

Revenue Distribution Funds

Volunteer Firefighters Dependents Fund Group

085 800-900 Volunteer Fire Fighters' Dependents Fund

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$192,270	\$205,740	\$265,975	\$267,075	\$280,000	\$280,000
	7.0%	29.3%	0.4%	4.8%	0.0%

Source: Volunteer Firefighters Dependents Fund Group: "Initial premiums" paid by each political subdivision or fire district that maintains a volunteer fire department

Legal Basis: ORC 146.07

Purpose: Revenues in the fund are used to pay three types of benefits:

- (1) Surviving spouse benefits, to anyone whose firefighter spouse was killed in the line of duty.
- (2) Monthly benefits to dependent children until age 18 or age 23 if the child is attending a post-secondary educational institution.
- (3) Monthly benefits to totally and permanently disabled firefighters.

Agency Fund Group

062 110-900 Resort Area Excise Tax

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$666,176	\$712,705	\$643,192	\$729,905	\$1,000,000	\$1,075,000
	7.0%	-9.8%	13.5%	37.0%	7.5%

Source: Agency Fund Group: Resort area excise taxes (qualified municipal corporations and townships may impose a resort area tax of up to 1.5% on gross receipts from general sales or intrastate transportation primarily to and from the resort area. Three eligible jurisdictions currently impose the tax: Kelley's Island (1.5%), Village of Put-in-Bay (1.0%), and the township of Put-in-Bay (1.0%))

Legal Basis: ORC 5739.101 through 5739.105

Purpose: This fund holds resort area excise tax money until 45 days after the month of collection, when the Tax Commissioner distributes it to the municipal corporations and townships of origin, minus 1% retained by the GRF for administration.

Revenue Distribution Funds

063 110-900 Permissive Tax Distribution

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$1,349,927,422	\$1,401,848,614	\$1,473,079,420	\$1,495,845,328	\$1,627,628,631	\$1,706,969,960
	3.8%	5.1%	1.5%	8.8%	4.9%

Source: Agency Fund Group: County and transit authority permissive sales and use taxes and county permissive cigarette taxes and alcoholic beverage taxes (Cuyahoga County is the only county levying excise taxes on cigarettes and alcoholic beverages)

Legal Basis: ORC 4301.423, 5743.024, 5739.21, and 5741.03

Purpose: This fund holds revenue from county and transit authority permissive taxes, until the Tax Commissioner distributes the tax revenue back to the county or transit authority of origin.

067 110-900 School District Income Tax

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$147,379,328	\$145,603,318	\$147,671,566	\$170,329,420	\$185,000,000	\$195,000,000
	-1.2%	1.4%	15.3%	8.6%	5.4%

Source: Agency Fund Group: School district income tax collections

Legal Basis: ORC 5747.03

Purpose: This fund holds school district income tax collections, which are administered by the Tax Commissioner, prior to their distribution back to the districts of origin. The Ohio Department of Taxation keeps 1.5% for administration of the tax.

4P8 001-698 Cash Management Improvement Fund

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$2,636,323	\$1,256,904	\$680,706	\$488,874	\$2,500,000	\$3,000,000
	-52.3%	-45.8%	-28.2%	411.4%	20.0%

Source: Agency Fund Group: Interest earnings of various state funds that draw federal money

Legal Basis: ORC 131.37

Purpose: This fund holds interest earnings that the state must pay to the federal government under the federal Cash Management Improvement Act.

Revenue Distribution Funds

608 001-699 Investment Earnings

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$263,908,274	\$134,550,529	\$68,622,253	\$103,649,876	\$85,000,000	\$85,000,000
	-49.0%	-49.0%	51.0%	-18.0%	0.0%

Source: Agency Fund Group: Investment earnings from various state funds

Legal Basis: ORC 113.09

Purpose: This fund holds investment earning from the State Treasurer's investment pool until the Office of Budget and Management apportions them to the funds that ultimately receive them, including the GRF.

Holding Account Redistribution Fund Group

R45 110-617 International Fuel Tax Distribution

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$35,012,255	\$36,180,528	\$35,964,512	\$39,082,263	\$6,292,029	\$0
	3.3%	-0.6%	8.7%	-83.9%	-100.0%

Source: Holding Account Redistribution Fund Group: Fuel use tax payments

Legal Basis: ORC 5735.31 and 5735.311

Purpose: This fund holds fuel use tax payments prior to their eventual distribution to other funds in Ohio, or to other jurisdictions that are owed some of the fuel tax collected from Ohio-based carriers.

All states have been mandated by the federal government (Public Law 102-240, December 18, 1991) to join the International Fuel Tax Agreement (IFTA) or lose the right to collect and levy a motor fuel use tax. IFTA is a base state agreement whereby trucking companies register for fuel use tax in their home state and file one tax return in their home state instead of registering and filing in each state in which they operate. The base state then makes payments to other jurisdictions that are owed some of the fuel tax, and also collects tax it is owed from other jurisdictions. These payments are made possible by a set of reciprocal agreements between the states and provinces in IFTA.

Note: This line item also appears under the Department of Taxation because in prior budget bills, its appropriations have been placed there.

Revenue Distribution Funds

Revenue Distribution Fund Group

049 038-900 Indigent Drivers Alcohol Treatment

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$1,825,745	\$1,882,542	\$1,898,355	\$1,544,545	\$1,865,000	\$1,865,000
	3.1%	0.8%	-18.6%	20.7%	0.0%

Source: Revenue Distribution Fund Group: \$25 of the fine paid by OMVI offenders to have their licenses reinstated after their suspension periods

Legal Basis: ORC 4511.193

Purpose: The Department of Alcohol and Drug Addiction Services distributes moneys from the fund to local courts through county and municipal indigent drivers treatment funds, which pay the costs of alcohol and drug addiction treatment programs ordered by the court for indigent persons.

050 762-900 International Registration Plan Distribution

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$44,678,665	\$47,163,980	\$43,208,147	\$35,470,341	\$55,000,000	\$55,000,000
	5.6%	-8.4%	-17.9%	55.1%	0.0%

Source: Revenue Distribution Fund Group: Registration fees based on gross vehicle weight and a three cents per gallon motor fuel surcharge for vehicles subject to the IRP

Legal Basis: ORC 4501.044

Purpose: Am. Sub. H.B. 831 of the 118th G.A. eliminated the highway use tax (axle-mile tax) effective January 1, 1991. The act required the Registrar of Motor Vehicles in Ohio to apply for membership in a reciprocal registration agreement known as the International Registration Plan (IRP). The highway use tax and the various commercial vehicle registration taxes effective under prior law were replaced with a system for registration fees based on gross vehicle weight and a three cents per gallon motor fuel surcharge for vehicles subject to the IRP. Revenues from the new IRP registration fees are deposited into the International Registration Plan Distribution Fund (IRDPF).

Distributions are made from the IRPDF as follows: (1) to make payments to member states for portions of Ohio registration taxes that the states are eligible to receive because of the operation within their borders of apportionable vehicles that are registered in Ohio; (2) to the Highway Obligations Bond Retirement Fund; (3) to offset operation costs of the Department of Taxation and the Bureau of Motor Vehicles; and (4) to local governments as compensation for lost revenue which would have been received under prior law.

Revenue Distribution Funds

051 762-901 Auto Registration Distribution

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$460,134,824	\$469,132,943	\$452,733,963	\$441,631,205	\$475,000,000	\$475,000,000
	2.0%	-3.5%	-2.5%	7.6%	0.0%

Source: Revenue Distribution Fund Group: Motor vehicle license tax

Legal Basis: ORC 4501.03

Purpose: Moneys in this fund are returned to the counties and districts of registration, except that a portion is paid to the auditor of state to offset the costs of audits of deputy registrars and of the motor vehicle registration system and related systems. Amounts returned to the counties and districts are used for the planning, construction, and maintenance of public highways and roads, and for other related activities.

054 110-900 Local Government Property Tax Replacement-Utility

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$45,303,329	\$90,581,959	\$90,646,413	\$90,679,570	\$90,000,000	\$90,000,000
	99.9%	0.1%	0.0%	-0.7%	0.0%

Source: Revenue Distribution Fund Group: Kilowatt-hour tax and natural gas consumption tax

Legal Basis: ORC 5727.84 (originally established by Am. Sub. S.B. 3 and Am. Sub. S.B. 287 of the 123rd G.A.)

Purpose: Funds are used to replace property tax revenue lost due to valuation reductions to tangible property owned by electric and natural gas utilities.

Revenue Distribution Funds

060 110-900 Gasoline Excise Tax Fund

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$108,943,352	\$109,898,012	\$185,043,902	\$265,387,036	\$325,000,000	\$349,000,000
	0.9%	68.4%	43.4%	22.5%	7.4%

Source: Revenue Distribution Fund Group: 1.75 cents per gallon of the motor vehicle fuel tax

Legal Basis: ORC 5735.27, 5735.23, and 5735.26

Purpose: The portion of the fund that is distributed to municipal corporations is used for construction and maintenance of public highways and roads, maintenance of bridges, and the purchase and installation of traffic signs, markers, lights, and signals.

The portion of the fund that is paid to counties (under the authority of the county treasurer) is to be used for planning, constructing, and maintaining public highways and roads; constructing and repairing walks and paths along country roads; constructing and maintaining buildings for county road machinery; and the payment of bond obligations for road construction and improvements.

The portion of this fund that is paid to townships (after first going to the county treasurer) is used for planning, constructing, and maintaining public roads and highways.

064 110-900 Local Government Revenue Assistance

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$99,987,727	\$96,600,840	\$90,947,173	\$94,597,556	\$94,605,130	\$94,605,130
	-3.4%	-5.9%	4.0%	0.0%	0.0%

Source: Revenue Distribution Fund Group: State personal income tax, state sales and use tax, corporate franchise tax, public utility excise tax, and kilowatt-hour tax

Legal Basis: ORC 5747.61

Purpose: Money in the state Local Government Revenue Assistance Fund (LGRAF) is distributed from the Tax Commissioner to the counties on a per capita basis. Distributions from the county treasury to local governments (municipalities, townships, special districts, and the county itself) are determined by the county budget commission. Local governments use these funds for current operating expenses.

Revenue Distribution Funds

065 110-900 Library and Local Government Support Fund

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$487,864,409	\$463,026,243	\$422,002,689	\$457,970,324	\$458,510,155	\$458,510,155
	-5.1%	-8.9%	8.5%	0.1%	0.0%

Source: Revenue Distribution Fund Group: State personal income tax

Legal Basis: ORC 5747.03

Purpose: Library and Local Government Support Fund (LLGSF) moneys flow to the counties, and the county budget commission determines the amounts to be given to all libraries. The amount given to each library is based on its needs for building construction and improvements, operations, maintenance, and other expenses. In a few counties, a small amount of LLGSF money is allocated to municipal corporations.

066 800-900 Undivided Liquor Permits

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$12,716,029	\$12,728,532	\$13,245,143	\$13,883,112	\$14,300,000	\$14,300,000
	0.1%	4.1%	4.8%	3.0%	0.0%

Source: Revenue Distribution Fund Group: Liquor permit fees

Legal Basis: ORC 4301.30

Purpose: The moneys deposited to this fund are split between the state GRF, the Department of Alcohol and Drug Addiction Services (DADAS), and the municipal corporations and townships in which liquor permits are sold. Approximately 21% of permit fee revenue is earmarked for the alcoholism-detoxification center fund. This amount, along with 1.5% of gross liquor profits, is appropriated to DADAS. The GRF then gets approximately 50% of remaining fee revenue, to be used for any purpose. The other 50% of remaining fee revenue goes to the general funds of the appropriate municipal corporations and townships.

068 110-900 State and Local Government Highway Distribution

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$218,768,748	\$221,031,865	\$224,294,155	\$218,762,760	\$231,076,000	\$235,542,000
	1.0%	1.5%	-2.5%	5.6%	1.9%

Source: Revenue Distribution Fund Group: Motor vehicle fuel tax

Legal Basis: ORC 5735.23

Purpose: The amount of this fund's balance that is derived from applying the variable cents per gallon levy to fuel sales at stations operated by the Ohio Turnpike Commission is paid to the Commission. The remaining balance is distributed among counties, municipal corporations, townships, and the state Highway Operation Fund. These moneys are to be spent according to the same guidelines as the Gasoline Excise Tax Fund (see line item 110-900, Revenue Distribution Fund (Fund 060), above).

Revenue Distribution Funds

069 110-900 Local Government Fund

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$709,120,656	\$686,171,979	\$647,287,600	\$674,010,506	\$662,137,898	\$662,137,898
	-3.2%	-5.7%	4.1%	-1.8%	0.0%

Source: Revenue Distribution Fund Group: State personal income tax, state sales and use tax, corporate franchise tax, public utility excise tax, and kilowatt-hour tax

Legal Basis: ORC 5747.03

Purpose: The Local Government Fund (LGF) provides state aid to counties and municipalities.

Municipal corporations receive one-tenth of the difference between the total in the state LGF and 145.45% of the 1983 county deposits tax revenue, plus \$6 million. This amount goes to all municipalities that levied an income tax in the preceding year. Each municipality's share of the total equals its percentage of total municipal income taxes collected in the state two years before. Amounts going to municipalities are paid into the general fund and may be used for any purpose.

The allocation to counties is determined by a formula based on county population and county municipal property valuation. There are formula minimums designed to help the smaller counties. Amounts paid to counties from the state LGF are combined with county shares of the state tax on dealers in intangible property. These county local government fund amounts are then distributed to municipalities, townships, special districts, and the county governments themselves, to be used for current operating expenses.

081 110-900 Local Government Property Tax Replacement-Business

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$0	---	---	---	\$21,150,000	\$158,166,000
					647.8%

Source: Revenue Distribution Fund Group: Commercial Activity Tax

Legal Basis: ORC 5711.22, 5751.20, 5751.21, and 5751.22 (established in Am. Sub. H. B. 66 of the 126th General Assembly)

Purpose: Funds are used to reimburse local taxing units for the revenue loss due to the phase-out of general business tangible personal property taxes as a result of Am. Sub. H.B. 66 of the 126th G.A.

Revenue Distribution Funds

082 110-900 Horse Racing Tax

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$120,553	\$115,981	\$125,017	\$128,403	\$130,000	\$130,000
	-3.8%	7.8%	2.7%	1.2%	0.0%

Source: Revenue Distribution Fund Group: Revenue from the tax on Ohio pari-mutual wagering on races at Ohio county fairs (rather than a fixed percentage, this fund receives the remainder after payments are made to the Ohio Fairs Fund, the Standardbred Fund, the Quarterhorse Development Fund and the Thoroughbred Special Account)

Legal Basis: ORC 3769.08

Purpose: Revenues are distributed to the agricultural societies of the counties in which the revenues originate.

083 700-900 Ohio Fairs Fund

2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Appropriation	2007 Appropriation
\$2,775,234	\$2,606,681	\$2,397,223	\$2,234,115	\$2,450,000	\$2,450,000
	-6.1%	-8.0%	-6.8%	9.7%	0.0%

Source: Revenue Distribution Fund Group: 0.5% of pari-mutuel wagering tax revenue and 0.25% of receipts from the "exotic" wagering tax

Legal Basis: ORC 3769.082

Purpose: Twelve percent of the fund balance goes to each county agricultural society and to each independent agricultural society that holds an annual fair, for general operations. Each county or independent agricultural society that conducts horse races at its annual fair receives \$4,000, to be used for purse money and \$1,000 for racetrack maintenance. The Ohio Expositions Commission receives \$120,000 to conduct stakes races. After all these distributions, the remainder is split as follows; 4% to the Ohio Expositions Commission, and the other 96% to agricultural societies that conduct stakes races, for general operations.