

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



Tables CF-1, 2, 3, 4, & 5
Nos. 55 through 63 (2002)
September 06, 2002

**Number of Corporations and Reported Tax
Liability by Tax Base, Tax Year 2001**

The attached tables show a total reported tax year 2001 Ohio corporate franchise tax liability after all credits of \$705.1 million. The reported liability before credits (including litter tax) was \$821.1 million, but tax credits reduced the net liability by \$116.0 million. A total of 104,913 corporations were represented on the 2001 returns, with 25,173 corporations paying the tax based on net income and 33,351 paying the tax based on net worth. The number of corporations paying the \$50 minimum tax amounted to 46,389. However, 77 percent of the tax liability before credits was based on net income (compared to 81 percent in 2000) and 22 percent was derived from the net worth base (compared to 19 percent in 2000). 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 34 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 37 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 2001 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 2001**

These tables show the total reported Ohio corporate franchise tax liability after all credits reported by 11,386 manufacturing corporations for tax year 2001 amounted to \$236.4 million. The reported liability before credits was \$315.1 million, but tax credits reduced the net liability by \$78.7 million. Approximately 80 percent of the manufacturing tax liability was based on net income while 19 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 2001 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 2001

This table shows a total Ohio corporate franchise tax liability for financial institutions for tax year 2001 of \$177.0 million, a decrease of 6.7 percent from tax year

2000. Banks, while making up 59 percent of the total number of financial institutions, reported tax liability of \$138.4 million, or 78 percent of the total liability. Savings and loans, making up 33 percent of the total number of financial institutions, reported tax liability of \$36.6 million, or approximately 21 percent of the total liability. The remaining \$1.9 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 2001**

<u>Industry</u>	<u>Number of Corporations by Tax Base</u>			<u>Total</u>
	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	
Agriculture & Forestry	342	472	341	1,155
Mining	286	334	134	754
Construction	2,594	2,699	2,162	7,455
Manufacturing	3,159	4,995	3,232	11,386
Transport, Communication, Utility	1,359	1,254	823	3,436
Wholesale Trade	1,919	2,808	2,064	6,791
Retail Trade	3,251	4,196	2,637	10,084
Finance, Insurance, Real Estate	4,171	3,139	2,292	9,602
Services	10,731	7,110	4,988	22,829
Unknown*	<u>18,577</u>	<u>6,344</u>	<u>6,500</u>	<u>31,421</u>
TOTAL	46,389	33,351	25,173	104,913

**Industry classification was not indicated by the taxpayer.*

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY BY TAX BASE AND INDUSTRY
TAX YEAR 2001**

Industry	<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	\$17,100	\$873,854	\$1,769,523	\$2,660,477	\$54,605	\$2,715,082	\$38,160	\$2,676,922
Mining	14,300	2,375,387	5,475,368	7,865,055	162,922	8,027,977	1,660,150	6,367,827
Construction	129,700	4,641,174	24,560,412	29,331,286	626,608	29,957,894	267,554	29,690,340
Manufacturing	157,950	60,427,713	250,057,281	310,642,944	4,470,593	315,113,537	78,681,852	236,431,685
Transport, Communication, Utility	67,950	11,489,044	54,259,624	65,816,618	698,359	66,514,977	1,329,678	65,185,299
Wholesale Trade	95,950	14,542,542	56,052,515	70,691,007	1,359,670	72,050,677	7,027,894	65,022,783
Retail Trade	162,550	12,444,670	71,957,999	84,565,219	1,153,295	85,718,515	2,701,538	83,016,977
Finance, Insurance, Real Estate	208,550	17,940,365	40,043,599	58,192,514	1,079,104	59,271,618	6,482,501	52,789,117
Services	536,550	20,426,481	48,822,972	69,786,003	1,503,326	71,289,329	5,467,092	65,822,237
Unknown (b)	<u>928,850</u>	<u>35,526,762</u>	<u>71,756,395</u>	<u>108,212,007</u>	<u>2,216,692</u>	<u>110,428,698</u>	<u>12,326,608</u>	<u>98,102,090</u>
Total	\$2,319,450	\$180,687,992	\$624,755,688	\$807,763,130	\$13,325,174	\$821,088,304	\$115,983,027	\$705,105,277

(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 2001**

		<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	46,389	--	--	46,389
\$51 -	1,000	--	19,787	9,325	29,112
1,001 -	2,000	--	4,623	4,092	8,715
2,001 -	3,000	--	2,184	2,379	4,563
3,001 -	4,000	--	1,236	1,148	2,384
4,001 -	5,000	--	762	890	1,652
5,001 -	10,000	--	1,741	2,354	4,095
10,001 -	15,000	--	764	1,057	1,821
15,001 -	20,000	--	371	659	1,030
20,001 -	25,000	--	299	420	719
25,001 -	30,000	--	195	331	526
30,001 -	35,000	--	181	234	415
35,001 -	50,000	--	309	537	846
50,001 -	100,000	--	417	749	1,166
100,001 -	200,000	--	482	454	936
200,001 -	500,000	--	--	328	328
500,001 -	1,000,000	--	--	124	124
Over	\$1,000,000	--	--	<u>92</u>	<u>92</u>
	TOTAL	46,389	33,351	25,173	104,913

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY BY TAX BASE AND TAX LIABILITY
TAX YEAR 2001**

<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	\$2,319,450	--	--	\$2,319,450	--	\$2,319,450	\$4,914,351	(\$2,594,901)
\$51 - 1,000	--	\$7,303,495	\$3,859,404	11,162,899	\$323,133	11,486,032	142,141	11,343,891
1,001 - 2,000	--	6,367,349	6,027,131	12,394,480	356,632	12,751,112	330,877	12,420,235
2,001 - 3,000	--	5,320,612	5,649,245	10,969,857	313,646	11,283,503	443,768	10,839,735
3,001 - 4,000	--	4,126,286	3,904,280	8,030,566	231,793	8,262,359	396,442	7,865,917
4,001 - 5,000	--	3,447,195	3,893,148	7,340,343	211,240	7,551,583	364,109	7,187,474
5,001 - 10,000	--	12,018,698	16,236,095	28,254,793	794,838	29,049,631	2,469,241	26,580,390
10,001 - 15,000	--	9,089,019	12,724,024	21,813,043	618,321	22,431,364	1,233,181	21,198,183
15,001 - 20,000	--	6,200,741	11,227,532	17,428,273	486,757	17,915,030	2,151,316	15,763,714
20,001 - 25,000	--	6,452,364	9,643,902	16,096,266	449,154	16,545,420	1,184,323	15,361,097
25,001 - 30,000	--	5,185,191	8,807,796	13,992,987	389,664	14,382,651	1,546,486	12,836,165
30,001 - 35,000	--	5,660,706	7,320,347	12,981,053	366,197	13,347,250	1,287,789	12,059,461
35,001 - 50,000	--	12,651,636	21,722,333	34,373,969	946,388	35,320,357	3,812,933	31,507,424
50,001 - 100,000	--	28,837,512	51,998,433	80,835,945	2,144,384	82,980,329	8,707,629	74,272,700
100,001 - 200,000	--	68,027,188	61,703,869	129,731,057	3,258,086	132,989,143	28,081,093	104,908,050
200,001 - 500,000	--	--	97,218,266	97,218,266	1,451,652	98,669,918	16,235,926	82,433,992
500,001 - 1,000,000	--	--	84,289,981	84,289,981	568,740	84,858,721	15,192,752	69,665,969
Over \$1,000,000	--	--	<u>218,529,902</u>	<u>218,529,902</u>	<u>414,549</u>	<u>218,944,451</u>	<u>27,488,670</u>	<u>191,455,781</u>
TOTAL	\$2,319,450	\$180,687,992	\$624,755,688	\$807,763,130	\$13,325,174	\$821,088,304	\$115,983,027	\$705,105,277

*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 2001**

<u>Industry</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
Food	157	242	180	579
Tobacco Manufactures	6	4	6	16
Apparel and Other Textiles	102	102	61	265
Lumber and Wood Products	137	216	149	502
Paper	104	161	90	355
Printing and Publishing	270	373	252	895
Chemicals	224	371	237	832
Petroleum and Coal	29	56	20	105
Rubber and Plastics	223	300	212	735
Leather Products	9	16	3	28
Stone, Clay & Glass Products	115	210	157	482
Primary Metal	90	158	84	332
Fabricated Metal	582	1,172	774	2,528
Machinery (non-electrical)	348	579	322	1,249
Electrical Machinery	284	343	216	843
Transportation Equipment	116	150	114	380
Miscellaneous Manufacturing	<u>363</u>	<u>542</u>	<u>355</u>	<u>1,260</u>
TOTAL	3,159	4,995	3,232	11,386

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS,
BY TAX BASE AND INDUSTRY CLASSIFICATION
TAX YEAR 2001**

<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	\$7,850	\$4,286,905	\$29,956,175	\$34,250,930	\$413,138	\$34,664,068	\$5,958,076	\$28,705,992	
Tobacco Manufactures	300	21,957	13,477,826	13,500,083	38,683	13,538,766	--	13,538,766	
Apparel and Other Textiles	5,100	588,857	1,504,352	2,098,309	57,550	2,155,859	202,303	1,953,556	
Lumber and Wood Products	6,850	1,399,348	5,209,746	6,615,944	121,173	6,737,117	1,210,677	5,526,440	
Paper	5,200	2,697,381	4,990,198	7,692,779	169,602	7,862,381	2,925,131	4,937,250	
Printing and Publishing	13,500	2,432,057	16,883,655	19,329,212	239,526	19,568,738	2,988,822	16,579,916	
Chemicals	11,200	8,734,595	36,170,375	44,916,170	553,918	45,470,088	9,708,993	35,761,095	
Petroleum and Coal	1,450	1,558,301	4,221,916	5,781,667	72,440	5,854,107	1,876,463	3,977,644	
Rubber and Plastics	11,150	3,046,079	10,709,784	13,767,013	260,436	14,027,449	3,791,237	10,236,212	
Leather Products	450	225,235	30,588	256,273	8,649	264,922	1,372	263,550	
Stone, Clay & Glass Products	5,750	2,659,672	7,317,856	9,983,278	185,901	10,169,179	3,843,109	6,326,070	
Primary Metal	4,500	3,976,669	4,764,890	8,746,059	190,567	8,936,626	4,579,798	4,356,828	
Fabricated Metal	29,100	7,775,420	33,143,114	40,947,634	711,206	41,658,840	10,975,242	30,683,598	
Machinery (non-electrical)	17,400	4,906,310	12,107,111	17,030,821	351,181	17,382,002	3,135,087	14,246,915	
Electrical Machinery	14,200	5,738,145	22,527,688	28,280,033	397,837	28,677,870	4,383,168	24,294,702	
Transportation Equipment	5,800	4,111,023	30,759,359	34,876,182	285,482	35,161,664	19,379,357	15,782,307	
Miscellaneous Manufacturing	<u>18,150</u>	<u>6,269,759</u>	<u>16,282,648</u>	<u>22,570,557</u>	<u>413,304</u>	<u>22,983,861</u>	<u>3,723,017</u>	<u>19,260,844</u>	
TOTAL	\$157,950	\$60,427,713	\$250,057,281	\$310,642,944	\$4,470,593	\$315,113,537	\$78,681,852	\$236,431,685	

**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 2001**

<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
Minimum	3,159	--	--	3,159
\$51 - 1,000	--	1,941	533	2,474
1,001 - 2,000	--	791	385	1,176
2,001 - 3,000	--	434	257	691
3,001 - 4,000	--	252	145	397
4,001 - 5,000	--	176	132	308
5,001 - 10,000	--	455	362	817
10,001 - 15,000	--	196	209	405
15,001 - 20,000	--	99	132	231
20,001 - 25,000	--	81	117	198
25,001 - 30,000	--	55	71	126
30,001 - 35,000	--	57	49	106
35,001 - 50,000	--	104	158	262
50,001 - 100,000	--	147	247	394
100,001 - 200,000	--	207	184	391
200,001 - 500,000	--	--	149	149
500,001 - 1,000,000	--	--	59	59
Over \$1,000,000	--	--	<u>43</u>	<u>43</u>
TOTAL	3,159	4,995	3,232	11,386

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS,
BY TAX BASE AND TAX LIABILITY CLASS
TAX YEAR 2001**

<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	\$157,950	--	--	\$157,950	--	\$157,950	\$1,114,190	(\$956,240)
\$51 - 1,000	--	\$867,466	\$250,460	1,117,926	\$33,327	1,151,253	84,045	1,067,208
1,001 - 2,000	--	1,098,541	555,281	1,653,822	50,354	1,704,176	212,685	1,491,491
2,001 - 3,000	--	1,029,138	615,045	1,644,183	52,983	1,697,166	332,444	1,364,722
3,001 - 4,000	--	842,608	501,931	1,344,539	40,540	1,385,079	195,167	1,189,912
4,001 - 5,000	--	762,981	579,581	1,342,562	39,935	1,382,497	223,293	1,159,204
5,001 - 10,000	--	3,245,789	2,554,759	5,800,548	166,014	5,966,562	1,826,195	4,140,367
10,001 - 15,000	--	2,353,250	2,581,561	4,934,811	139,443	5,074,254	689,804	4,384,450
15,001 - 20,000	--	1,629,320	2,356,882	3,986,202	108,357	4,094,559	761,136	3,333,423
20,001 - 25,000	--	1,760,811	2,555,620	4,316,431	125,564	4,441,995	770,571	3,671,424
25,001 - 30,000	--	1,451,237	1,887,924	3,339,161	96,839	3,436,000	713,990	2,722,010
30,001 - 35,000	--	1,787,833	1,549,748	3,337,581	99,924	3,437,505	807,916	2,629,589
35,001 - 50,000	--	4,256,896	6,423,751	10,680,647	297,742	10,978,389	2,485,843	8,492,546
50,001 - 100,000	--	10,220,562	18,067,211	28,287,773	733,632	29,021,405	5,558,534	23,462,871
100,001 - 200,000	--	29,121,281	25,409,221	54,530,502	1,365,331	55,895,833	18,971,097	36,924,736
200,001 - 500,000	--	--	45,060,245	45,060,245	649,043	45,709,288	10,203,009	35,506,279
500,001 - 1,000,000	--	--	40,194,032	40,194,032	280,748	40,474,780	10,424,905	30,049,875
Over \$1,000,000	--	--	<u>98,914,029</u>	<u>98,914,029</u>	<u>190,817</u>	<u>99,104,846</u>	<u>23,307,028</u>	<u>75,797,818</u>
TOTAL	\$157,950	\$60,427,713	\$250,057,281	\$310,642,944	\$4,470,593	\$315,113,537	\$78,681,852	\$236,431,685

*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 2001**

<u>Tax Liability Class</u>	<u>Number of Corporations By Type</u>				<u>Tax Liability By Type</u>			
	<u>Banks</u>	<u>Savings & Loans</u>	<u>Other *</u>	<u>Total</u>	<u>Banks</u>	<u>Savings & Loans</u>	<u>Other *</u>	<u>Total</u>
\$51 - 1,000	12	7	16	35	\$2,463	\$672	\$841	\$3,976
1,001 - 2,000	--	--	--	--	--	--	--	--
2,001 - 3,000	--	--	2	2	--	--	5,551	5,551
3,001 - 4,000	2	--	1	3	6,695	--	3,405	10,100
4,001 - 5,000	--	--	--	--	--	--	--	--
5,001 - 10,000	5	3	--	8	30,509	24,349	--	54,858
10,001 - 15,000	3	1	2	6	36,124	13,431	24,364	73,919
15,001 - 20,000	5	2	--	7	88,606	30,203	--	118,809
20,001 - 25,000	4	2	1	7	87,383	47,531	23,425	158,339
25,001 - 30,000	2	2	1	5	54,656	52,211	28,068	134,935
30,001 - 35,000	7	4	1	12	231,068	130,024	31,918	393,010
35,001 - 50,000	16	8	3	27	668,283	329,141	132,017	1,129,441
50,001 - 100,000	53	28	1	82	3,870,900	1,969,967	75,886	5,916,753
100,001 - 200,000	49	28	1	78	6,956,211	3,960,459	130,336	11,047,006
200,001 - 500,000	38	33	1	72	11,526,329	9,546,356	205,807	21,278,492
500,001 - 1,000,000	18	5	--	23	12,085,212	2,855,427	--	14,940,639
Over \$1,000,000	<u>17</u>	<u>7</u>	<u>1</u>	<u>25</u>	<u>102,792,212</u>	<u>17,610,038</u>	<u>1,284,606</u>	<u>121,686,856</u>
TOTAL	231	130	31	392	\$138,436,651	\$36,569,809	\$1,946,224	\$176,952,684

* Primarily credit agencies that accept deposits.