
**CF-1A, 1B, 2A, & 2B:
CORPORATION FRANCHISE TAX:**



Tables CF-1, 2, 3, 4, & 5
Nos. 45 through 53 (2004)
August 04, 2004

**Number of Corporations and Reported Tax
Liability by Tax Base, Tax Year 2003**

The attached tables show a total reported tax year 2003 Ohio corporate franchise tax liability after all credits of \$647.7 million. The reported liability before credits (including litter tax) was \$819.7 million, but tax credits reduced the net liability by \$172.0 million. A total of 99,223 corporations were represented on the 2003 returns, with 20,126 corporations paying the tax based on net income and 33,211 paying the tax based on net worth. The number of corporations paying the \$50 minimum tax amounted to 45,886. However, 75 percent of the tax liability before credits was based on net income (compared to 75 percent in 2002) and 24 percent was derived from the net worth base (compared to 25 percent in 2002). The remainder of the tax was reported as liability under the minimum tax.

Tables CF-1A and 1B show the number of corporations and the reported total tax liabilities by tax base for each of nine broad industrial classifications. The largest total tax liability was reported by manufacturing corporations, which accounted for 25 percent of the total.

Tables CF-2A and 2B categorize the corporate returns by the size of the reported tax liability per return. The number of corporations and total tax liability are shown for each of the alternative tax bases for 18 tax liability classes.

Returns reporting over \$500,000 in tax liability were responsible for 41 percent of the total reported liability even though they covered less than one percent of total corporations.

The data shown on these tables were compiled from returns filed for tax year 2003 with the Ohio Department of Taxation.

NOTE: These tables do not include data from the tax returns of financial institutions. Data from financial institution returns are shown on a separate table (CF-5).

**CF-3A, 3B, 4A & 4B:
CORPORATION FRANCHISE
TAX**

**Number of Manufacturing Corporations
and Reported Tax Liability by Tax Base,
Tax Year 2003**

These tables show the total reported Ohio corporate franchise tax liability after all credits reported by 10,301 manufacturing corporations for tax year 2003 amounted to \$164.6 million. The reported liability before credits was \$252.0 million, but tax credits reduced the net liability by \$87.4 million. Approximately 74 percent of the manufacturing tax liability was based on net income while 26 percent was paid on the net worth base. The remaining liability was collected from the minimum tax.

Tables CF-3A and 3B show the number of corporations and the reported total tax liabilities by tax base for each of the manufacturing categories.



Tables CF-4A and 4B show the manufacturing returns by the size of the reported tax liability per return. The number of corporations and total tax liability are shown for each of the alternative tax bases for 18 tax liability classes.

The data shown on these tables were compiled from returns filed for tax year 2003 with the Ohio Department of Taxation.

CF-5: CORPORATION FRANCHISE TAX

Number of Financial Institutions and Reported Tax Liability by Type of Institution, Tax Year 2003

This table shows a total Ohio corporate franchise tax liability for financial institutions for tax year 2003 of \$162.2 million, an increase of 2.7 percent

from tax year 2002. Banks, while making up 64 percent of the total number of financial institutions, reported tax liability of \$125.7 million, or 77 percent of the total liability. Savings and loans, making up 28 percent of the total number of financial institutions, reported tax liability of \$35.3 million, or approximately 22 percent of the total liability. The remaining \$1.3 million of tax liability was reported by other types of financial institutions.

Financial institutions are not required to compute their tax liabilities on the two alternative tax bases (net income and net worth) as are other corporations. Financial institutions are subject to a tax on net worth only, but at a rate of 13.0 mills rather than 4.0 mills for other corporations.

**CORPORATION FRANCHISE TAX
NUMBER OF CORPORATIONS BY TAX BASE AND
INDUSTRY, TAX YEAR 2003**

<u>Industry</u>	<u>Number of Corporations by Tax Base</u>			
	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
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*	<u>17,323</u>	<u>5,973</u>	<u>5,199</u>	<u>28,495</u>
TOTAL	45,886	33,211	20,126	99,223

**Industry classification was not indicated by taxpayer.*

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY BY TAX BASE AND INDUSTRY
TAX YEAR 2003**

<u>Industry</u>	<u>Tax Liability Before Litter Tax and Credits By Tax Base</u>				<u>Litter Tax (a)</u>	<u>Total Liability Before Credits</u>	<u>Total Non- Refundable and Refundable Tax Credits</u>	<u>Liability After All Tax Credits</u>
	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>				
Agriculture & Forestry	\$19,600	\$865,340	\$1,140,898	\$2,025,838	\$44,540	\$2,070,378	\$145,502	\$1,924,876
Mining	13,000	2,618,486	6,279,350	8,910,836	127,933	9,038,769	1,064,770	7,973,999
Construction	133,250	5,365,045	21,794,773	27,293,068	502,725	27,795,793	346,728	27,449,065
Manufacturing	156,800	65,322,993	182,704,738	248,184,531	3,833,448	252,017,980	87,408,395	164,609,585
Transport, Communication, Utility	76,350	13,280,487	122,921,650	136,278,487	765,769	137,044,256	39,778,261	97,265,995
Wholesale Trade	86,950	16,059,100	57,759,174	73,905,224	1,115,223	75,020,447	5,742,323	69,278,124
Retail Trade	155,650	11,813,537	60,438,587	72,407,774	1,053,727	73,461,501	3,927,265	69,534,236
Finance, Insurance, Real Estate	220,350	21,114,345	58,229,983	79,564,678	1,173,026	80,737,704	13,407,574	67,330,130
Services	566,200	22,886,235	55,572,281	79,024,716	1,557,860	80,582,576	7,737,831	72,844,745
Unknown (b)	<u>866,150</u>	<u>37,912,874</u>	<u>41,045,766</u>	<u>79,824,790</u>	<u>2,101,384</u>	<u>81,926,174</u>	<u>12,475,002</u>	<u>69,451,172</u>
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

(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.

**CORPORATION FRANCHISE TAX
NUMBER OF CORPORATIONS BY TAX BASE AND
TAX LIABILITY CLASS, TAX YEAR 2003**

<u>Number of Corporations by Tax Base</u>					
<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>	
	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	--	<u>0</u>	<u>95</u>	<u>95</u>
	TOTAL	45,886	33,211	20,126	99,223

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY BY TAX BASE AND TAX LIABILITY
TAX YEAR 2003**

<u>Tax Liability Before Litter Tax and Credits By Tax Base</u>						<u>Total Liability Before Credits</u>	<u>Total Non-Refundable and Refundable Tax Credits</u>	<u>Liability After All Tax Credits</u>	
<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>	<u>Litter Tax*</u>				
	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	--	--	<u>271,927,539</u>	<u>271,927,539</u>	<u>370,028</u>	<u>272,297,567</u>	<u>67,790,802</u>	<u>204,506,765</u>
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.

**CORPORATION FRANCHISE TAX
NUMBER OF MANUFACTURING CORPORATIONS,
BY TAX BASE AND INDUSTRY
TAX YEAR 2003**

<u>Industry</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
Food	149	213	153	515
Tobacco Manufactures	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 (non-electrical)	330	553	172	1,055
Electrical Machinery	243	388	141	772
Transportation Equipment	107	165	89	361
Miscellaneous Manufacturing	<u>410</u>	<u>624</u>	<u>288</u>	<u>1,322</u>
Total	3,136	5,057	2,108	10,301

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS,
BY TAX BASE AND INDUSTRY CLASSIFICATION
TAX YEAR 2003**

<u>Industry</u>	<u>Tax Liability Before Litter Tax and Credits by Tax Base</u>					<u>Litter Tax*</u>	<u>Total Liability Before Credits</u>	<u>Total Non-Refundable and Refundable Tax Credits</u>	<u>Liability After All Tax Credits</u>
	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>					
Food	\$7,450	\$3,251,789	\$26,771,785	\$30,031,024	\$320,933	\$30,351,957	\$7,313,697	\$23,038,260	
Tobacco Manufactures	150	171,220	10,522,825	10,694,195	47,310	10,741,505	0	10,741,505	
Apparel and Other Textiles	3,650	692,871	1,077,267	1,773,788	44,928	1,818,716	87,027	1,731,689	
Lumber and Wood Products	5,900	1,333,731	3,069,854	4,409,485	79,282	4,488,767	1,457,207	3,031,560	
Paper	3,900	2,685,321	1,763,998	4,453,219	161,792	4,615,011	2,836,969	1,778,042	
Printing and Publishing	14,000	1,927,764	5,666,524	7,608,288	145,713	7,754,001	2,800,037	4,953,964	
Chemicals	11,350	11,046,026	29,899,092	40,956,468	521,416	41,477,884	8,441,478	33,036,406	
Petroleum and Coal	1,850	1,339,096	893,518	2,234,464	49,019	2,283,483	586,814	1,696,669	
Rubber and Plastics	9,450	3,445,005	7,971,361	11,425,816	245,206	11,671,022	4,655,347	7,015,675	
Leather Products	400	203,647	4,404	208,451	7,256	215,707	0	215,707	
Stone, Clay & Glass Products	4,850	2,732,200	6,223,294	8,960,344	157,607	9,117,951	4,603,045	4,514,906	
Primary Metal	6,350	3,545,490	7,881,851	11,433,691	181,345	11,615,036	5,631,491	5,983,545	
Fabricated Metal	33,000	8,127,924	15,116,943	23,277,867	506,506	23,784,373	8,214,698	15,569,675	
Machinery (non-electrical)	16,500	5,056,941	13,933,231	19,006,672	246,750	19,253,422	10,214,446	9,038,976	
Electrical Machinery	12,150	7,022,479	8,736,063	15,770,692	348,222	16,118,915	4,237,905	11,881,010	
Transportation Equipment	5,350	5,826,049	27,089,305	32,920,704	342,258	33,262,962	20,734,731	12,528,231	
Miscellaneous Manufacturing	<u>20,500</u>	<u>6,915,440</u>	<u>16,083,423</u>	<u>23,019,363</u>	<u>427,905</u>	<u>23,447,268</u>	<u>5,593,503</u>	<u>17,853,765</u>	
TOTAL	\$156,800	\$65,322,993	\$182,704,738	\$248,184,531	\$3,833,448	\$252,017,980	\$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.

**CORPORATION FRANCHISE TAX
NUMBER OF MANUFACTURING CORPORATIONS
BY TAX BASE AND TAX LIABILITY CLASS
TAX YEAR 2003**

<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
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	--	--	105	105
500,001 - 1,000,000	--	--	42	42
Over \$1,000,000	--	--	<u>34</u>	<u>34</u>
Total	3,136	5,057	2,108	10,301

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS,
BY TAX BASE AND TAX LIABILITY CLASS
TAX YEAR 2003**

<u>Tax Liability Before Litter Tax and Credits By Tax Base</u>						Total	Total Non-	Liability	Liability
<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>	<u>Litter Tax*</u>	<u>Credits</u>	<u>Refundable and Refundable Tax Credits</u>	<u>After All Tax Credits</u>	
	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	--	--	<u>77,530,428</u>	<u>77,530,428</u>	<u>124,265</u>	<u>77,654,693</u>	<u>26,794,375</u>	<u>50,860,318</u>
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.

**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 By Type				Refundable & Nonrefundable Tax Credits
	Banks	Savings & Loans	Other *	Total	Banks	Savings & Loans	Other *	Total	
\$51 - 1,000	10	4	17	31	\$3,790	\$682	\$2,340	\$6,812	--
1,001 - 2,000	4	--	2	6	5,614	--	3,084	8,698	--
2,001 - 3,000	2	--	3	5	4,667	--	6,665	11,332	--
3,001 - 4,000	--	--	--	--	--	--	--	--	--
4,001 - 5,000	1	--	--	1	4,946	--	--	4,946	--
5,001 - 10,000	5	--	2	7	39,539	--	11,654	51,193	--
10,001 - 15,000	4	1	--	5	49,034	10,759	--	59,793	\$15,650
15,001 - 20,000	4	2	3	9	70,202	32,788	51,443	154,433	--
20,001 - 25,000	5	3	--	8	112,110	67,985	--	180,095	6,976
25,001 - 30,000	3	1	--	4	79,177	27,037	--	106,214	6,854
30,001 - 35,000	4	1	--	5	133,202	33,103	--	166,305	3,632
35,001 - 50,000	17	8	2	27	712,269	327,192	84,190	1,123,651	5,504
50,001 - 100,000	60	28	1	89	4,560,319	2,184,268	52,238	6,796,825	27,375
100,001 - 200,000	56	23	--	79	7,985,898	3,408,495	--	11,394,393	263,611
200,001 - 500,000	48	23	--	71	15,098,497	6,802,161	--	21,900,658	216,210
500,001 - 1,000,000	15	11	--	26	10,808,747	7,493,951	--	18,302,698	576,663
Over \$1,000,000	<u>15</u>	<u>5</u>	<u>1</u>	<u>21</u>	<u>85,990,574</u>	<u>14,880,451</u>	<u>1,095,399</u>	<u>101,966,424</u>	<u>780,886</u>
TOTAL	253	110	31	394	\$125,658,585	\$35,268,872	\$1,307,013	\$162,234,470	\$1,903,361

* Primarily credit agencies that accept deposits.