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



Tables CF-1, 2, 3, 4, & 5
Nos. 49 through 58 (2005)
August 10, 2005

**Number of Corporations and Reported Tax
Liability by Tax Base, Tax Year 2004**

The attached tables show a total reported tax year 2004 Ohio corporate franchise tax liability after all credits of \$715.7 million. The reported liability before credits (including litter tax) was \$898.5 million, but tax credits reduced the net liability by \$182.8 million. A total of 93,116 corporations were represented on the 2004 returns, with 18,938 corporations paying the tax based on net income and 29,461 paying the tax based on net worth. The number of corporations paying the \$50 or \$1,000 minimum tax amounted to 44,717. However, 76 percent of the tax liability before credits was based on net income (compared to 75 percent in 2003) and 21 percent was derived from the net worth base (compared to 24 percent in 2003). 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 26 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 45 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 2004 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 2004

These tables show the total reported Ohio corporate franchise tax liability after all credits reported by 9,383 manufacturing corporations for tax year 2004 amounted to \$155.5 million. The reported liability before credits was \$233.4 million, but tax credits reduced the net liability by \$77.9 million. Approximately 72 percent of the manufacturing tax liability was based on net income while 27 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 2004 with the Ohio Department of Taxation.

CF-5: CORPORATION FRANCHISE TAX

Number of Financial Institutions and Reported Tax Liability by Type of Insti- tution, Tax Year 2004

This table shows a total Ohio corporate franchise tax liability for financial institutions for tax year 2004 of \$189.3 million, an increase of 16.7 percent from tax year 2003. Banks, while making up 65 percent of the total number of financial institutions, reported tax liability of \$147.6 million, or 78 percent of the total liability. Savings and loans, making up 25 percent of the total number of financial institutions, reported tax liability of \$40.3 million, or approximately 21 percent of the total liability. The remaining \$1.4 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 2004**

<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	414	490	244	1,148
Mining	242	264	95	601
Construction	2,587	2,670	1,311	6,568
Manufacturing	3,038	4,484	1,861	9,383
Transport, Communication, Utility	1,427	1,088	667	3,182
Wholesale Trade	1,644	2,352	1,279	5,275
Retail Trade	2,909	3,438	1,727	8,074
Finance, Insurance, Real Estate	4,111	3,074	2,076	9,261
Services	10,504	6,234	4,313	21,051
Unknown*	<u>17,841</u>	<u>5,367</u>	<u>5,365</u>	<u>28,573</u>
TOTAL	44,717	29,461	18,938	93,116

**Industry classification was not indicated by taxpayer.*

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY BY TAX BASE AND INDUSTRY
TAX YEAR 2004**

<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	\$31,150	\$895,955	\$1,084,446	\$2,011,551	\$48,466	\$2,060,017	\$69,565	\$1,990,452	
Mining	27,300	2,074,561	3,787,140	5,889,001	120,878	6,009,879	1,240,604	4,769,275	
Construction	306,050	5,549,507	22,460,447	28,316,004	463,495	28,779,499	325,092	28,454,407	
Manufacturing	671,500	61,915,030	167,381,438	229,967,968	3,403,286	233,371,254	77,857,560	155,513,694	
Transport, Communication, Utility	251,850	11,051,167	187,333,570	198,636,587	698,446	199,335,033	41,046,630	158,288,403	
Wholesale Trade	246,550	13,495,018	58,542,711	72,284,279	1,032,020	73,316,299	13,969,141	59,347,158	
Retail Trade	287,950	10,533,409	69,261,038	80,082,397	949,845	81,032,242	6,983,878	74,048,364	
Finance, Insurance, Real Estate	428,800	20,675,858	56,947,420	78,052,078	1,139,845	79,191,923	14,823,797	64,368,126	
Services	1,131,300	21,229,001	63,788,926	86,149,227	1,540,518	87,689,745	10,749,393	76,940,352	
Unknown (b)	<u>3,181,550</u>	<u>44,943,928</u>	<u>57,042,139</u>	<u>105,167,617</u>	<u>2,581,103</u>	<u>107,748,720</u>	<u>15,782,135</u>	<u>91,966,585</u>	
Total	\$6,564,000	\$192,363,434	\$687,629,275	\$886,556,709	\$11,977,902	\$898,534,611	\$182,847,795	\$715,686,816	

(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 2004**

<u>Tax Liability Class</u>	<u>Number of Corporations by Tax Base</u>			
	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
Minimum (\$50 or \$1,000)	44,717	--	--	44,717
\$51 - 1,000	--	15,512	6,610	22,122
1,001 - 2,000	--	5,036	3,316	8,352
2,001 - 3,000	--	2,092	1,658	3,750
3,001 - 4,000	--	1,134	841	1,975
4,001 - 5,000	--	786	648	1,434
5,001 - 10,000	--	1,752	1,812	3,564
10,001 - 15,000	--	738	848	1,586
15,001 - 20,000	--	417	473	890
20,001 - 25,000	--	284	376	660
25,001 - 30,000	--	191	258	449
30,001 - 35,000	--	167	193	360
35,001 - 50,000	--	342	417	759
50,001 - 100,000	--	428	594	1,022
100,001 - 200,000	--	582	397	979
200,001 - 500,000	--	0	310	310
500,001 - 1,000,000	--	0	93	93
Over \$1,000,000	--	<u>0</u>	<u>94</u>	<u>94</u>
TOTAL	44,717	29,461	18,938	93,116

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY BY TAX BASE AND TAX LIABILITY
TAX YEAR 2004**

<u>Tax Liability Before Litter Tax and Credits By Tax Base</u>						Total Liability Before Credits	Total Non- Refundable and Refundable Tax Credits	Liability After All Tax Credits
<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>	<u>Litter Tax*</u>			
Minimum (\$50 or \$1,000)	\$6,564,000	--	--	\$6,564,000	--	\$6,564,000	\$6,008,684	\$555,316
\$51 - 1,000	--	\$5,536,698	2,840,958	8,377,656	247,517	8,625,173	236,199	8,388,974
1,001 - 2,000	--	6,330,850	4,692,609	11,023,459	320,022	11,343,481	808,684	10,534,797
2,001 - 3,000	--	5,043,253	3,963,459	9,006,712	259,927	9,266,639	410,663	8,855,976
3,001 - 4,000	--	3,796,442	2,891,284	6,687,726	194,554	6,882,280	372,888	6,509,392
4,001 - 5,000	--	3,381,416	2,894,855	6,276,271	179,413	6,455,684	332,501	6,123,183
5,001 - 10,000	--	11,975,342	12,624,227	24,599,569	703,307	25,302,876	2,572,149	22,730,727
10,001 - 15,000	--	8,848,218	10,498,338	19,346,556	539,101	19,885,657	2,522,871	17,362,786
15,001 - 20,000	--	7,368,021	7,972,056	15,340,077	427,868	15,767,945	1,867,967	13,899,978
20,001 - 25,000	--	6,156,486	8,607,748	14,764,234	395,224	15,159,458	2,035,605	13,123,853
25,001 - 30,000	--	5,054,190	6,919,515	11,973,705	333,975	12,307,680	1,419,875	10,887,805
30,001 - 35,000	--	5,262,834	6,118,045	11,380,879	324,601	11,705,480	1,366,820	10,338,660
35,001 - 50,000	--	13,765,773	17,041,740	30,807,513	834,127	31,641,640	4,917,013	26,724,627
50,001 - 100,000	--	28,809,203	41,926,272	70,735,475	1,812,483	72,547,958	13,071,133	59,476,825
100,001 - 200,000	--	81,034,708	56,210,313	137,245,021	3,312,072	140,557,093	45,158,966	95,398,127
200,001 - 500,000	--	--	94,694,826	94,694,826	1,340,049	96,034,875	17,577,219	78,457,656
500,001 - 1,000,000	--	--	62,934,561	62,934,561	389,081	63,323,642	16,640,380	46,683,262
Over \$1,000,000	--	--	<u>344,798,469</u>	<u>344,798,469</u>	<u>364,581</u>	<u>345,163,050</u>	<u>65,528,178</u>	<u>279,634,872</u>
Total	\$6,564,000	\$192,363,434	\$687,629,275	\$886,556,709	\$11,977,902	\$898,534,611	\$182,847,795	\$715,686,816

*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 2004**

<u>Industry</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
Food	142	199	135	476
Tobacco Manufactures	4	4	4	12
Apparel and Other Textiles	68	70	25	163
Lumber and Wood Products	116	167	64	347
Paper	83	109	37	229
Printing and Publishing	237	292	136	665
Chemicals	233	303	158	694
Petroleum and Coal	35	42	14	91
Rubber and Plastics	190	265	141	596
Leather Products	6	14	3	23
Stone, Clay & Glass Products	98	176	80	354
Primary Metal	126	183	59	368
Fabricated Metal	660	1,161	393	2,214
Machinery (non-electrical)	305	488	146	939
Electrical Machinery	260	326	125	711
Transportation Equipment	107	145	80	332
Miscellaneous Manufacturing	<u>368</u>	<u>540</u>	<u>261</u>	<u>1,169</u>
Total	3,038	4,484	1,861	9,383

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS,
BY TAX BASE AND INDUSTRY CLASSIFICATION
TAX YEAR 2004**

<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	\$34,650	\$3,570,210	\$25,171,815	\$28,776,675	\$290,915	\$29,067,590	\$7,150,728	\$21,916,862	
Tobacco Manufactures	200	176,429	7,538,294	7,714,923	45,558	7,760,481	0	7,760,481	
Apparel and Other Textiles	16,700	763,923	542,830	1,323,453	39,921	1,363,374	65,712	1,297,662	
Lumber and Wood Products	15,300	1,430,956	1,604,131	3,050,387	74,283	3,124,670	1,108,043	2,016,627	
Paper	19,350	2,490,019	2,206,758	4,716,127	104,283	4,820,410	3,514,098	1,306,312	
Printing and Publishing	36,550	1,614,711	8,475,908	10,127,169	144,153	10,271,322	2,379,831	7,891,491	
Chemicals	81,950	8,994,661	42,799,837	51,876,448	462,961	52,339,409	6,946,659	45,392,750	
Petroleum and Coal	11,250	1,638,545	792,617	2,442,412	40,634	2,483,046	558,446	1,924,600	
Rubber and Plastics	42,700	3,670,075	7,131,287	10,844,062	214,955	11,059,017	4,594,754	6,464,263	
Leather Products	2,200	217,977	1,063,522	1,283,699	12,534	1,296,233	212,340	1,083,893	
Stone, Clay & Glass Products	20,100	3,174,615	3,287,739	6,482,454	142,783	6,625,237	3,216,037	3,409,200	
Primary Metal	33,850	3,493,859	3,780,102	7,307,811	143,208	7,451,019	6,879,202	571,817	
Fabricated Metal	100,450	7,875,883	14,982,686	22,959,019	445,614	23,404,633	8,728,034	14,676,599	
Machinery (non-electrical)	83,650	4,776,177	5,058,120	9,917,947	240,731	10,158,678	3,424,561	6,734,117	
Electrical Machinery	66,200	6,266,280	8,759,916	15,092,396	299,911	15,392,307	4,991,129	10,401,178	
Transportation Equipment	31,950	5,299,131	19,157,191	24,488,272	319,866	24,808,138	18,438,726	6,369,412	
Miscellaneous Manufacturing	<u>74,450</u>	<u>6,461,579</u>	<u>15,028,685</u>	<u>21,564,714</u>	<u>380,976</u>	<u>21,945,690</u>	<u>5,649,260</u>	<u>16,296,430</u>	
TOTAL	\$671,500	\$61,915,030	\$167,381,438	\$229,967,968	\$3,403,286	\$233,371,254	\$77,857,560	\$155,513,694	

*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 2004**

<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>
Minimum (\$50 or \$1,000)	3,038	--	--	3,038
\$51 - 1,000	--	1,488	271	1,759
1,001 - 2,000	--	806	242	1,048
2,001 - 3,000	--	402	139	541
3,001 - 4,000	--	227	73	300
4,001 - 5,000	--	182	61	243
5,001 - 10,000	--	401	209	610
10,001 - 15,000	--	189	123	312
15,001 - 20,000	--	125	79	204
20,001 - 25,000	--	84	72	156
25,001 - 30,000	--	66	49	115
30,001 - 35,000	--	37	36	73
35,001 - 50,000	--	100	86	186
50,001 - 100,000	--	148	141	289
100,001 - 200,000	--	229	111	340
200,001 - 500,000	--	--	102	102
500,001 - 1,000,000	--	--	38	38
Over \$1,000,000	--	--	<u>29</u>	<u>29</u>
Total	3,038	4,484	1,861	9,383

**CORPORATION FRANCHISE TAX
REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS,
BY TAX BASE AND TAX LIABILITY CLASS
TAX YEAR 2004**

<u>Tax Liability Before Litter Tax and Credits By Tax Base</u>						Total Liability Before Credits	Total Non- Refundable and Refundable Tax Credits	Liability After All Tax Credits
<u>Tax Liability Class</u>	<u>Minimum</u>	<u>Net Worth</u>	<u>Net Income</u>	<u>Total</u>	<u>Litter Tax*</u>			
Minimum (\$50 or \$1,000)	\$671,500	--	--	\$671,500	--	\$671,500	\$536,812	\$134,688
\$51 - 1,000	--	601,586	120,973	722,559	23,444	746,003	89,222	656,781
1,001 - 2,000	--	1,003,647	360,560	1,364,207	42,600	1,406,807	385,456	1,021,351
2,001 - 3,000	--	957,237	331,807	1,289,044	41,037	1,330,081	263,854	1,066,227
3,001 - 4,000	--	758,286	251,531	1,009,817	31,894	1,041,711	227,059	814,652
4,001 - 5,000	--	783,132	284,166	1,067,298	32,626	1,099,924	219,320	880,604
5,001 - 10,000	--	2,724,454	1,469,682	4,194,136	126,191	4,320,327	1,066,179	3,254,148
10,001 - 15,000	--	2,352,561	1,504,172	3,856,733	110,253	3,966,986	1,933,048	2,033,938
15,001 - 20,000	--	2,101,643	1,345,986	3,447,629	105,675	3,553,304	884,567	2,668,737
20,001 - 25,000	--	1,820,273	1,716,610	3,536,883	98,855	3,635,738	864,200	2,771,538
25,001 - 30,000	--	1,737,829	1,314,088	3,051,917	88,536	3,140,453	720,513	2,419,940
30,001 - 35,000	--	1,161,802	1,132,106	2,293,908	68,870	2,362,778	608,381	1,754,397
35,001 - 50,000	--	4,051,811	3,554,813	7,606,624	218,253	7,824,877	2,472,465	5,352,412
50,001 - 100,000	--	10,228,131	10,309,459	20,537,590	531,367	21,068,957	7,193,104	13,875,853
100,001 - 200,000	--	31,632,638	15,505,064	47,137,702	1,196,700	48,334,402	28,910,036	19,424,366
200,001 - 500,000	--	--	32,427,505	32,427,505	422,964	32,850,469	11,769,723	21,080,746
500,001 - 1,000,000	--	--	26,191,256	26,191,256	161,112	26,352,368	8,881,167	17,471,201
Over \$1,000,000	--	--	<u>69,561,660</u>	<u>69,561,660</u>	<u>102,909</u>	<u>69,664,569</u>	<u>10,832,454</u>	<u>58,832,115</u>
Total	\$671,500	\$61,915,030	\$167,381,438	\$229,967,968	\$3,403,286	\$233,371,254	\$77,857,560	\$155,513,694

*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 2004**

Tax Liability Class	Number of Corporations by Type				Tax Liability Before Credits by Type				Refundable & Nonrefundable Tax Credits
	Banks	Savings & Loans	Other *	Total	Banks	Savings & Loans	Other *	Total	
Minimum (\$50 or \$1,000)	7	--	22	29	\$4,150	--	\$9,650	\$13,800	--
\$51 - 1,000	2	2	1	5	1,238	\$854	799	2,891	--
1,001 - 2,000	1	--	1	2	1,376	--	1,335	2,711	--
2,001 - 3,000	3	2	1	6	7,611	5,424	2,922	15,957	--
3,001 - 4,000	2	--	--	2	7,618	--	--	7,618	--
4,001 - 5,000	1	--	--	1	4,837	--	--	4,837	--
5,001 - 10,000	4	--	2	6	31,196	--	15,423	46,619	--
10,001 - 15,000	5	1	--	6	64,099	10,541	--	74,640	\$16,828
15,001 - 20,000	8	2	--	10	138,015	33,825	--	171,840	12,988
20,001 - 25,000	6	1	1	8	125,809	24,241	21,915	171,965	--
25,001 - 30,000	1	1	--	2	26,424	27,940	--	54,364	3,823
30,001 - 35,000	5	1	1	7	163,689	31,130	34,646	229,465	--
35,001 - 50,000	19	9	3	31	824,575	359,366	122,513	1,306,454	28,118
50,001 - 100,000	52	25	3	80	3,943,596	1,952,433	162,719	6,058,748	264,593
100,001 - 200,000	58	19	2	79	8,451,929	2,736,934	269,126	11,457,989	202,269
200,001 - 500,000	46	21	0	67	14,713,733	6,556,733	--	21,270,466	639,294
500,001 - 1,000,000	19	8	1	28	12,336,449	5,154,936	764,622	18,256,007	605,273
Over \$1,000,000	<u>16</u>	<u>8</u>	<u>--</u>	<u>24</u>	<u>106,747,094</u>	<u>23,382,739</u>	<u>--</u>	<u>130,129,833</u>	<u>19,113,615</u>
TOTAL	255	100	38	393	\$147,593,438	\$40,277,096	\$1,405,670	\$189,276,204	\$20,886,801

* Primarily credit agencies that accept deposits.