Wage and salary expense not deducted due to the federal targeted jobs or work opportunity tax credits.
12. Interest income from Ohio public and Ohio purchase obligations and gains from the sale or other disposition of Ohio public obligations.
13. Refund or reimbursement of a prior year federal itemized deduction.
14. Repayment of income reported in a prior year.
15. Amount contributed to an individual development account.
16. 1/5 of I.R.C. section 168(k) bonus depreciation added back in each of the previous five years.

= Ohio Adjusted Gross Income

**Subtract: Exemption of \$1,300
per taxpayer and per dependent
= Ohio Taxable Income**

**Apply: Graduated rates of .743%
to 7.5 % for 2004
= Tax before credits**

Subtract the following credits:

- | | |
|--|------------------------------------|
| 1. Personal and dependency credit of \$20. | 7. Job training credit. |
| 2. Retirement income credit. | 8. Political contributions credit. |
| 3. Senior citizen credit. | 9. Adoption credit. |
| 4. Lump sum distribution credit. | 10. Joint filing credit. |
| 5. Child and dependent care credit. | 11. Resident credit. |
| 6. Lump sum retirement income credit. | 12. Nonresident credit. |
| | 13. Business credits. |

**= Ohio Net Individual
Income Tax Liability**

- 2. Adjustments to Federal Adjusted Gross Income for Individuals:** For a complete listing and explanation of the adjustments to federal adjusted gross income, see Form IT-1040, Ohio Income Tax Return Instructions.
- 3. Adjustments to Federal Taxable Income for Estates and Trusts:** For a complete listing and explanation of the adjustments, see Form IT-1041, Ohio Fiduciary Income Tax Return Instructions.

Personal Credits:

- 1. Personal and Dependent Exemption Credit (R.C. 5747.022):** Individual taxpayers are allowed to take a credit of \$20 against the Ohio income tax for each personal and dependent exemption.
- 2. Retirement Income Credit (R.C. 5747.055):** Individual and estate taxpayers, receiving retirement benefits, annuities, or distributions from a retirement or profit sharing plan which are included in Ohio adjusted gross income, are allowed a credit based on the amount of retirement income received during the taxable year. The maximum credit is \$200.
- 3. Senior Citizen Credit (R.C. 5747.05(C)):** Individual and estate taxpayers may claim a \$50 credit if the taxpayer was 65 years of age on or before December 31st of the taxable year.
- 4. Lump Sum Retirement Credit (R.C. 5747.05(D)):** Individual taxpayers over 65 years of age may claim this credit if they received a lump sum distribution from a pension, retirement or profit sharing plan. The calculation is based upon the expected remaining life years times the senior citizens credit amount.
- 5. Child and Dependent Care Credit (R.C. 5747.054):** Individual and estate taxpayers with an income of less than \$40,000 may claim this credit if they made payments that qualified for the federal child and dependent care credit on the federal income tax return.
- 6. Lump Sum Retirement Income Credit (R.C. 5747.055(C),(D),(E)):** Individual taxpayers may claim this credit if, on retirement, they received a lump sum distribution from a qualified pension,
- retirement, or profit sharing plan during one tax year.
- 7. Job Training Credit (R.C. 5747.27):** An individual taxpayer may claim a credit for training expenses incurred within 12 months of losing or leaving a job due to abolishment of position or shift. The maximum credit is 50 percent of the training expenses or \$500, whichever is lower.
- 8. Political Contributions Credit (R.C. 5747.29):** Individual and estate taxpayers may claim a credit for contributions made to campaign committees of candidates for Ohio state office. The maximum credit is \$50 for single, head of household, and married filing separate filers and \$100 for married filing joint filers.
- 9. Adoption Credit (R.C. 5747.37):** Individual taxpayers may claim a credit for adoption expenses up to a maximum of \$500 per child. Adoption of stepchildren does not qualify for this credit.
- 10. Joint Filer Credit (R.C. 5747.05(G)(1)):** A husband and wife who file a joint individual return are allowed a tax credit if each spouse has qualifying Ohio adjusted gross income of \$500 or more. Qualifying income does not include income from interest, dividends and distributions, royalties, rents, capital gains, and state or municipal income tax refunds. The maximum credit is \$650. The credit is a percentage of the tax after all credits (other than the resident, nonresident, part-year resident, and business credits).
- 11. Resident Credit (R.C. 5747.05(B)):** Resident individuals, resident estates, and trusts may calculate a tax credit if part or all of their income is taxed in another state. The calculation for trusts differs from that used for individuals and estates.
- 12. Nonresident Credit (R.C. 5747.05(A)):** Nonresident individuals and nonresident estates may calculate a credit if part of their income was not earned or received in Ohio. Ohio lottery winnings do not qualify for this credit.

Business Credits –

Note: *The following business credits apply to individuals, estates, and trusts. You can find additional explanation in the Cor-*

poration Franchise Tax chapter of this report. Note that only the Ohio Job Creation Credit and Pass-Through Entity Credit are refundable.

- 1. Credit for purchases of new manufacturing machinery and equipment (7.5 percent-13.5 percent credit) (R.C. 5747.31).**
- 2. Credit for new employees in an enterprise zone (R.C. 5709.66(B)).**
- 3. Credit for eligible costs associated with a voluntary clean-up action (carry forward only through 2006) (R.C. 5747.32 and 122.16).**
- 4. Credit for employers that establish on-site day care centers (five-year carry forward only through 2007) (R.C. 5747.35).**
- 5. Credit for investment in a certified ethanol plant (R.C. 5747.75).**
- 6. Credit for purchases of grape production property (R.C. 5747.28).**
- 7. Export sales (credit carry-forward only through 2004) (R.C. 5747.057).**
- 8. Edison Center credit for research and development investors (R.C. 5747.33, 122.15, 122.151 to .154).**
- 9. Enterprise zone day care and training credit (R.C. 5709.65(A)(4) and (A)(5)).**
- 10. Refundable job creation credit (R.C. 5747.058).**
- 11. Refundable pass-through entity credit (R.C. 5747.059).**

Special Provisions:

- 1. Military pay is taxable for residents.** Ohio residents pay Ohio income tax on military pay regardless of duty station (except for combat pay). If the taxpayer is not an Ohio resident, Ohio does not tax their military pay. Ohio will tax nonmilitary pay earned in Ohio that is included in federal adjusted gross income.
- 2. Reciprocity (R.C. 5747.05(A)(3)) may affect filing of an Ohio return.** Because of reciprocity agreements Ohio has with the border states of Indiana, Kentucky, West Virginia, Michigan, and Pennsylvania, an

individual does not have to file a 2004 Ohio income tax return if:

- They were a full-year resident of one of the five listed states for 2004, and
- Their only source of income within Ohio was from wages, salaries, tips, or commissions.

Exception: The “reciprocity agreements” do not apply to those nonresidents who directly or indirectly own at least 20 percent of the stock or other equity of pass-through entities (S corporations, partnerships, etc.) under the provisions of R.C. 5733.40(A)(7) and 5747.40. These non-residents cannot use the reciprocity agreements in order to deduct, as non-Ohio income, any compensation received from such pass-through entities. Rather, these nonresidents must include this compensation in Ohio taxable income but can treat this compensation as business income which must be apportioned for purposes of computing the nonresident credit. Ohio tax Form IT-2023 is used for this purpose.

3. Residency status affects the calculation of the Ohio income tax. Individual taxpayers who spend less than 120 days in Ohio and who have a permanent abode outside of Ohio for the entire year may declare themselves to be a nonresident of Ohio. Without jeopardizing their nonresidency status, the taxpayer can spend up to an additional 30 days in Ohio for specific reasons (attending a funeral, charity functions, doctor visits). Taxpayers claiming nonresidency status must attach an affidavit to their tax return setting forth the facts supporting nonresidency. This affidavit is available as a fill-in form on the department’s web site.

Filing and Payment Dates (R.C. 5747.07-5747.09):

For Individuals, Estates and Trusts:

1. Annual return is due between January 1 and April 15 for calendar year taxpayers without an extension. Fiscal year returns are due by the 15th day of the fourth month after the fiscal year-end. The return reconciles the tax liability with the amount remitted through withholding by the employer or

quarterly estimated payments by the taxpayer.

2. Taxpayers must file quarterly declarations if they expect to be under-withheld by more than \$500. Such taxpayers must make estimated payments on or before April 15, June 15, and September 15 of the current year and January 15 of the next year.

For Employers:

An employer accumulating undeposited taxes of \$100,000 or more is required to make payment within one banking day by electronic funds transfer (EFT). Otherwise, the following rules apply:

1. If an employer withheld no more than \$2,000 during the year ending June 30 of the preceding year, payments are due within 30 days after the quarter ending in March, June, September, and December.
2. If an employer withheld more than \$2,000 and less than \$84,000 during the year ending June 30 of the preceding year, payments are due within 15 days after the end of the month.
3. If an employer withheld at least \$84,000 during the year ending June 30 of the preceding year, payments are due within three banking days after the end of the partial weekly period and must be made by EFT.

Disposition of Revenue:

1. During FY 2004, 5.4 percent or \$458.4 million was distributed to the Library and Local Government Support Fund, 3.8 percent or \$324.9 million to the Local Government Fund, 0.5 percent or \$46.4 million to the Local Government Revenue Assistance Fund, and 90.3 percent or \$7,696.9 million was distributed to the General Revenue Fund. This distribution was structured by House Bill 95, 125th General Assembly, the FY 2004/2005 Biennial Budget Bill, which continued a freeze on local government funds that began in 2002 and froze the funds at FY 2001 levels. For each month of the biennium (July 2003 — June 2005), the Local Government Fund and Local Government Revenue Assistance Fund receive the same amount they received for the corresponding month of the July 2002 — June 2003 period. The June 2004 distributions were reduced by the July 2003 H.B. 405 adjustment

(\$25.3 million for LGF and \$3.7 million for LGRAF), but these amounts were added back to the July 2004 distribution and will be added back to the July 2005 distribution.

2. The Ohio Constitution requires that at least 50 percent of the income tax collections be returned to the county of origin. This provision is met primarily through General Revenue Fund allocations to education, Local Government Fund distributions, and local property tax relief (12.5 percent property tax rollback and homestead exemption).

Administration:

The Department of Taxation administers the Ohio income tax on individuals, estates, and trusts.

Ohio Revised Code Citations:

Chapter 5747.

Recent Legislation:

Amended Substitute H.B. 95, 125th General Assembly (effective June 26, 2003). R.C. 5747.01 (A)(20), 5/6-1/5 adjustment for I.R.C. section 179 expense:

In determining Ohio taxable income, taxpayers were required to add to Ohio taxable income 5/6 of the “qualifying section 179 depreciation expense” deducted in determining federal taxable income for the taxable year. Qualifying section 179 depreciation expense means the difference between:

- (a) the amount of depreciation expense directly or indirectly allowed to the taxpayer under I.R.C. section 179; and
- (b) the amount of depreciation expense directly or indirectly allowed to the taxpayer under I.R.C. section 179 as that section existed on December 31, 2002. Then, for each of the succeeding five taxable years taxpayers were required to deduct 1/5 of the amount previously added back. Uncodified section 178 clarifies that Ohio law, as it existed before the effective date of this legislation, requires that net operating loss carry backs must be reduced by:
 - 5/6 of the I.R.C. section 168(k) bonus depreciation; and
 - 5/6 of the I.R.C. section 179 qualifying depreciation.

R.C. 5747.02(E): Established that the income tax does not apply to pre-need funeral contract trusts, established pursuant to R.C. 1111.19, for taxable years ending after June 25, 2003.

R.C. 5747.26:

Extensions to file and to pay were granted for members of the Ohio National Guard and the Ohio Reserve Components of the U.S. Armed Forces called to duty under operation Iraqi Freedom. Extension expires 60 days after duty terminates.

Am. Sub. Senate Bill 180, 124th General Assembly (effective April 9, 2003). R.C. 5747.98(A)(19) and (35):

Provided a credit for losses on loans made to the Ohio Venture Capital Program. Per R.C. 150.07(B), these credits cannot be claimed until the fifth year after the Venture Capital Program Authority establishes the investment policy with respect to these loans.

R.C. 5747.058:

Relaxed the requirements for eligibility for the job retention tax credit.

Sub. S.B. 200, 124th General Assembly (effective September 6, 2002). R.C. 5703.60:

Provided for uniform and "taxpayer friendly" procedures to contest tax assessments (bills).

Am. Sub. S.B. 261, 124th General Assembly (effective June 5, 2002). R.C. 5747.01 and .02:

Provided that trusts which reside in Ohio and certain nonresident trusts are subject to the income tax until December 31, 2004. The starting point is taxable income plus or minus applicable adjustments. One unique deduction is the deduction for undistributed farm income.

R.C. 5747.01(A)(21) and (S)(14):

Required that individuals, estates, and trusts must add back 5/6 of the I.R.C. section 168(k) bonus depreciation claimed on the federal return for the taxable year. Taxpayers are then

permitted to deduct 1/5 of the add-back on the succeeding five tax returns.

R.C. 5747.02(A):

Beginning in 2005, the income tax rates will be adjusted for inflation.

R.C. 5747.01(B):

Definition of business income was expanded to include capital gains/goodwill when a business is liquidated.

Am. Sub. S.B. Bill 144, 124th General Assembly (effective March 21, 2002). R.C. 5747.75:

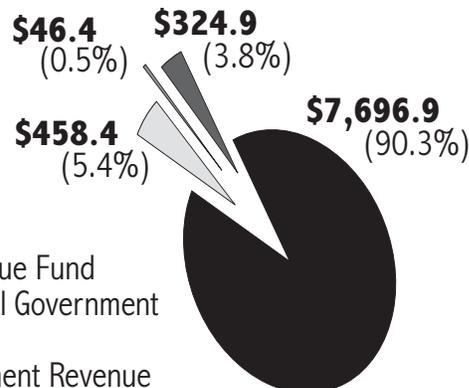
Permitted individuals, estates, and trusts to claim a credit for investment in an ethanol production plant. Maximum credit is 50 percent of the money invested or \$5,000 per year, whichever is lower.

Distribution of Revenue from Individual Income Tax

Fiscal Year 2004

(figures in millions)

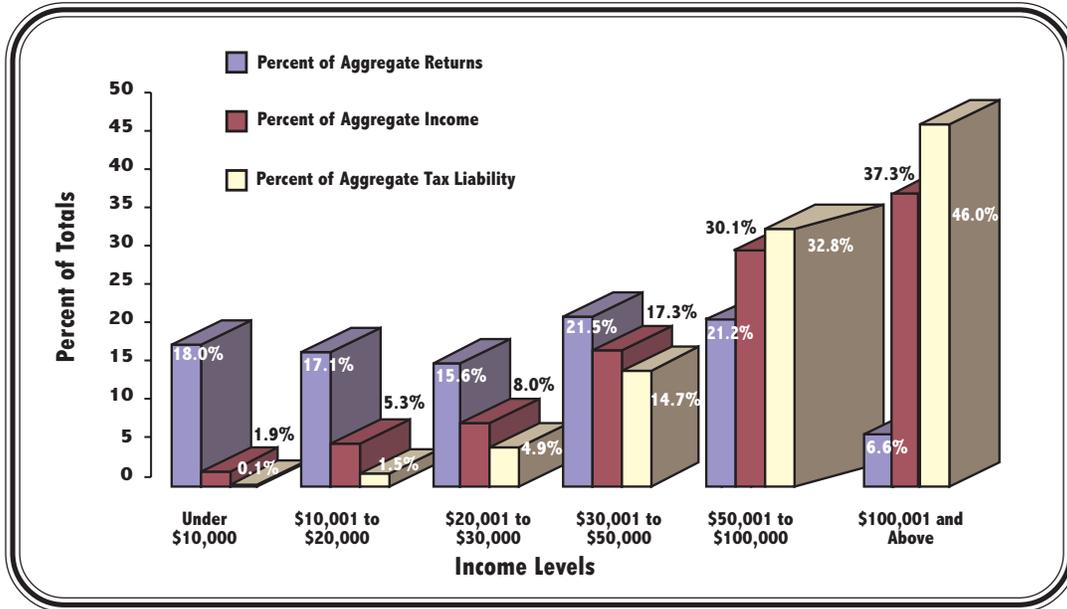
- General Revenue Fund
- Library & Local Government Support Fund
- Local Government Revenue Assistance Fund
- Local Government Fund



Total \$8,531.2 million*

*Includes Attorney General collections and political party contributions which amount to \$4.6 million.

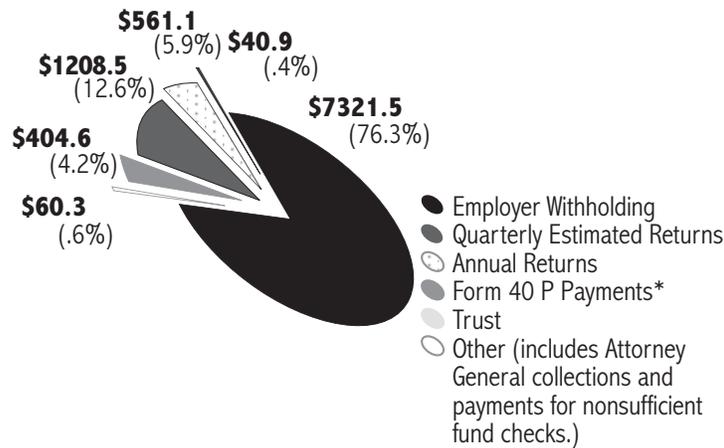
Exhibit — State Individual Income Tax 2002 Individual Income Tax Returns, Income and Tax, by Income Level



Type of Payment from Individual Income Tax

Fiscal Year 2004

(figures in millions)



Total \$9596.9** million

* Payments for electronic returns and payments for taxpayers that received extensions.

** Includes refunds of \$1,065 million eventually sent back to taxpayers.

Source: Department of Taxation.

Table 1
2002 Ohio Individual Income Tax Returns, by Income Level*

Income Level (Federal Adjusted Gross Income)	Number of Returns	Federal Adjusted Gross Income	Ohio Adjusted Gross Income	Reported Value Personal Exemptions	Ohio Taxable Income	Tax Before Credits	Joint Filer Credit	Tax Liability after all Tax Credits
0	62,055	\$36,352,687	\$36,582,061	\$82,017,102	\$829,489	\$5,577	\$0	\$2,357
\$1,001 - 2,000	98,193	148,307,568	147,413,168	132,892,323	29,994,664	225,363	0	10,285
2,001 - 3,000	105,723	265,147,407	262,606,654	146,951,730	122,781,849	910,713	135	7,287
3,001 - 4,000	107,712	377,259,269	372,723,402	155,945,558	220,182,657	1,649,708	128	14,344
4,001 - 5,000	109,153	491,265,116	483,543,682	164,866,456	320,673,051	2,390,349	250	37,229
5,001 - 6,000	99,316	546,058,381	536,866,755	156,260,794	381,724,794	2,909,432	93	831,594
6,001 - 7,000	95,933	623,289,305	610,770,513	157,354,864	454,847,942	3,559,316	545	1,356,654
7,001 - 8,000	95,424	715,295,854	700,085,560	162,351,984	538,385,043	4,676,003	668	2,090,294
8,001 - 9,000	91,843	780,752,615	763,085,693	160,979,092	602,716,713	5,680,878	1,764	2,773,308
9,001 - 10,000	91,240	866,861,341	845,673,227	165,375,605	680,984,853	6,833,589	4,377	3,481,238
10,001 - 11,000	92,511	971,353,779	946,791,313	175,891,248	771,406,433	8,107,145	7,071	4,244,027
11,001 - 12,000	90,289	1,038,527,741	1,011,269,887	171,344,964	840,469,343	9,456,509	12,365	5,296,181
12,001 - 13,000	89,427	1,118,060,532	1,088,909,585	172,441,344	916,875,649	11,397,758	19,638	6,776,798
13,001 - 14,000	90,194	1,217,862,273	1,185,871,399	175,847,067	1,010,367,872	13,779,346	33,915	8,543,024
14,001 - 15,000	91,834	1,332,066,238	1,298,338,052	181,133,655	1,117,598,382	16,525,605	50,351	10,641,183
15,001 - 16,000	91,093	1,412,272,278	1,375,248,751	181,290,133	1,194,299,643	18,875,645	68,474	12,407,351
16,001 - 17,000	90,814	1,498,539,277	1,459,393,545	182,598,596	1,277,137,509	21,455,725	96,978	14,604,436
17,001 - 18,000	90,298	1,580,331,867	1,539,977,699	183,442,438	1,356,801,355	24,246,039	129,304	16,995,099
18,001 - 19,000	89,928	1,663,848,805	1,623,744,990	185,270,774	1,438,663,309	27,187,771	174,645	19,629,163
19,001 - 20,000	88,328	1,722,653,446	1,680,514,473	183,381,546	1,497,376,719	29,259,696	235,772	22,216,419
20,001 - 22,500	219,181	4,656,154,705	4,543,927,999	458,285,778	4,086,282,934	87,707,459	903,057	69,574,873
22,501 - 25,000	209,631	4,977,840,786	4,855,685,517	442,986,345	4,413,101,107	104,617,159	1,371,071	86,971,910
25,001 - 27,500	201,798	5,295,711,887	5,162,271,805	429,740,319	4,732,946,291	121,909,261	1,948,976	104,220,185
27,501 - 30,000	195,274	5,614,157,304	5,462,847,233	419,039,233	5,044,167,540	138,426,782	2,322,043	120,334,858
30,001 - 32,500	186,636	5,830,004,675	5,664,327,969	407,075,404	5,257,625,849	151,674,599	2,631,275	133,637,526
32,501 - 35,000	168,343	5,678,361,579	5,511,394,348	379,136,609	5,132,459,733	154,148,112	3,178,782	136,660,697
35,001 - 37,500	155,384	5,631,080,671	5,460,994,070	367,683,136	5,098,472,686	158,333,974	3,909,228	140,600,918
37,501 - 40,000	143,043	5,540,967,268	5,367,147,884	344,834,192	5,022,478,630	160,386,928	4,705,139	142,349,722
40,001 - 42,500	135,433	5,584,613,943	5,402,692,672	335,849,243	5,067,014,187	165,936,754	5,659,785	147,550,002
42,501 - 45,000	125,162	5,473,709,472	5,293,453,382	321,665,797	4,971,920,388	167,176,018	6,499,678	148,378,609
45,001 - 47,500	116,638	5,392,661,035	5,213,908,601	308,480,392	4,905,543,567	169,481,429	7,469,315	150,104,694
47,501 - 50,000	110,451	5,383,742,523	5,200,756,316	301,424,692	4,899,421,798	173,511,232	8,723,858	153,001,369
50,001 - 55,000	199,930	10,487,192,334	10,122,514,494	566,239,332	9,556,407,383	349,509,180	18,403,500	308,492,468
55,001 - 60,000	176,143	10,119,330,535	9,757,509,057	521,121,448	9,236,492,566	350,161,015	16,990,774	311,556,540
60,001 - 65,000	154,597	9,652,149,048	9,306,036,619	477,524,138	8,828,688,490	344,833,200	18,767,486	305,581,343
65,001 - 70,000	134,797	9,090,613,020	8,775,160,892	431,303,467	8,344,641,494	334,239,998	19,558,657	295,528,805
70,001 - 75,000	115,156	8,340,925,185	8,060,352,459	380,056,329	7,680,417,353	314,193,253	19,327,414	277,084,489
75,001 - 80,000	96,125	7,441,973,461	7,197,519,734	324,933,339	6,872,665,169	286,268,104	16,384,121	254,021,545
80,001 - 90,000	148,180	12,552,486,808	12,166,433,043	515,658,714	11,650,917,876	498,032,319	18,005,528	451,779,823
90,001 - 100,000	102,319	9,687,491,317	9,402,545,754	362,469,374	9,040,183,530	401,560,869	13,780,963	364,726,090
100,001 - 150,000	202,993	24,094,598,309	23,448,744,976	731,470,496	22,717,475,507	1,106,407,903	36,501,424	991,106,475
150,001 - 200,000	59,299	10,153,610,080	9,924,766,877	216,302,593	9,708,502,984	534,308,365	16,166,847	467,473,171
200,001 & Above	87,006	61,563,185,262	61,250,504,412	314,470,869	60,936,064,964	4,267,017,431	27,206,706	2,141,462,311
TOTALS	5,304,827	\$256,648,666,986	\$250,521,496,522	\$2,630,422,218	\$237,978,009,377	\$10,749,473,511	\$271,252,100	\$7,834,492,694

* As reported on returns due April 15, 2003.

Table 2
Comparison of 2001 and 2002 Individual Income Tax Returns

Income Level (Federal Adjusted Gross Income)	Number of Returns		Federal Adjusted Gross Income		Ohio Taxable Income		Joint Filer Credit		Ohio Income Tax	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
0 - \$5,000	493,657	482,836	\$1,348,816,403	\$1,318,332,047	\$731,318,533	\$694,461,710	\$39	\$513	\$418,401	\$407,502
\$5,001 - 10,000	473,368	473,756	3,527,976,642	3,532,257,496	2,694,543,716	2,658,659,345	5,571	7,447	11,004,964	10,533,093
10,001 - 15,000	457,155	454,255	5,718,680,967	5,677,870,563	4,749,377,147	4,656,717,679	113,615	123,340	37,368,338	35,501,213
15,001 - 20,000	465,422	450,461	8,142,417,355	7,877,645,673	7,060,282,712	6,764,278,535	726,013	705,173	91,741,847	85,852,468
20,001 - 40,000	1,522,381	1,479,290	44,414,521,848	43,224,278,875	40,035,138,712	38,787,534,770	21,439,891	20,969,571	967,480,185	934,350,689
40,001 - 80,000	1,385,764	1,364,432	77,992,915,393	76,966,910,556	71,395,429,956	70,363,212,477	140,654,868	137,784,588	2,384,304,638	2,351,299,864
80,001 - 100,000	241,108	250,499	21,398,611,599	22,239,978,125	19,898,139,215	20,691,101,406	30,066,219	31,786,491	784,297,243	816,505,913
100,001 - 200,000	259,878	262,292	34,063,904,847	34,248,208,389	32,191,135,751	32,425,978,491	51,467,051	52,668,271	1,458,579,646	1,458,579,646
200,001 & above	87,879	87,006	59,368,488,106	61,563,185,262	58,218,917,258	60,936,064,964	27,394,524	27,206,706	2,115,654,676	2,141,462,311
Total	5,386,612	5,304,827	\$255,976,333,160	\$256,648,666,986	\$236,973,283,000	\$237,978,009,377	\$271,867,791	\$271,252,100	\$7,844,217,547	\$7,834,492,699

Table 3
Comparison of 2001 and 2002 Individual Income
Tax Returns with Tax Liability

Income Level (Federal Adjusted Gross Income)	Number of Returns with Tax Liability		Ohio Income Tax	
	2001	2002	2001	2002
0 - \$5,000	92,701	85,601	\$418,401	\$407,502
\$5,001 - 10,000	335,134	322,957	11,004,964	10,533,093
10,001 - 15,000	362,614	349,917	37,368,338	35,501,213
15,001 - 20,000	415,506	394,712	91,741,847	85,852,468
20,001 - 40,000	1,496,399	1,451,064	967,480,185	934,350,689
40,001 - 80,000	1,372,844	1,350,654	2,384,304,638	2,351,299,864
80,001 - 100,000	238,914	247,948	784,297,243	816,505,913
100,001 - 200,000	256,904	258,981	1,451,947,255	1,458,579,646
200,001 & above	85,106	84,000	2,115,654,676	2,141,462,311
Total	4,656,122	4,545,834	\$7,844,217,547	\$7,834,492,699

Table 4
2002 Ohio Individual Income Tax Returns for All Filing Status Categories

Income Level (Federal Adjusted Gross Income)	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Joint Filer Credit	Ohio Income Tax	Effective Tax Rate*
0 - \$5,000	482,836	\$1,318,332,047	\$694,461,710	\$513	\$407,502	0.03%
\$5,001 - 10,000	473,756	3,532,257,496	2,658,659,345	7,447	10,533,093	0.30
10,001 - 15,000	454,255	5,677,870,563	4,656,717,679	123,340	35,501,213	0.63
15,001 - 20,000	450,461	7,877,645,673	6,764,278,535	705,173	85,852,468	1.09
20,001 - 40,000	1,479,290	43,224,278,875	38,787,534,770	20,969,571	934,350,689	2.16
40,001 - 80,000	1,364,432	76,966,910,556	70,363,212,477	137,784,588	2,351,299,864	3.05
80,001 - 100,000	250,499	22,239,978,125	20,691,101,406	31,786,491	816,505,913	3.67
100,001 - 200,000	262,292	34,248,208,389	32,425,978,491	52,668,271	1,458,579,646	4.26
200,001 & Above	87,006	61,563,185,262	60,936,064,964	27,206,706	2,141,462,311	3.48
Total	5,304,827	\$256,648,666,986	\$237,978,009,377	\$271,252,100	\$7,834,492,699	3.05%

* Ohio income tax divided by federal adjusted gross income.

Table 5
2002 Ohio Individual Income Tax Returns
Claiming Married Filing Joint Status

Income Level (Federal Adjusted Gross Income)	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate*
0 - \$5,000	16,854	\$50,536,054	\$12,109,003	\$13,094	0.03%
\$5,001 - 10,000	40,681	317,012,891	177,446,749	119,761	0.04
10,001 - 15,000	73,750	934,587,320	656,639,449	1,541,673	0.16
15,001 - 20,000	94,748	1,662,335,760	1,283,885,130	7,617,362	0.46
20,001 - 40,000	396,971	11,970,913,413	10,005,923,497	196,672,963	1.64
40,001 - 80,000	814,024	47,915,314,175	43,031,430,537	1,387,898,886	2.90
80,001 - 100,000	206,430	18,343,900,223	16,986,320,772	664,485,031	3.62
100,001 - 200,000	224,848	29,396,404,802	27,794,498,347	1,244,916,727	4.23
200,001 & above	73,876	49,238,762,027	48,679,983,166	1,814,605,975	3.69
Total	1,942,182	\$159,829,766,665	\$148,628,236,650	\$5,317,871,472	3.33%

* Ohio income tax divided by federal adjusted gross income.

Table 6
2002 Ohio Individual Income Tax Returns
Claiming Single Filing Status

Income Level (Federal Adjusted Gross Income)	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate*
0 - \$5,000	460,348	\$1,252,007,130	\$673,681,669	\$388,021	0.03%
\$5,001 - 10,000	423,880	3,144,343,025	2,425,236,591	10,105,583	0.32
10,001 - 15,000	360,922	4,492,605,743	3,782,273,233	31,630,412	0.70
15,001 - 20,000	322,674	5,631,756,378	4,956,444,223	69,720,836	1.24
20,001 - 40,000	865,276	24,696,823,526	22,703,410,678	574,104,837	2.32
40,001 - 80,000	389,310	20,440,081,492	19,132,531,665	666,328,015	3.26
80,001 - 100,000	29,420	2,601,773,751	2,452,635,898	98,736,068	3.79
100,001 - 200,000	27,245	3,548,463,091	3,364,251,723	152,041,889	4.28
200,001 & above	10,020	9,639,912,748	9,583,621,487	242,222,146	2.51
Total	2,889,095	\$75,447,766,884	\$69,074,087,167	\$1,845,277,807	2.45%

* Ohio income tax divided by federal adjusted gross income.

Table 7
2002 Ohio Individual Income Tax Returns
Claiming Married Separate Filing Status

Income Level (Federal Adjusted Gross Income)	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate*
0 - \$5,000	5,634	\$15,788,864	\$8,671,039	\$6,387	0.04%
\$5,001 - 10,000	9,195	70,901,580	55,976,004	307,750	0.43
10,001 - 15,000	19,583	250,677,501	217,804,997	2,329,128	0.93
15,001 - 20,000	33,040	583,553,533	523,949,183	8,514,270	1.46
20,001 - 40,000	217,043	6,556,541,936	6,078,200,596	163,572,887	2.49
40,001 - 80,000	161,102	8,611,514,890	8,199,250,274	297,072,963	3.45
80,001 - 100,000	14,649	1,294,304,151	1,252,144,738	53,284,815	4.12
100,001 - 200,000	10,199	1,303,340,496	1,267,228,420	61,621,030	4.73
200,001 & above	3,110	2,684,510,487	2,672,460,311	84,634,190	3.15
Total	473,555	\$21,371,133,438	\$20,275,685,562	\$671,343,420	3.14%

* Ohio income tax divided by federal adjusted gross income.

Table 8
2002 Ohio Individual Income Tax Returns by Ohio Taxable Income Level

Income Level (Ohio Taxable Income)	Number of Returns*	\$20 Exemption Credit	Joint Filer Credit	Ohio Income Tax
0 - \$5,000	689,989	\$13,657,112	\$112	\$1,432,778
\$5,001 - 10,000	493,124	13,117,128	47,346	16,596,007
10,001 - 15,000	468,241	13,435,748	491,843	54,010,930
15,001 - 20,000	456,615	15,782,423	1,921,108	119,186,034
20,001 - 40,000	1,451,275	54,016,037	31,903,972	1,077,760,747
40,001 - 80,000	1,233,353	60,662,862	136,126,202	2,383,759,652
80,001 - 100,000	206,653	11,954,671	26,908,631	741,180,204
100,001 - 200,000	223,909	13,436,327	48,206,020	1,346,095,037
200,001 & above	81,668	4,918,028	25,646,866	2,094,471,310
Total	\$5,304,827	\$200,980,336	\$271,252,100	\$7,834,492,699

* Differs from other tables due to methodology of computation.

Table 9
2002 Ohio Individual Income Tax Returns Claiming
the Joint Filer Credit

Income Level (Federal Adjusted Gross Income)	Number of Returns Claiming Credit	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax
0 - \$5,000	51	\$224,346	\$318,351	\$4,550
\$5,001 - 10,000	1,328	11,684,022	9,105,080	32,968
10,001 - 15,000	10,163	132,625,792	101,322,841	486,911
15,001 - 20,000	26,303	471,186,328	379,561,250	2,750,485
20,001 - 40,000	213,066	6,579,034,992	5,616,215,571	106,285,741
40,001 - 80,000	620,846	36,998,717,501	33,658,105,242	1,076,093,586
80,001 - 100,000	169,120	15,024,624,861	14,040,993,339	550,843,310
100,001 - 200,000	171,716	22,225,638,719	21,161,302,630	952,869,770
200,001 & above	42,872	22,749,372,731	22,436,386,826	1,027,560,121
Total	1,255,465	\$104,193,109,292	\$97,403,311,130	\$3,716,927,442

Table 10
2002 Ohio Individual Income Tax Returns Claiming
the Senior Citizen Credit

Income Level (Federal Adjusted Gross Income)	Number of Returns Claiming Credit	Federal Adjusted Gross Income	Ohio Taxable Income	Senior Citizen Credit	Retirement Income Credit*	Ohio Income Tax
0 - \$5,000	17,541	\$60,591,140	\$33,372,440	\$876,272	\$728,009	\$3,915
\$5,001 - 10,000	59,919	469,906,906	353,660,331	2,995,123	5,113,617	67,509
10,001 - 15,000	85,870	1,076,488,551	864,749,731	4,292,785	10,973,051	1,080,474
15,001 - 20,000	83,396	1,451,487,259	1,196,715,301	4,169,347	12,178,621	4,374,617
20,001 - 40,000	171,772	4,885,343,630	3,882,907,702	8,587,019	26,426,160	55,769,329
40,001 - 80,000	124,960	7,018,222,571	5,253,527,443	6,247,442	19,038,095	143,414,242
80,001 - 100,000	20,987	1,865,113,410	1,452,720,104	1,049,151	3,035,008	51,463,762
100,001 - 200,000	26,766	3,555,048,026	2,969,972,050	1,338,157	3,590,979	127,200,227
200,001 & above	11,731	11,583,504,391	11,350,724,887	586,473	1,292,091	336,840,387
Total	602,942	\$31,965,705,884	\$27,358,349,989	\$30,141,769	\$82,375,631	\$720,214,462

* This represents only the amount of the retirement income credit taken by senior citizen credit claimants.
The total amount of the retirement income credit reported on the tax returns is \$122.8 million.



Table 11
2002 Ohio Individual Income Tax Returns, by County

County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax	County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax
ADAMS	12,101	\$359,251,407	\$9,376,760	MADISON	17,697	\$725,911,308	\$23,542,380
ALLEN	48,989	1,897,138,614	61,215,610	MAHONING	111,671	4,290,699,713	138,718,226
ASHLAND	23,491	855,708,639	25,631,991	MARION	28,580	1,014,457,916	30,108,811
ASHTABULA	45,279	1,480,663,965	40,870,694	MEDINA	76,519	3,767,076,111	134,988,802
ATHENS	22,457	765,255,819	22,393,219	MEIGS	8,711	270,272,883	7,030,088
AUGLAIZE	21,860	853,592,049	26,624,565	MERCER	20,147	717,375,413	21,349,192
BELMONT	30,031	982,135,284	27,349,931	MIAMI	48,160	2,020,337,013	67,512,941
BROWN	17,977	607,390,448	16,832,291	MONROE	6,111	182,974,298	4,493,264
BUTLER	153,656	7,081,905,393	245,587,557	MONTGOMERY	250,451	10,862,303,157	372,347,796
CARROLL	12,776	430,219,469	12,258,969	MORGAN	6,014	184,933,080	4,427,734
CHAMPAIGN	17,536	658,514,869	19,594,074	MORROW	13,416	470,894,237	13,497,087
CLARK	63,337	2,363,727,360	71,905,336	MUSKINGUM	38,892	1,353,172,908	40,990,755
CLERMONT	85,160	3,903,591,090	134,210,195	NOBLE	5,100	150,632,125	3,862,386
CLINTON	19,911	740,634,534	22,212,880	OTTAWA	20,981	857,001,564	27,506,040
COLUMBIANA	47,778	1,611,963,810	46,358,782	PAULDING	9,218	320,227,732	8,952,718
COSHOCTON	16,380	539,112,486	15,019,910	PERRY	14,559	460,453,705	12,362,668
CRAWFORD	22,193	733,446,113	20,084,973	PICKAWAY	21,363	817,411,665	24,570,302
CUYAHOGA	614,469	28,054,342,820	1,013,725,884	PIKE	11,695	369,908,336	10,087,904
DARKE	25,597	894,668,854	25,952,937	PORTAGE	69,580	2,931,314,950	98,850,302
DEFIANCE	19,298	739,654,684	22,438,177	PREBLE	18,071	675,173,904	19,909,859
DELAWARE	62,272	4,724,532,153	209,025,444	PUTNAM	17,547	664,903,201	20,229,929
ERIE	38,342	1,560,166,638	51,719,423	RICHLAND	57,900	2,144,057,841	66,464,058
FAIRFIELD	59,436	2,673,774,760	90,815,156	ROSS	32,081	1,156,376,543	34,393,870
FAYETTE	13,098	428,506,016	12,022,393	SANDUSKY	30,395	1,080,553,628	31,729,830
FRANKLIN	512,472	24,120,950,893	881,873,384	SCIOTO	28,221	940,216,089	26,672,105
FULTON	20,726	799,069,335	24,175,979	SENECA	27,396	919,988,763	25,987,591
GALLIA	12,739	448,420,597	13,572,740	SHELBY	23,711	899,841,507	28,511,628
GEAUGA	43,347	2,603,832,061	106,097,302	STARK	175,274	6,976,988,108	227,549,567
GREENE	67,926	3,248,267,399	112,350,935	SUMMIT	251,031	11,355,923,708	406,004,773
GUERNSEY	17,905	548,722,876	14,861,619	TRUMBULL	102,801	3,827,125,434	117,241,661
HAMILTON	386,729	19,572,511,458	752,191,990	TUSCARAWAS	43,825	1,512,093,894	45,023,625
HANCOCK	33,873	1,459,286,420	49,219,078	UNION	19,871	949,780,507	33,029,371
HARDIN	13,621	460,421,993	12,799,302	VAN WERT	14,387	490,705,555	13,473,272
HARRISON	6,803	199,648,355	5,082,287	VINTON	4,652	148,405,867	4,213,881
HENRY	14,115	517,179,534	15,161,216	WARREN	79,661	4,506,086,312	170,878,438
HIGHLAND	17,313	548,354,462	14,933,615	WASHINGTON	27,783	1,002,824,673	29,889,056
HOCKING	12,362	395,753,989	10,671,940	WAYNE	52,263	2,001,643,796	62,778,914
HOLMES	13,977	487,812,153	14,835,337	WILLIAMS	18,607	679,167,674	20,442,456
HURON	29,500	1,064,498,439	31,943,696	WOOD	55,756	2,495,825,186	86,103,501
JACKSON	13,582	444,309,938	12,788,353	WYANDOT	11,253	384,733,048	11,112,183
JEFFERSON	31,550	1,084,485,221	31,192,478				
KNOX	24,600	908,819,652	27,199,184	COUNTY TOTAL	5,202,625	\$223,859,955,355	\$7,676,591,134
LAKE	112,982	4,851,469,564	162,701,129	OTHER (a)	102,227	\$32,788,711,634	\$157,901,568
LAWRENCE	24,182	768,683,439	20,394,907				
LICKING	71,546	2,997,551,175	98,254,032	STATE TOTAL (b)	5,305,102	\$256,648,666,984	\$7,834,492,704
LOGAN	22,195	841,920,959	25,919,249				
LORAIN	133,740	5,539,702,801	182,591,282				
LUCAS	200,065	8,428,612,016	285,713,985				

(a) Includes returns from out-of-state filers and returns not indicating county of residence.

(b) Differs from other tables due to methodology of computation.

Table 12
Rank of Counties by Average Income as Reported on 2002
Ohio Individual Income Tax Returns

County	Average Federal Adjusted Gross Income	Percent of State Average	Rank*	County	Average Federal Adjusted Gross Income	Percent of State Average	Rank*
ADAMS	\$29,688	69.00 %	86	LORAIN	\$41,421	96.27 %	22
ALLEN	38,726	90.01	28	LUCAS	42,129	97.92	18
ASHLAND	36,427	84.66	46	MADISON	41,019	95.33	23
ASHTABULA	32,701	76.00	75	MAHONING	38,423	89.30	30
ATHENS	34,076	79.20	63	MARION	35,495	82.50	52
AUGLAIZE	39,048	90.75	27	MEDINA	49,231	114.42	5
BELMONT	32,704	76.01	74	MEIGS	31,027	72.11	82
BROWN	33,787	78.53	65	MERCER	35,607	82.76	50
BUTLER	46,089	107.12	9	MIAMI	41,951	97.50	20
CARROLL	33,674	78.26	67	MONROE	29,942	69.59	85
CHAMPAIGN	37,552	87.28	37	MONTGOMERY	43,371	100.80	15
CLARK	37,320	86.74	39	MORGAN	30,750	71.47	83
CLERMONT	45,838	106.54	10	MORROW	35,099	81.58	54
CLINTON	37,197	86.45	41	MUSKINGUM	34,793	80.86	57
COLUMBIANA	33,739	78.41	66	NOBLE	29,536	68.65	87
COSHOCTON	32,913	76.49	71	OTTAWA	40,847	94.93	24
CRAWFORD	33,049	76.81	70	PAULDING	34,739	80.74	58
CUYAHOGA	45,656	106.11	11	PERRY	31,627	73.51	81
DARKE	34,952	81.23	55	PICKAWAY	38,263	88.93	33
DEFIANCE	38,328	89.08	31	PIKE	31,630	73.51	80
DELAWARE	75,869	176.33	1	PORTAGE	42,129	97.91	19
ERIE	40,691	94.57	25	PREBLE	37,362	86.84	38
FAIRFIELD	44,986	104.55	13	PUTNAM	37,893	88.07	36
FAYETTE	32,715	76.04	72	RICHLAND	37,030	86.06	42
FRANKLIN	47,068	109.39	8	ROSS	36,046	83.78	49
FULTON	38,554	89.61	29	SANDUSKY	35,550	82.62	51
GALLIA	35,201	81.81	53	SCIOTO	33,316	77.43	69
GAUGA	60,069	139.61	2	SENECA	33,581	78.05	68
GREENE	47,821	111.14	6	SHELBY	37,950	88.20	34
GUERNSEY	30,646	71.23	84	STARK	39,806	92.52	26
HAMILTON	50,610	117.63	4	SUMMIT	45,237	105.14	12
HANCOCK	43,081	100.13	16	TRUMBULL	37,228	86.53	40
HARDIN	33,802	78.56	64	TUSCARAWAS	34,503	80.19	59
HARRISON	29,347	68.21	88	UNION	47,797	111.09	7
HENRY	36,640	85.16	44	VAN WERT	34,108	79.27	62
HIGHLAND	31,673	73.61	79	VINTON	31,902	74.14	77
HOCKING	32,014	74.41	76	WARREN	56,566	131.47	3
HOLMES	34,901	81.12	56	WASHINGTON	36,095	83.89	47
HURON	36,085	83.87	48	WAYNE	38,299	89.01 %	32
JACKSON	32,713	76.03	73	WILLIAMS	\$36,501	84.83	45
JEFFERSON	34,374	79.89	60	WOOD	\$44,763	104.04	14
KNOX	36,944	85.86	43	WYANDOT	\$34,189	79.46	61
LAKE	42,940	99.80	17				
LAWRENCE	31,787	73.88	78	88-COUNTY			
LICKING	41,897	97.38	21	TOTAL	\$43,026	100.00 %	
LOGAN	37,933	88.16	35				

* Includes only returns indicating a county of residence.