

By maximizing electronic means to ensure the timely and efficient processing of tax returns, the Operations Center aids the department in providing quality service through capturing revenue to fund state services while putting refunds back into the hands of Ohio taxpayers as soon as possible.

REVENUE ACCOUNTING

Revenue Accounting, one of four units within the Budget and Fiscal Division, is responsible for a variety of duties within the Department of Taxation that directly impact local governments and the services received daily by Ohio residents.

One of the primary duties of Revenue Accounting is the distribution of tax revenue. In Fiscal Year 2006, Revenue Accounting distributed more than \$4.2 billion to/from the following funds and agencies:

- Local Government Fund;
- Local Government Revenue Assistance Fund;
- Library and Local Government Support Fund;
- gasoline tax;
- sales and use tax;
- school district income tax;
- municipal income tax for electric light companies and telephone companies;
- property tax rollback;
- manufactured home tax;
- tangible personal property tax;
- Property Tax Replacement Fund (from kilowatt-hour and natural gas taxes);
- Property Tax Replacement Fund (from commercial activity tax);
- dealers in intangibles tax;
- political party check-off;
- resort tax;
- horse racing tax;
- Scenic Rivers, Wildlife, and Military Injury Relief check-offs;
- Cuyahoga County beer, wine, cigarette, and liquor taxes; and
- litter tax.

In addition, Revenue Accounting records most of the revenue receipts and refund deposits for the Department of Taxation for the following taxes:

- individual income tax;
- employer withholding tax;
- sales and use tax;
- corporation franchise tax;
- school district income tax;
- motor fuel and use tax;
- International Fuel Tax Agreement;
- commercial activity tax; and
- municipal income tax for electric light companies and telephone companies.

The unit also handles the accounting and reversals for all tax payment errors. This includes checks, electronic funds transfers (EFTs), Ohio Business Gateway (OBG), and Treasurer of State debits and credits.

Revenue Accounting reconciles EFT payments, OBG payments, and credit card payments.

Revenue Accounting has the additional responsibility of assisting the Office of Budget and Management with the state **Comprehensive Annual Financial Report**.

The Revenue Accounting unit supports the Budget and Fiscal Division in fulfilling the role of providing quality service by ensuring that tax dollars are properly deposited and distributed in accordance with current law.

TAX ANALYSIS DIVISION

The Tax Analysis Division (TAD) serves as the research arm of the Ohio Department of Taxation. Although it is a small unit, the division serves more types of customers than any other single department division, providing packaged data, quantitative analysis, revenue forecasts, and policy analysis to internal and external customers. The customers for TAD products include, but are not limited to, the Governor's office, members of the General Assembly, other divisions of the department, and all levels of local government.

Many of TAD's products are prepared on a regular basis. Each session of the Ohio General Assembly, the division provides revenue estimates for scores of bills that have proposed tax law changes and many proposals that never reach bill form. This activity is augmented by analyses of federal legislation that may impact Ohio state or local government finances. In addition to revenue estimates for specific law changes, TAD also does overall revenue estimating for the state budget, contributing to the formal process within the Office of Budget and Management.

The tax data series on the department's Internet site contains a number of data products that are updated monthly, quarterly, or annually. When the biennial budget is prepared, TAD provides assistance to the Office of Budget and Management (OBM) in forecasting tax revenues. Once the forecasts are finalized, the division then tracks revenue on a monthly basis and assists OBM with any updates of the forecasts. Tax Analysis also provides estimates of the Governor's tax proposals in the executive budget. In addition, TAD produces the Tax Expenditure Report, traditionally "Book Two" of the executive budget.

The division also produces or contributes to research publications that are meant as educational aids to decision makers. One such publication is the **Property Taxation and School Funding** report. In addition, the division produces statistics, tables, graphs, and interstate comparison data for departmental publications such as the **Brief Summary of Major State and Local Taxes in Ohio** and the **Annual Report**.

The division provides a number of services to local governments. It produces dozens of estimates of school district income tax revenues each year. The division also produces (in conjunction with the Revenue Accounting Division) estimates of the distributions to the three local government funds, and handles the estate tax settlements from local governments. TAD also provides informal consulting to school districts and other local governments on property tax ques-