



# Individual Income Tax – Ohio

Ohio's individual income tax can be traced back to 1912, when voters approved a constitutional amendment specifically authorizing the General Assembly to levy such a tax. Legislative action did not follow until December 1971 when the tax was enacted effective Jan. 1, 1972 for individuals and estates. In 2002 the General Assembly expanded the income tax to include trusts.



## Taxpayer

(Ohio Revised Code 5747.01(N))

The state individual income tax applies to every individual, trust and estate residing in Ohio, earning or receiving income in Ohio, or otherwise having nexus with Ohio. The tax also applies to winners of Ohio lottery prizes.

Withholding responsibilities apply to employers who pay wages and salaries to employees who work in Ohio.

The individual income tax is currently state government's largest source of revenue. During fiscal year 2009, total net collections exceeded \$8.3 billion. Of that amount, more than \$7.6 billion was directed to the General Revenue Fund, where it represented about 44.6 percent of general fund tax revenue.

Ohio's income tax rates have been gradually falling since 2005, when the 126th General Assembly enacted House Bill 66, scheduling five annual across-the-board income tax rate reductions of 4.2 percent each. Accordingly, for the 2008 taxable year, income tax rates were 16.8 percent lower than they had been for 2004, the year before H.B. 66 was enacted.

In 2009, state law was revised to temporarily postpone the fifth and final income tax rate reduction. As a result, the income tax rates used for 2008 will also apply to the 2009 and 2010 taxable years. The fifth and final rate reduction is now scheduled for taxable year 2011, when tax rates will be 21 percent lower across the board than they were for 2004. Withholding tables implemented in January 2009 remained in effect.

During the 2009 taxable year, the income tax included nine brackets ranging from 0.618 percent on the first \$5,000 of taxable income to 6.24 percent on taxable income in excess of \$200,000. Individual taxpayers whose Ohio taxable income is less than or equal to \$10,000 are effectively exempt from the tax since they receive a full credit against the tax otherwise due.

This chapter includes twelve tables presenting information compiled from 2007 Ohio individual income tax returns (filed in 2008). The data shows that more than 5.5 million taxpayers filed tax returns, reporting total federal adjusted gross income of approximately \$376 billion. Approximately 1.4 million returns indicated no tax liability.

## Tax Base

(R.C. 5747.01)

The tax base is federal adjusted gross income (for individuals) or taxable income (for estates and trusts), plus or minus adjustments according to Ohio income tax law.

Calculating net liability for the tax can be condensed to four steps, as follows:

- Calculate **Ohio adjusted gross income** by applying Ohio additions and deductions to federal adjusted gross income, as reported on the federal form 1040.
- Calculate **Ohio taxable income** by subtracting personal and dependent exemptions from Ohio adjusted gross income. For 2009, each taxpayer received a personal exemption, and an exemption for each dependent, of \$1,550.
- Apply tax rates to Ohio taxable income to calculate **gross tax liability**.
- Calculate net **tax liability** by subtracting credits and grants from gross tax liability.

## Rates

(R.C. 5747.02)

The individual Ohio income tax rates for taxable years 2008 and 2009 are shown below.

Taxable Income	Tax	
Over	But Not Over	
\$0	- \$5,000	0.6.18%
\$5,001	- 10,000	\$30.90, plus 1.236% of excess over \$5,000
10,001	- 15,000	\$92.70, plus 2.473% of excess over \$10,000
15,001	- 20,000	\$216.35, plus 3.091% of excess over 15,000
20,001	- 40,000	\$370.90, plus 3.708% of excess over \$20,000
40,001	- 80,000	\$1,112.50, plus 4.327% of excess over \$40,000
80,001	- 100,000	\$2,843.30, plus 4.945% of excess over \$80,000
100,001	- 200,000	\$3,832.30, plus 5.741% of excess over \$100,000
\$200,001		\$9,573.30, plus 6.24% of excess over \$200,000

Beginning in 2010, the Tax Commissioner will annually adjust the size of each bracket for inflation each July, per R.C. 5747.02(A). Rates will not change as part of this adjustment. Division (B) of this same code section allows for rates to be temporarily adjusted downward in any year that the director of the Office of Budget and Management certifies that a surplus exists in the Ohio Budget Stabilization (or "Rainy Day") Fund.

## Additions, Deductions and Exemptions

The starting point for the Ohio individual income tax is federal adjusted gross income (FAGI). Additions and deductions are applied to FAGI in order to arrive at Ohio adjusted gross income (OAGI).

### Personal and dependent exemptions (R.C. 5747.025)

For 2009, a \$1,550 personal exemption was available for each taxpayer and for each dependent of the taxpayer. The amount of this exemption, which is subtracted from Ohio adjusted gross income before tax rates are applied, is adjusted annually based upon the gross domestic product deflator.

### Major additions for individuals

Major additions for individuals, to the extent not already included in FAGI, include:

- non-Ohio state or local government interest and dividends.
- pass-through entity add back.
- income from an electing small business trust.
- losses from the sale of Ohio public obligations.
- non-medical withdrawals from an Ohio Medical Savings Account.
- reimbursement of expenses previously deducted.
- non-education expenditure from a college savings account.
- add back of five-sixths of the depreciation adjustment for Internal Revenue Code sections 168(k) and 179.

### Major deductions for individuals

Major deduction for individuals, to the extent not excluded from FAGI, include:

- certain federal interest and dividends.
- reciprocity income (income tax paid to other states; for details, see **Special Provisions**).
- state or municipal income tax overpayments deducted on a prior year's federal income tax return.
- qualified disability and survivorship benefits.
- Social Security and some railroad retirement benefits.
- contributions to a college savings account administered by the Ohio Tuition Trust Authority.
- certain payments to members of the Ohio National Guard.
- unsubsidized health insurance, long-term care insurance, and excess medical expense deduction.
- funds deposited into, and earnings on, an Ohio Medical Savings Account.

- losses from a grantor trust or an electing small business trust.
- wage and salary expenses not deducted due to the federal targeted jobs or work opportunity tax credits.
- interest income from Ohio public and Ohio purchase obligations and gains from the sale or other disposition of Ohio public obligations.
- refund or reimbursement of a prior year federal itemized deduction.
- repayment of income reported in a prior year.
- amount contributed to an individual development account.
- one fifth of the depreciation added back in each of the previous five years.
- military pay received while the resident service member is stationed outside Ohio.
- qualified organ donation expenses.

For a complete listing and explanation of the adjustments to federal adjusted gross income, see form IT 1040, Ohio Income Tax Return and Instructions.

### 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 and Instructions.

## Credits

### Individual Credits

All individual filers may claim a \$20 credit for each personal and dependent exemption claimed on their return. This credit is known as the personal and dependent exemption credit (R.C. 5747.022).

A number of other credits are also available. They include, in alphabetical order:

**Adoption credit** (R.C. 5747.37) – Individual taxpayers may claim a credit for adoption expenses up to a maximum of \$1,500 per child. Adoption of stepchildren does not qualify for this credit.

**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.

**Displaced worker 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.

**Joint filing credit** (R.C. 5747.05(G)(1)) – A husband and wife who file jointly 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 are claimed other than the resident, nonresident, part-year resident, and business credits.

**Low-income taxpayer credit** (R.C. 5747.056) – Individual taxpayers whose Ohio taxable income is less than or equal to \$10,000 receive a full credit against the tax otherwise due.

**Lump sum distribution credit** (R.C. 5747.05(D)) – Individual taxpayers 65 years of age or older 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 years of life multiplied by the value of the senior citizen credit. Taxpayers who claim this credit are barred from claiming future senior citizen credits.

**Lump sum retirement 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. Taxpayers who claim this credit may not claim a retirement income credit in future tax years unless this credit exceeds their tax due. If the credit exceeds their tax due for the year, they may receive a reduced credit in subsequent tax years. A taxpayer may also claim a credit in a future tax year if they receive another pension, retirement, or profit-sharing lump-sum distribution in one taxable year.

**Nonresident credit** (R.C. 5747.05(A)) – Nonresidents 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.

**Political contributions credit** (R.C. 5747.29) – Individual and estate taxpayers may claim a credit for contributions made to the campaign committees of candidates for the Ohio General Assembly, the Ohio Supreme Court, and for statewide executive offices. The maximum credit is \$50 for single, head of household, and married filing separate filers and \$100 for married filing joint filers.

**Resident credit** (R.C. 5747.05(B)) – Resident individuals and resident estates 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.

**Retirement income credit** (R.C. 5747.055) – Individual and estate taxpayers receiving retirement benefits, annuities, or distributions from a retirement or profit sharing plan that 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.

**Senior citizen credit** (R.C. 5747.05(C)) – Individuals may claim a \$50 credit per return if the taxpayer was 65 years of age on or before Dec. 31 of the taxable year. Estates may claim the credit if the decedent was 65 years or older at the date of death.

#### **Business credits**

Investors in pass-through entities are eligible for a refundable credit equal to the amount of tax paid on their behalf by the pass-through entity (R.C. 5747.059).

A number of other business credits also apply to individuals, estates, and trusts. For more information, see the **Business Tax Credits** chapter of this annual report.

## **Special Provisions**

### **Military pay and income of military spouses**

Military pay received while the service member is stationed in Ohio is taxable for Ohio residents, but is not taxable while the service member is stationed outside the state. If the taxpayer is not an Ohio resident, Ohio does not tax the military pay. Ohio does tax nonmilitary pay earned in Ohio that is included in federal adjusted gross income.

In November 2009, federal law was amended to extend the principle of domicile that applies to service members to their spouses. Starting in taxable year 2009, nonresident civilian spouses who reside with their spouse on a duty station in Ohio may deduct income earned in Ohio from their Ohio return. Resident military spouses who reside outside the state are still subject to Ohio income taxes.

### **Reciprocity**

Reciprocal agreements with other states (R.C. 5747.05(A)(3)) may affect filing of an Ohio return. Because of agreements Ohio has with bordering states (Indiana, Kentucky, West Virginia, Michigan, and Pennsylvania), an individual does not have to file an Ohio income tax return if:

- the taxpayer was a full-year resident of one of the five listed states for the taxable year, and
- the taxpayer's only source of income within Ohio was from wages, salaries, tips, or commissions generally received from employers unrelated to the taxpayer.

These reciprocal agreements do not apply to nonresidents who directly or indirectly own at least 20 percent of the stock or other equity of Ohio pass-through entities (S corporations or partnerships; see R.C. 5733.40(A)(7)) for details. 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 to compute this credit.

### **Residency**

Residency status affects the calculation of the Ohio income tax. Individual taxpayers who have no more than 182 contact periods in Ohio and who have an abode outside of Ohio for the entire year may, under certain circumstances, declare themselves to be a nonresident of Ohio. For details, see information release IT 2007-08 – "Personal Income Tax: Residency Guidelines - Tax Imposed on Resident and Nonresident Individuals for Post-2006 Taxable Years," issued in December 2007 and revised in July 2008.

## **Filing and Payment Dates**

(R.C. 5747.07-5747.09)

### **For individuals, estates and trusts**

**Annual return** – The annual income tax return is due by April 15 for calendar year taxpayers without an extension. Fiscal year returns are due by the 15th day of the fourth month after the end of the fiscal year.

**Quarterly payments** – Taxpayers must file quarterly declarations if they expect their tax to be under-withheld by more than \$500. Such taxpayers must make estimated payments by

April 15, June 15, and Sept. 15 of the current year and by Jan. 15 of the next year.

**Electronic filing** – Generally speaking, tax return preparers who file more than 75 original income tax returns, reports, or other tax payment documents in a calendar year that begins on or after Jan. 1, 2008, must begin filing electronically on Jan. 1, 2010.

#### **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:

- if an employer withheld no more than \$2,000 during the 12 months ending on June 30 of the preceding year, payments are due within 30 days after the quarter ending in March, June, September, and December.
- if an employer withheld more than \$2,000 and less than \$84,000 during the 12 months ending on June 30 of the preceding year, payments are due within 15 days after the end of the month.
- if an employer withheld at least \$84,000 during the 12 months ending on 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**

During fiscal year 2009, 91.7 percent of revenue from the state income tax – or \$7,629.1 million – was distributed to the General Revenue Fund. The rest was distributed to the Local Government Fund (8.2 percent or \$686.5 million) and to several much smaller funds.

House Bill 119, the fiscal year 2008-09 operating budget bill enacted in 2007, revised the formula and the revenue accounting associated with the local government funds. Starting in January 2008, all income tax revenue has been directed to the General Revenue Fund. For details on the local government fund changes, see the **Local Government Funds** chapter.

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 (the 10 percent and 2.5 percent property tax rollbacks and the homestead exemption for senior citizen homeowners and certain disabled homeowners).

## **Administration**

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

## **Ohio Revised Code Citations**

Chapter 5747.

## **Recent Legislation**

### **House Bill 318, 128th General Assembly (FY 2010-2011 budget correction bill, effective Dec. 30, 2009)**

This act postponed the last of five income tax rate reductions scheduled as part of the 126th General Assembly's House Bill 66. The fifth and final reduction was originally scheduled for taxable year 2009. It is now scheduled for taxable year 2011.

### **Public Law 111-97, (the "Military Spouses Residency Relief Act," effective Nov. 11, 2009)**

This act of Congress amended the "Service members Civil Relief Act" to extend the principle of domicile that applies to service members to their spouses as well. Starting with tax years that begin Jan. 1, 2009, an individual who resides in a taxing the same jurisdiction solely due to the military orders of his/her spouse – and who is domiciled in another jurisdiction that is the same jurisdiction as his/her military spouse – remains subject to income tax in the jurisdiction of their domicile and is exempt from income tax in the jurisdiction where he/she is living with their service member spouse.

## **Tables and Charts**

The following tables provide a wide variety of statistical information from Ohio individual income tax returns. Please note the following cautions about this data.

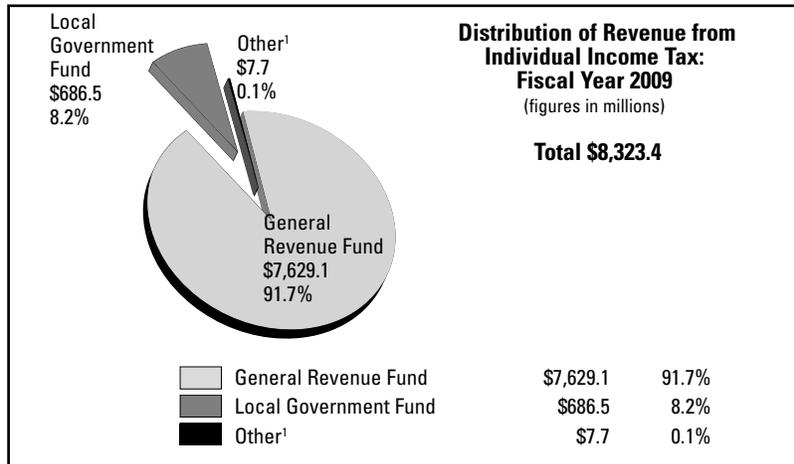
The tables reflect all tax returns filed to date by taxpayers for the taxable year noted. The tables include tax returns that indicate tax liability as well as returns with no tax liability. For example, taxpayers with Ohio taxable income below \$10,000 receive a tax credit that results in no tax liability.

The income of Ohio residents, part-year residents and nonresidents that filed an Ohio individual income tax return has not been reduced to exclude income earned or received outside of Ohio. This is because Ohio law uses tax credits – rather than income exclusions – to prevent income earned or received outside this state from being taxed by Ohio. As a result, income figures in these tables (such as federal adjusted gross income, Ohio adjusted gross income, and Ohio taxable income) include non-Ohio income.

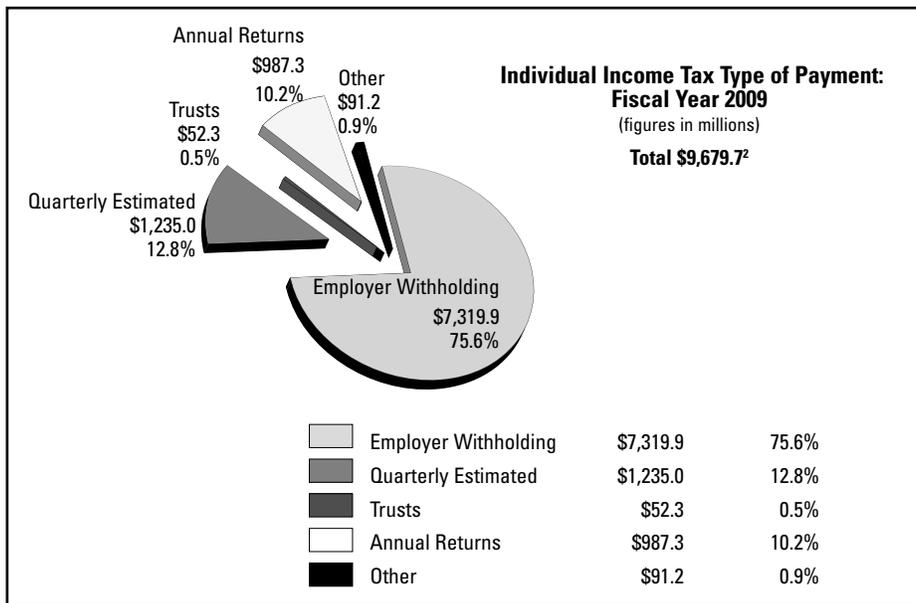
Also, amounts labeled as "Ohio income tax" are after subtraction of the resident credit, part-year resident credit, nonresident credit, and all other tax credits applicable under Ohio law.

Also, note that the income of residents of states adjacent to Ohio is reported in a somewhat different manner from that described above. Under a reciprocity agreement with those states, the wage and salary income earned in Ohio by residents of one of those states is not taxed by Ohio. For those residents, such income is excluded from Ohio adjusted gross income and Ohio taxable income.

**Chart 1**



**Chart 2**



Source: Department of Taxation.

<sup>1</sup> Consists of amounts deposited in the Attorney General Claims Fund and amounts deposited in Ohio Political Party Fund (based on taxpayer checkoffs).

<sup>2</sup> Includes \$1,355.4 million refunded back to taxpayers.

**Chart 3**

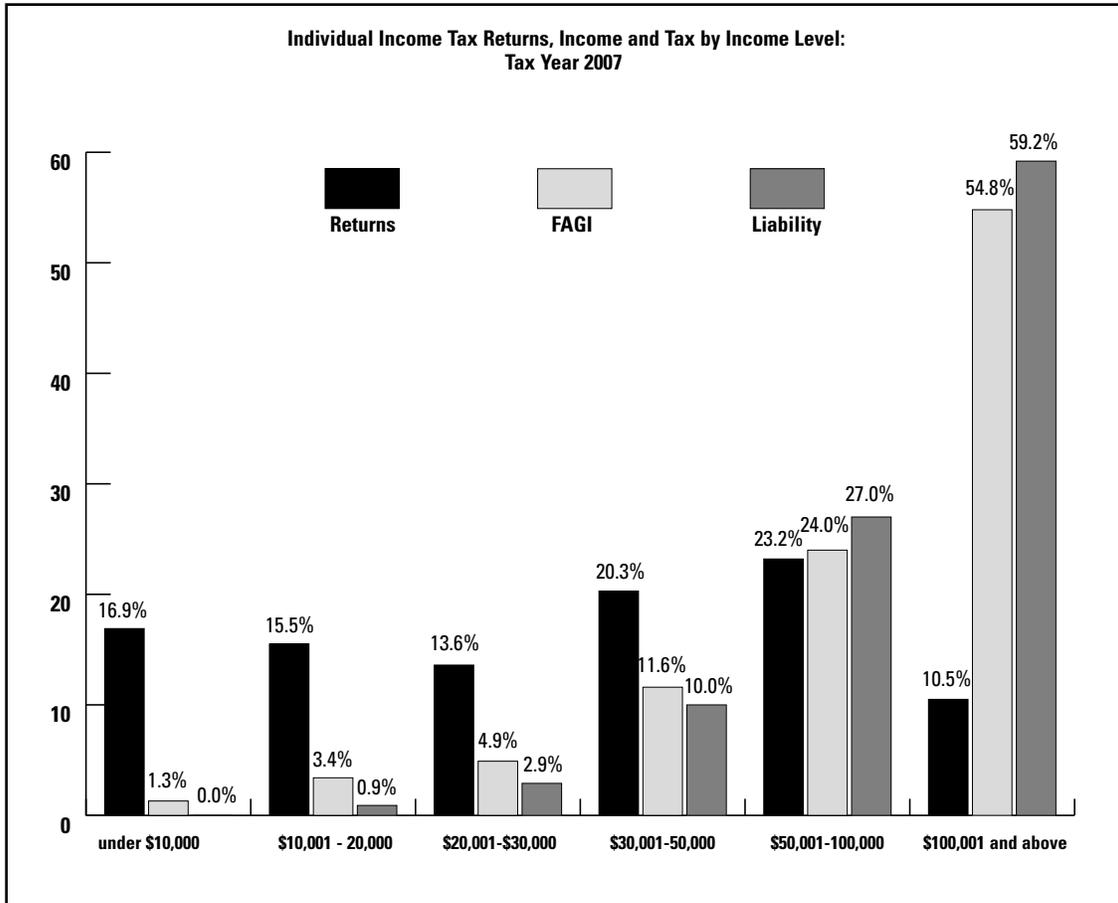


Table 1

2007 Ohio Individual Income Tax Returns, by Income Level									
Income Level	Number of Returns	FAGI	OAGI	Reported Value of Personal Exemptions	Ohio Taxable Income	Tax Before Credits	Value of Joint Filer Credit	Total Income Tax Liability <sup>1</sup>	
Under \$5,000	461,073	\$1,234,071,963	\$1,197,728,788	\$823,800,053	\$537,867,236	\$3,670,779	\$2,120	\$195,986	
\$5,001 - \$10,000	467,370	3,482,906,915	3,349,326,834	957,511,664	2,415,247,116	18,343,758	2,233	74,879	
\$10,001 - \$15,000	437,711	5,466,147,927	5,218,747,395	1,021,564,157	4,213,321,837	45,387,628	33,832	19,870,713	
\$15,001 - \$20,000	416,741	7,281,775,430	6,946,203,969	1,014,624,466	5,946,136,959	90,952,370	334,115	62,746,805	
\$20,001 - \$25,000	386,378	8,682,337,898	8,276,348,774	967,653,154	7,321,040,501	141,633,555	1,111,064	111,406,269	
\$25,001 - \$30,000	359,639	9,881,064,372	9,402,663,262	918,644,606	8,494,138,932	194,027,508	2,350,686	162,650,709	
\$30,001 - \$35,000	331,788	10,769,029,237	10,239,596,932	865,303,458	9,382,663,795	238,453,592	3,532,916	206,667,059	
\$35,001 - \$40,000	296,584	11,108,111,095	10,547,591,607	792,575,809	9,761,632,050	266,309,105	5,226,633	234,280,058	
\$40,001 - \$45,000	261,356	11,091,872,619	10,497,996,209	729,930,000	9,773,646,700	281,068,955	7,448,934	248,674,011	
\$45,001 - \$50,000	227,313	10,786,489,899	10,186,884,967	673,833,851	9,517,680,003	288,463,456	9,968,191	255,159,581	
\$50,001 - \$55,000	201,724	10,579,036,155	9,955,933,103	628,427,102	9,331,450,342	295,505,523	11,986,351	260,648,148	
\$55,001 - \$60,000	176,873	10,162,204,906	9,562,200,171	574,621,950	8,990,681,397	295,372,333	11,252,116	262,507,568	
\$60,001 - \$65,000	159,077	9,935,749,285	9,357,258,625	536,933,555	8,823,117,917	298,915,614	12,451,054	265,509,800	
\$65,001 - \$70,000	143,699	9,693,524,628	9,143,643,028	503,064,451	8,643,136,763	300,492,757	13,985,472	266,551,813	
\$70,001 - \$75,000	131,225	9,506,951,486	8,979,212,766	474,197,850	8,507,159,635	302,224,058	15,558,202	267,077,416	
\$75,001 - \$80,000	117,618	9,110,314,543	8,617,414,387	437,279,400	8,181,956,321	296,151,733	15,328,381	262,200,974	
\$80,001 - \$85,000	105,147	8,669,758,303	8,220,380,071	399,963,650	7,821,938,908	287,947,592	10,548,398	259,598,699	
\$85,001 - \$90,000	91,891	8,035,696,562	7,641,248,951	358,703,900	7,283,981,293	273,414,550	9,204,050	247,228,449	
\$90,001 - \$95,000	80,561	7,448,066,130	7,105,405,901	321,262,002	6,785,209,667	259,877,129	8,828,268	235,220,996	
\$95,001 - \$100,000	71,309	6,949,560,554	6,658,194,202	289,982,600	6,369,056,801	248,525,966	8,468,103	225,224,949	
\$100,001 - \$125,000	226,075	25,051,365,893	24,035,601,393	934,136,402	23,104,354,977	949,001,423	31,950,739	856,725,889	
\$125,001 - \$150,000	107,911	14,714,550,956	14,152,425,700	448,382,052	13,705,183,665	611,776,512	20,178,760	546,417,690	
\$150,001 - \$175,000	60,740	9,808,105,529	9,459,743,760	252,663,950	9,207,632,420	434,175,048	13,862,616	383,712,782	
\$175,001 - \$200,000	38,726	7,228,067,771	6,994,448,791	162,346,350	6,832,442,431	334,791,850	10,437,188	292,073,953	
\$200,001 - \$250,000	44,002	9,778,188,838	9,500,720,743	184,647,350	9,316,280,114	477,397,080	14,290,366	410,524,211	
\$250,001 - \$300,000	23,533	6,423,538,756	6,265,734,861	99,177,100	6,166,720,742	332,626,260	8,569,178	280,369,488	
\$300,001 - \$350,000	14,343	4,639,310,267	4,536,816,322	60,889,850	4,476,000,762	249,724,401	4,959,991	207,021,739	
\$350,001 - \$400,000	9,823	3,667,763,024	3,597,921,396	42,225,450	3,555,747,368	203,147,578	3,287,464	164,651,930	
\$400,001 - \$450,000	7,326	3,106,562,789	3,046,998,710	31,640,450	3,015,397,410	175,354,328	2,372,450	139,602,342	
\$450,001 - \$500,000	5,806	2,752,229,836	2,708,898,772	24,973,350	2,683,961,439	158,250,088	1,853,425	123,813,269	
\$500,001 - \$750,000	15,718	9,493,427,457	9,365,796,711	67,301,750	9,298,546,994	561,601,737	4,997,105	423,059,478	
\$750,001 - \$1,000,000	6,720	5,779,364,033	5,709,586,587	28,373,600	5,681,224,633	351,907,413	2,025,327	243,578,273	
\$1,000,001 - \$1,500,000	5,960	7,202,962,466	7,120,159,762	24,548,500	7,095,633,008	446,945,540	1,603,696	274,343,715	
\$1,500,001 - \$2,000,000	2,801	4,832,998,737	4,781,151,511	11,575,350	4,769,580,515	304,106,393	735,800	159,522,228	
\$2,000,001 - \$3,000,000	2,765	6,716,978,224	6,631,615,641	11,098,300	6,620,530,391	425,544,198	654,551	193,791,684	
\$3,000,001 - \$4,000,000	1,438	4,974,758,903	4,916,562,094	5,869,600	4,910,692,496	317,511,801	343,850	125,971,071	
\$4,000,001 - \$5,000,000	878	3,911,109,857	3,866,780,978	3,671,400	3,863,109,578	250,546,168	179,400	87,492,554	
\$5,000,001 - \$10,000,000	1,890	13,030,094,669	12,836,365,569	7,658,900	12,828,713,919	835,161,918	375,700	253,492,927	
\$10,000,001	1,639	63,028,013,803	62,378,528,579	6,662,750	62,371,868,729	4,083,474,950	300,300	417,473,408	
<b>Total</b>	<b>5,503,171</b>	<b>\$376,014,061,715</b>	<b>\$363,009,837,822</b>	<b>\$15,697,720,132</b>	<b>\$347,604,685,766</b>	<b>\$15,929,782,647</b>	<b>\$270,599,026</b>	<b>\$9,437,133,510</b>	

<sup>1</sup> This represents tax liability after all tax credits. Although the joint filer credit is presented in this table, it is not the largest income tax credit. The combined resident and nonresident tax credits account for the largest amount of credit value, totalling \$5.8 billion.

**Table 2**

Comparison of 2006 and 2007 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		
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	
Under \$5,000	442,855	461,073	\$865,831,672	\$1,234,071,963	\$542,298,534	\$537,867,236	\$2,523	\$2,120	\$259,010	\$195,986	
\$5,001 -	448,276	467,370	3,340,830,367	3,482,906,915	2,348,480,010	2,415,247,116	2,964	2,233	87,798	74,879	
\$10,001 -	426,571	437,711	5,328,512,670	5,466,147,927	4,151,259,532	4,213,321,837	37,422	33,832	21,022,911	19,870,713	
\$15,001 -	414,712	416,741	7,249,288,383	7,281,775,430	5,985,739,510	5,946,136,959	398,981	334,115	66,722,763	62,746,805	
\$20,001 -	1,377,901	1,374,389	40,513,779,336	40,440,542,602	35,304,738,992	34,959,475,278	13,990,511	12,221,299	760,172,973	715,004,094	
\$40,001 -	1,391,730	1,418,885	79,252,062,072	80,866,143,522	70,765,224,722	71,768,829,079	106,980,640	97,978,702	2,160,206,161	2,088,329,312	
\$80,001 -	331,699	348,908	29,550,210,621	31,103,081,549	27,006,577,929	28,260,186,668	37,540,901	37,048,818	971,098,585	967,273,092	
\$100,001 -	385,999	433,452	50,489,027,233	56,802,090,149	47,135,053,173	52,849,613,493	71,841,070	76,429,304	1,939,922,168	2,078,930,314	
\$200,001	128,986	144,642	122,799,421,020	149,337,301,659	120,117,072,359	146,654,008,099	42,022,238	46,548,604	3,222,435,626	3,504,708,316	
<b>TOTAL</b>	<b>5,348,729</b>	<b>5,503,171</b>	<b>\$339,388,963,374</b>	<b>\$376,014,061,715</b>	<b>\$313,356,444,763</b>	<b>\$347,604,685,766</b>	<b>\$272,817,250</b>	<b>\$270,599,026</b>	<b>\$9,141,927,994</b>	<b>\$9,437,133,510</b>	

**Table 3**

Comparison of 2006 and 2007 Individual Income Tax Returns with Tax Liability				
Income Level	Number of Returns with Tax Liability		Ohio Income Tax	
	2006	2007	2006	2007
Under \$5,000	788	453	\$259,010	\$195,986
\$5,001 -	833	287	87,798	74,879
\$10,001 -	181,364	181,102	21,022,911	19,870,713
\$15,001 -	337,569	333,652	66,722,763	62,746,805
\$20,001 -	1,326,705	1,312,210	760,172,973	715,004,094
\$40,001 -	1,370,009	1,392,110	2,160,206,161	2,088,329,312
\$80,001 -	327,486	343,596	971,098,585	967,273,092
\$100,001 -	379,860	425,813	1,939,922,168	2,078,930,314
\$200,001	123,488	138,138	3,222,435,626	3,504,708,316
<b>TOTAL</b>	<b>4,048,102</b>	<b>4,127,361</b>	<b>\$9,141,927,994</b>	<b>\$9,437,133,510</b>

Table 4

2007 Ohio Individual Income Tax Returns for All Filing Status Categories							
Income Level	Number of Returns	FAGI	Ohio Taxable Income	Joint Filer Credit	Ohio Income Tax	Effective Tax Rate <sup>1</sup>	
Under \$5,000	461,073	\$1,234,071,963	\$537,867,236	\$2,120	\$195,986	0.02%	
\$5,001 - \$10,000	467,370	3,482,906,915	2,415,247,116	2,233	74,879	0.00%	
\$10,001 - \$15,000	437,711	5,466,147,927	4,213,321,837	33,832	19,870,713	0.36%	
\$15,001 - \$20,000	416,741	7,281,775,430	5,946,136,959	334,115	62,746,805	0.86%	
\$20,001 - \$40,000	1,374,389	40,440,542,602	34,959,475,278	12,221,299	715,004,094	1.77%	
\$40,001 - \$80,000	1,418,885	80,866,143,522	71,768,829,079	97,978,702	2,088,329,312	2.58%	
\$80,001 - \$100,000	348,908	31,103,081,549	28,260,186,668	37,048,818	967,273,092	3.11%	
\$100,001 - \$200,000	433,452	56,802,090,149	52,849,613,493	76,429,304	2,078,930,314	3.66%	
\$200,001	144,642	149,337,301,659	146,654,008,099	46,548,604	3,504,708,316	2.35%	
<b>Total</b>	<b>5,503,171</b>	<b>\$376,014,061,715</b>	<b>\$347,604,685,766</b>	<b>\$270,599,026</b>	<b>\$9,437,133,510</b>	<b>2.51%</b>	

Table 5

2007 Ohio Individual Income Tax Returns Claiming Married Filing Joint Status					
Income Level	Number of Returns	FAGI	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate <sup>1</sup>
Under \$5,000	22,483	\$55,675,515	\$7,758,092	\$55,518	0.10%
\$5,001 - \$10,000	38,159	294,624,015	119,443,705	31,559	0.01%
\$10,001 - \$15,000	60,370	764,072,476	458,143,321	468,193	0.06%
\$15,001 - \$20,000	76,931	1,350,546,367	937,301,401	4,113,611	0.30%
\$20,001 - \$40,000	328,096	9,918,790,458	7,686,052,795	121,284,966	1.22%
\$40,001 - \$80,000	715,532	42,839,379,367	36,872,675,853	1,021,769,940	2.39%
\$80,001 - \$100,000	271,583	24,254,205,927	21,886,516,300	740,155,029	3.05%
\$100,001 - \$200,000	358,413	47,043,701,928	43,679,100,210	1,708,588,338	3.63%
\$200,001	121,641	121,167,649,992	118,953,473,668	2,954,459,550	2.44%
<b>Total</b>	<b>1,993,208</b>	<b>\$247,688,646,045</b>	<b>\$230,600,465,345</b>	<b>\$6,550,926,704</b>	<b>2.64%</b>

Table 6

2007 Ohio Individual Income Tax Returns Claiming Single Filing Status					
Income Level	Number of Returns	FAGI	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate <sup>1</sup>
Under \$5,000	433,009	\$1,163,826,242	\$523,859,718	\$139,019	0.01%
\$5,001 - \$10,000	421,371	3,128,324,697	2,253,393,415	40,018	0.00%
\$10,001 - \$15,000	365,658	4,553,063,820	3,634,189,133	18,541,610	0.41%
\$15,001 - \$20,000	316,544	5,518,990,932	4,652,321,342	53,735,798	0.97%
\$20,001 - \$40,000	885,773	25,584,577,981	22,803,680,717	489,731,069	1.91%
\$40,001 - \$80,000	528,138	28,451,453,683	25,946,115,529	784,934,637	2.76%
\$80,001 - \$100,000	54,815	4,854,837,870	4,465,821,163	156,388,631	3.22%
\$100,001 - \$200,000	54,761	7,162,982,018	6,668,197,743	264,126,939	3.69%
\$200,001	18,691	21,618,568,075	21,234,780,737	449,127,168	2.08%
	<b>3,078,760</b>	<b>\$102,036,625,317</b>	<b>\$92,182,359,496</b>	<b>\$2,216,764,890</b>	<b>2.17%</b>

<sup>1</sup> Ohio income tax divided by federal adjusted gross income. Resident and nonresident tax credits have been subtracted in calculating income tax, but FAGI includes all resident and nonresident income.

Table 7

2007 Ohio Individual Income Tax Returns Claiming Married Filing Separate Status						
Income Level		Number of Returns	FAGI	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate <sup>1</sup>
	Under \$5,000	5,581	\$14,570,206	\$6,249,428	\$1,449	0.01%
\$5,001	- \$10,000	7,840	59,958,203	42,409,996	3,302	0.01%
\$10,001	- \$15,000	11,683	149,011,631	120,993,846	860,909	0.58%
\$15,001	- \$20,000	23,266	412,238,131	356,514,216	4,897,396	1.19%
\$20,001	- \$40,000	160,520	4,937,174,163	4,469,783,302	103,988,275	2.11%
\$40,001	- \$80,000	175,215	9,575,310,472	8,950,067,033	281,625,418	2.94%
\$80,001	- \$100,000	22,510	1,994,037,752	1,907,849,206	70,729,432	3.55%
\$100,001	- \$200,000	20,278	2,595,406,203	2,502,315,539	106,215,037	4.09%
\$200,001		4,310	6,551,083,592	6,465,753,693	101,121,598	1.54%
		<b>431,203</b>	<b>\$26,288,790,353</b>	<b>\$24,821,936,259</b>	<b>\$669,442,816</b>	<b>2.55%</b>

Table 8

2007 Ohio Individual Income Tax Returns by Ohio Taxable Income Level					
Income Level		Number of Returns	\$20 Exemption Credit	Joint Filer Credit	Ohio Income Tax
	Under \$5,000	461,073	\$11,459,783	\$2,120	\$195,986
\$5,001	- \$10,000	467,370	13,216,119	2,233	74,879
\$10,001	- \$15,000	437,711	14,096,516	33,832	19,870,713
\$15,001	- \$20,000	416,741	13,998,267	334,115	62,746,805
\$20,001	- \$40,000	1,374,389	48,891,497	12,221,299	715,004,094
\$40,001	- \$80,000	1,418,885	62,875,828	97,978,702	2,088,329,312
\$80,001	- \$100,000	348,908	18,895,700	37,048,818	967,273,092
\$100,001	- \$200,000	433,452	24,793,502	76,429,304	2,078,930,314
\$200,001		144,642	8,418,120	46,548,604	3,504,708,316
		<b>5,503,171</b>	<b>\$216,645,332</b>	<b>\$270,599,026</b>	<b>\$9,437,133,510</b>

<sup>1</sup> Ohio income tax divided by federal adjusted gross income. Resident and nonresident tax credits have been subtracted in calculating income tax, but FAGI includes all resident and nonresident income.

Table 9

2007 Ohio Individual Income Tax Returns Claiming the Joint Filer Credit, by Income Level						
Income Level	Number of Returns	FAGI	Ohio Taxable Income	Ohio Income Tax	Effective Tax Rate	
Under \$5,000	60	-\$335	\$613,916	\$11,272	n/a	
\$5,001 - \$10,000	86	663,658	887,186	9,365	n/a	
\$10,001 - \$15,000	2,234	31,365,623	25,102,904	138,961	0.44%	
\$15,001 - \$20,000	14,130	252,228,716	193,339,992	1,312,154	0.52%	
\$20,001 - \$40,000	155,722	4,864,122,414	3,974,662,730	61,362,228	1.26%	
\$40,001 - \$80,000	518,765	31,518,223,087	27,785,544,954	762,186,713	2.42%	
\$80,001 - \$100,000	222,917	19,920,058,491	18,255,150,839	617,728,935	3.10%	
\$100,001 - \$200,000	287,660	37,514,972,693	35,218,368,480	1,377,346,133	3.67%	
\$200,001	76,331	53,869,333,071	52,798,218,513	1,671,695,353	3.10%	
	<b>1,277,905</b>	<b>\$147,970,967,418</b>	<b>\$138,251,889,513.7</b>	<b>\$4,491,791,114.2</b>	<b>3.04%</b>	

Table 10

2007 Ohio Individual Income Tax Returns Claiming the Senior Citizen Credit, by Income Level						
Income Level	Number of Returns	FAGI	Ohio Taxable Income	Senior Citizen Credit	Retirement Income Credit <sup>1</sup>	Ohio Income Tax
Under \$5,000	31,861	\$80,106,302	\$22,839,125	\$1,593,010	\$922,455	\$7,750
\$5,001 - \$10,000	51,448	397,396,913	236,422,262	2,572,242	4,325,612	10,206
\$10,001 - \$15,000	77,375	973,124,987	687,872,659	3,868,639	9,769,405	441,145
\$15,001 - \$20,000	75,148	1,308,945,726	978,066,138	3,757,261	10,721,763	2,168,904
\$20,001 - \$40,000	190,014	5,511,810,201	4,000,050,822	9,500,251	28,815,858	43,384,280
\$40,001 - \$80,000	192,147	10,989,239,134	7,782,664,723	9,606,935	29,668,842	179,867,251
\$80,001 - \$100,000	45,592	4,053,831,181	3,033,417,513	2,279,477	6,966,562	91,369,465
\$100,001 - \$200,000	59,944	7,977,457,289	6,529,124,361	2,997,120	8,753,530	243,233,917
\$200,001	25,786	35,861,076,850	34,867,476,612	1,289,300	3,072,280	694,449,939
	<b>749,315</b>	<b>\$67,152,988,584</b>	<b>\$58,137,934,216</b>	<b>\$37,464,235</b>	<b>\$103,016,307</b>	<b>\$1,254,932,856</b>

<sup>1</sup> This represents only the amount of the retirement income credit taken by senior citizen claimants (those 65 and older).

Table 11

2007 Ohio Individual Income Tax Returns: By County							
County	Number of Returns	FAGI	Ohio Income Tax	County	Number of Returns	FAGI	Ohio Income Tax
ADAMS	12,045	\$441,080,389	\$10,388,626	LORAIN	141,142	\$7,140,125,651	\$221,629,394
ALLEN	49,679	2,258,812,056	67,225,644	LUCAS	197,784	10,150,465,415	329,973,928
ASHLAND	24,596	1,064,807,886	29,381,797	MADISON	18,554	902,687,714	26,929,810
ASHTABULA	45,469	1,840,678,281	49,335,528	MAHONING	110,397	5,183,232,647	157,759,321
ATHENS	22,860	919,783,211	25,433,800	MARION	28,566	1,197,310,024	32,811,578
AUGLAIZE	22,487	1,101,749,284	33,499,776	MEDINA	83,701	5,019,564,503	168,689,143
BELMONT	30,865	1,231,436,250	32,715,522	MEIGS	9,150	338,883,660	8,303,969
BROWN	19,380	759,539,953	19,398,935	MERCER	20,721	910,885,188	25,952,361
BUTLER	165,939	9,184,900,601	298,656,631	MIAMI	49,967	2,467,689,949	75,541,463
CARROLL	12,849	521,350,715	13,895,335	MONROE	6,486	234,409,193	5,545,471
CHAMPAIGN	17,917	786,806,096	21,848,302	MONTGOMERY	250,641	12,813,546,585	401,680,562
CLARK	63,380	2,739,705,511	76,797,036	MORGAN	6,064	219,275,602	4,580,521
CLERMONT	90,942	5,077,189,675	165,393,900	MORROW	14,775	626,865,288	17,153,101
CLINTON	20,712	898,526,808	25,347,937	MUSKINGUM	38,620	1,551,546,808	42,828,141
COLUMBIANA	48,067	1,956,926,790	52,960,886	NOBLE	5,439	193,008,543	4,693,411
COSHOCTON	16,304	620,951,483	15,444,472	OTTAWA	21,330	1,059,817,622	31,076,180
CRAWFORD	21,522	809,518,827	20,189,339	PAULDING	9,103	388,687,557	10,398,816
CUYAHOGA	609,795	35,293,553,377	1,234,136,905	PERRY	14,852	557,763,574	14,169,019
DARKE	25,339	1,093,905,813	29,941,191	PICKAWAY	23,252	1,063,197,551	30,076,815
DEFIANCE	19,280	877,197,657	25,131,766	PIKE	11,813	443,060,217	11,075,532
DELAWARE	76,454	6,909,591,556	276,993,732	PORTAGE	73,041	3,681,083,550	114,457,875
ERIE	38,298	1,813,941,660	54,641,787	PREBLE	18,932	817,819,847	22,372,219
FAIRFIELD	64,684	3,382,095,031	104,223,818	PUTNAM	17,266	822,277,353	24,391,135
FAYETTE	13,307	515,497,765	13,632,579	RICHLAND	57,025	2,453,989,818	69,957,859
FRANKLIN	543,036	29,914,464,711	1,001,844,657	ROSS	32,978	1,352,825,755	36,812,529
FULTON	21,215	960,789,157	26,732,849	SANDUSKY	30,400	1,240,627,409	32,984,908
GALLIA	12,401	521,821,184	15,020,076	SCIOTO	28,111	1,131,477,692	29,794,551
GEAUGA	45,793	3,628,996,083	142,204,238	SENECA	27,347	1,074,536,299	28,069,561
GREENE	72,770	4,236,894,200	137,489,274	SHELBY	24,144	1,115,533,915	33,783,365
GUERNSEY	17,896	657,186,618	16,892,651	STARK	179,543	8,581,146,786	263,428,653
HAMILTON	386,282	25,818,781,582	958,812,815	SUMMIT	258,761	14,795,801,618	503,689,307
HANCOCK	34,947	1,786,798,388	55,811,439	TRUMBULL	100,833	4,483,907,803	128,738,038
HARDIN	13,616	535,633,480	13,855,903	TUSCARAWAS	44,743	1,840,898,279	50,767,154
HARRISON	6,861	345,829,162	5,915,521	UNION	22,320	1,291,893,113	41,842,593
HENRY	13,931	619,432,504	16,834,688	VAN WERT	14,421	596,050,722	15,710,515
HIGHLAND	18,821	694,945,787	17,492,984	VINTON	4,868	180,363,489	4,390,926
HOCKING	12,504	471,153,073	12,000,494	WARREN	94,637	6,787,459,597	243,048,612
HOLMES	14,696	606,927,119	17,057,755	WASHINGTON	28,052	1,254,789,806	35,586,746
HURON	29,264	1,222,985,677	33,330,203	WAYNE	53,507	2,473,197,667	73,020,666
JACKSON	13,904	546,658,339	14,350,044	WILLIAMS	18,577	768,425,611	21,011,656
JEFFERSON	31,031	1,327,600,465	36,291,832	WOOD	58,520	3,319,161,268	111,191,551
KNOX	26,029	1,310,041,928	42,354,033	WYANDOT	10,969	437,183,054	11,662,417
LAKE	118,032	6,178,112,437	194,102,125				
LAWRENCE	25,946	991,938,085	24,849,675	<b>COUNTY</b>			
LICKING	76,366	3,849,990,879	118,840,052	<b>TOTAL</b>	<b>5,351,434</b>	<b>\$282,310,427,249</b>	<b>\$9,145,615,900</b>
LOGAN	22,571	1,021,425,974	29,335,975	<b>OTHER<sup>1</sup></b>	<b>151,737</b>	<b>\$93,703,634,466</b>	<b>\$291,517,611</b>
				<b>STATE TOTAL</b>	<b>5,503,171</b>	<b>\$376,014,061,715</b>	<b>\$9,437,133,510</b>

1 Includes non-resident returns.

Table 12

Rank of Counties By Average Income As Reported On 2007 Ohio Individual Income Tax Returns							
Note: Includes only returns indicating a county residence.							
County	FAGI	Percentage of State Average	Rank	County	FAGI	Percentage of State Average	Rank
ADAMS	\$36,619	69.4%	85	LOGAN	\$45,254	85.8%	38
ALLEN	45,468	86.2%	36	LORAIN	50,588	95.9%	19
ASHLAND	43,292	82.1%	45	LUCAS	51,321	97.3%	16
ASHTABULA	40,482	76.7%	64	MADISON	48,652	92.2%	27
ATHENS	40,235	76.3%	66	MAHONING	46,951	89.0%	31
AUGLAIZE	48,995	92.9%	26	MARION	41,914	79.5%	54
BELMONT	39,897	75.6%	68	MEDINA	59,970	113.7%	5
BROWN	39,192	74.3%	73	MEIGS	37,036	70.2%	82
BUTLER	55,351	104.9%	12	MERCER	43,960	83.3%	42
CARROLL	40,575	76.9%	63	MIAMI	49,386	93.6%	25
CHAMPAIGN	43,914	83.2%	43	MONROE	36,141	68.5%	87
CLARK	43,227	81.9%	46	MONTGOMERY	51,123	96.9%	18
CLERMONT	55,829	105.8%	11	MORGAN	36,160	68.5%	86
CLINTON	43,382	82.2%	44	MORROW	42,427	80.4%	52
COLUMBIANA	40,712	77.2%	62	MUSKINGUM	40,175	76.2%	67
COSHOCTON	38,086	72.2%	76	NOBLE	35,486	67.3%	88
CRAWFORD	37,614	71.3%	78	OTTAWA	49,687	94.2%	24
CUYAHOGA	57,878	109.7%	8	PAULDING	42,699	80.9%	51
DARKE	43,171	81.8%	48	PERRY	37,555	71.2%	79
DEFIANCE	45,498	86.2%	35	PICKAWAY	45,725	86.7%	34
DELAWARE	90,376	171.3%	1	PIKE	37,506	71.1%	80
ERIE	47,364	89.8%	30	PORTAGE	50,397	95.5%	22
FAIRFIELD	52,286	99.1%	15	PREBLE	43,198	81.9%	47
FAYETTE	38,739	73.4%	74	PUTNAM	47,624	90.3%	29
FRANKLIN	55,087	104.4%	13	RICHLAND	43,034	81.6%	49
FULTON	45,288	85.8%	37	ROSS	41,022	77.8%	60
GALLIA	42,079	79.8%	53	SANDUSKY	40,810	77.4%	61
GEAUGA	79,248	150.2%	2	SCIOTO	40,250	76.3%	65
GREENE	58,223	110.4%	6	SENECA	39,293	74.5%	72
GUERNSEY	36,723	69.6%	84	SHELBY	46,203	87.6%	33
HAMILTON	66,839	126.7%	4	STARK	47,794	90.6%	28
HANCOCK	51,129	96.9%	17	SUMMIT	57,179	108.4%	9
HARDIN	39,339	74.6%	70	TRUMBULL	44,469	84.3%	40
HARRISON	50,405	95.5%	21	TUSCARAWAS	41,144	78.0%	59
HENRY	44,464	84.3%	41	UNION	57,881	109.7%	7
HIGHLAND	36,924	70.0%	83	VAN WERT	41,332	78.3%	57
HOCKING	37,680	71.4%	77	VINTON	37,051	70.2%	81
HOLMES	41,299	78.3%	58	WARREN	71,721	136.0%	3
HURON	41,791	79.2%	55	WASHINGTON	44,731	84.8%	39
JACKSON	39,317	74.5%	71	WAYNE	46,222	87.6%	32
JEFFERSON	42,783	81.1%	50	WILLIAMS	41,364	78.4%	56
KNOX	50,330	95.4%	23	WOOD	56,718	107.5%	10
LAKE	52,343	99.2%	14	WYANDOT	39,856	75.6%	69
LAWRENCE	38,231	72.5%	75				
LICKING	50,415	95.6%	20	<b>TOTAL</b>	<b>\$52,754</b>	<b>100.0%</b>	