Ohio Legislative Service Commission

Bill Analysis

Stephen Estelle

H.B. 308

128th General Assembly
(As Introduced)

Reps. Foley and Hagan, Skindell, Celeste, Yates, Stewart, Yuko, Chandler, Ujvagi, Koziura, S. Williams

BILL SUMMARY

- Increases the marginal income tax rate applicable to taxable income between $200,000 and $500,000 from 5.925% to 7.5%, and to 8.5% for taxable income greater than $500,000.
- Applies the increased marginal income tax rates to taxpayers' taxable years beginning in 2009 or thereafter.

CONTENT AND OPERATION

Marginal income tax rate increase

For income taxpayers' taxable years beginning in 2009 or thereafter, the marginal income tax rate applicable under current law to an individual's, trust's, or estate's Ohio taxable income in excess of $200,000 is 5.925%. (Marginal tax rates were reduced by H.B. 66 of the 126th General Assembly. The reduced rates were phased in over five years between 2005 and 2009. Before 2005, the marginal rate applicable to taxable income in excess of $200,000 was 7.5%.)

The bill increases the marginal income tax rate applicable to taxable income in excess of $200,000 but not in excess of $500,000 to 7.5%. The marginal income tax rate applicable to taxable income in excess of $500,000 is increased to 8.5%. The new rates apply to a taxpayer's taxable year beginning in 2009 or thereafter.

HISTORY

ACTION	DATE
Introduced	10-13-09

h0308-i-128.docx/kl