

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

**Department of Taxation**

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# READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Department of Taxation (TAX), which includes the following four sections.

1. Overview: Provides a brief description of TAX and an overview of the provisions of the executive budget that affect TAX, including proposed major new initiatives.
2. Analysis of Executive Proposal: Provides a detailed analysis of the executive budget recommendations for TAX, including funding for each appropriation line item. The line items for TAX are organized into three categories.
3. Requests Not Funded: Compares TAX's budget request and the executive budget recommendation.
4. Attachments: Includes the catalog of budget line items (COBLI) for TAX, which briefly describes each line item, and the LSC budget spreadsheet for TAX. Also included are the COBLI and LSC budget spreadsheet for the Revenue Distribution Fund Group.

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## ATTACHMENTS:

- Catalog of Budget Line Items for the Department of Taxation
- Budget Spreadsheet By Line Item for the Department of Taxation
- Catalog of Budget Line Items for the Revenue Distribution Fund Group
- Budget Spreadsheet By Line Item for the Revenue Distribution Fund Group

# Department of Taxation

- TAX administers and enforces taxes and fees that raise nearly \$30 billion in annual revenue
- The STARS project to modernize tax software and hardware continues to be implemented

## OVERVIEW

### Agency Overview

The Ohio Department of Taxation (TAX) is responsible for the administration and enforcement of most state and locally levied taxes. Headed by the Tax Commissioner, the Department administers all state taxes except the insurance taxes and the motor vehicle license tax. The Department performs such duties as registering taxpayers, processing tax returns, determining tax liabilities, issuing refunds and assessments, conducting audits, and enforcing Ohio tax laws. In addition, the Department oversees the administration of the real property tax by local governments.

The Department of Taxation is also responsible for determining the amounts of various revenue distributions to local governments, including motor fuel tax distributions, reimbursement of local governments for property tax relief, permissive sales and use tax distributions, and allocations to counties from the Public Library Fund and the Local Government Fund.

The executive budget provides the Department of Taxation with GRF administrative funding of \$69.6 million for each of FY 2016 and FY 2017. This amount is \$0.7 million (1.1%) higher than the estimate for FY 2015 expenditures. The two line items that account for GRF administrative funding are 110321, Operating Expenses, and 110404, Tobacco Settlement Enforcement. Amounts for property tax relief for local governments other than school districts, distributed from the GRF by the Department and previously shown in the Department's budget, are included in the executive budget proposal as part of State Revenue Distributions. This group of line items, described by the executive as an agency only for purposes of the state budget, was titled Revenue Distribution Funds in previous biennial budgets.

The executive budget provides the Department of Taxation with total administrative funding of \$137.4 million for each of FY 2016 and FY 2017. This amount is \$6.7 million higher than the estimate for FY 2015, an increase of 5.1%. These amounts do not include funds that are distributed to other units of government or to taxpayers by the Department of Taxation. Administrative funding accounts for only about 8% of the Department of Taxation's total budget.

Total funding in the executive budget for the Department of Taxation is \$1,693.2 million for FY 2016 and \$1,693.0 million for FY 2017. The FY 2016 recommendation is \$204.0 million (10.8%) lower than the estimate for FY 2015, mainly reflecting lower tax refunds. Recommended total funding for FY 2017 is \$0.2 million (0.01%) lower than for FY 2016. These amounts include the funding for tax administration noted above, distributions of tax refunds, and other distributions of revenues by the Department of Taxation. Not included are funds in the State Revenue Distribution Funds, which now include Property Tax Relief funds previously in the budgets of the Departments of Education and Taxation.

Staffing of the Department in the next biennium is projected at 1,075, with the number of employees by organizational unit as shown in Table 1.

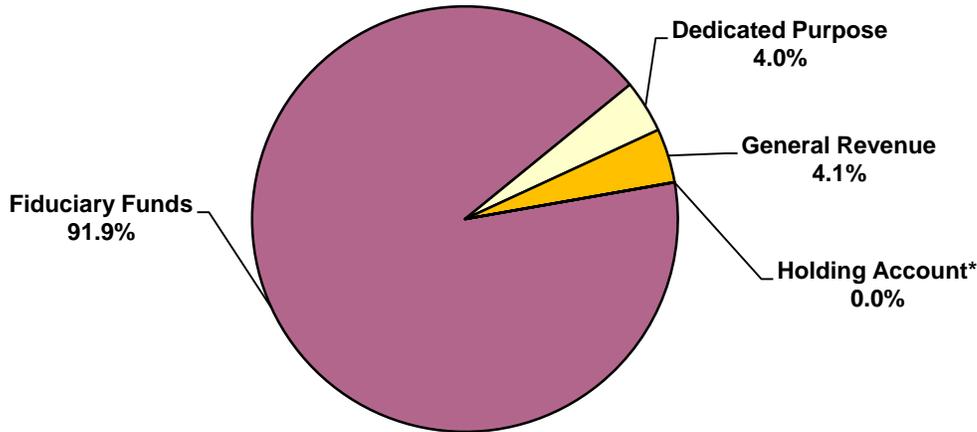
<b>Table 1. Department of Taxation Staffing</b>	
<b>Organizational Unit</b>	<b>FY 2016/FY 2017 Projected Number</b>
Tax Commissioner	9
Chief Counsel	47
Tax Equalization	19
Enforcement	32
Human Resources	8
Internal Audit	4
Organizational Development	12
Administrative Counsel	0
Office of Agency Performance	20
Information Services Division	116
Audit	249
Taxpayer Services	136
Compliance	109
Business Tax	56
Excise and Energy	28
Personal and School District Income Tax	73
Employment Tax	54
Revenue Processing	67
Budget and Fiscal Services	23
Tax Analysis	8
Legislation	2
Communications	3
<b>TOTAL</b>	<b>1,075</b>

### Appropriation Overview

The Department of Taxation's budget includes funds in four fund groups, as shown in Table 2 and Chart 1. The General Revenue Fund and Dedicated Purpose Funds each account for about 4% of the Department's budget. Most of TAX's outlays (92%) are from Fiduciary Funds, mainly tax refunds.

Fund Group	FY 2015 (Estimate)	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue <sup>1</sup>	\$68,828,532	\$69,565,985	1.1%	\$69,565,985	0.0%
Dedicated Purpose	\$61,851,250	\$67,805,260	9.6%	\$67,805,260	0.0%
Fiduciary Funds	\$1,766,414,400	\$1,555,507,500	-11.9%	\$1,555,305,000	0.0%
Holding Account	\$50,000	\$280,000	460.0%	\$280,000	0.0%
<b>TOTAL</b>	<b>\$1,897,144,182</b>	<b>\$1,693,158,745</b>	<b>-10.8%</b>	<b>\$1,692,956,245</b>	<b>0.0%</b>

**Chart 1: Biennial Executive Budget Recommendations by Fund Group, FY 2016-FY 2017**

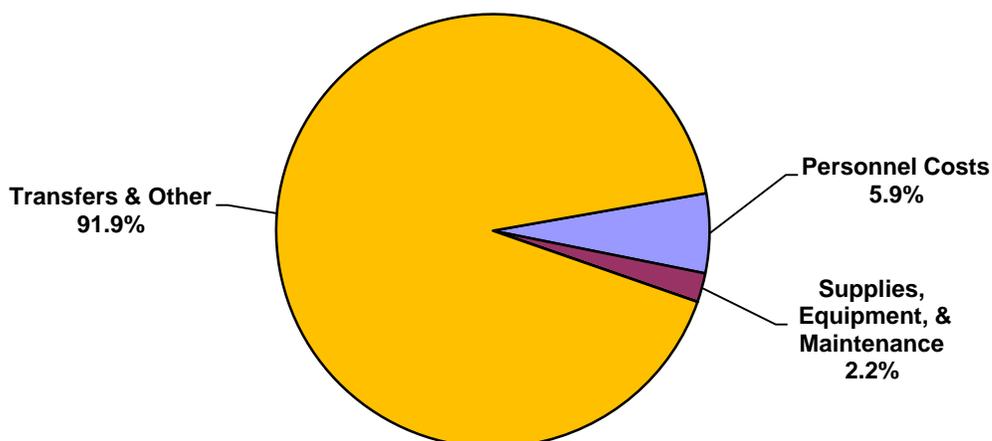


\*Holding Account Redistribution Fund Group is 0.02% of TAX's budget.

<sup>1</sup> The General Revenue Fund estimate for FY 2015 shown here excludes line item 110901, Property Tax Allocation – Taxation, used to reimburse local governments for losses resulting from the 10% and 2.5% rollbacks and the homestead exemption. Under the executive budget proposal, these losses are instead to be reimbursed starting in FY 2016 from State Revenue Distributions, GRF line item 110908, Property Tax Reimbursement – Local Government. The line item is excluded to make GRF appropriations shown here more comparable across time.

Chart 2 shows recommended spending by the Department of Taxation by category of expense.

**Chart 2: Biennial Executive Budget Recommendations  
by Category of Expense, FY 2016-FY 2017**



## Major Initiatives

The Department's State Taxation Accounting and Revenue System (STARS) project, begun in 2008, remains a priority. STARS is scheduled to be operational in 2017 for all the taxes that the Department administers. The project is replacing 27 legacy systems that generally functioned separately, unable to interact with one another, with an integrated system of hardware and software. The new system would, for example, be able to identify taxpayers delinquent in payment of one tax but owed a refund of another tax. To continue funding the STARS project, the budget shifts up to \$6 million of surplus fund balances from six other funds used by the Department.

Priorities related to the STARS system include training of employees on use of the new system, creation of an audit function within STARS, and enhanced system security. The audit function is expected to reduce manual reviews by agents and generate revenue. Enhancements to system security are to protect confidential information of taxpayers.

The Department saw a large increase in fraudulent income tax returns in the FY 2014-FY 2015 biennium, aimed at stealing tax refunds. Strengthened systems for detecting and thwarting criminal activity are a priority for the Department in the upcoming biennium.

TAX will continue to pursue increased electronic filing of taxes, encouraging more taxpayers to make use of this technology. More electronic filing allows TAX to operate more efficiently, eliminating hand operations including data entry and extraction of mailed paper returns.

The budget creates a temporary nine-member Tax Expenditure Review Committee, to review over a four-year cycle most existing tax expenditures that reduce revenue to the GRF. The Tax Commissioner or the Commissioner's designee is a member of this committee.

### Highlights of Proposed Tax Changes

The executive budget proposes a number of changes to Ohio tax law. Highlights of the tax reform plan are briefly described below. More details are available in LSC's Comparison Document and Bill Analysis, and in the executive's Blue Book.

Effects of the selected state tax changes in the executive's Blue Book, page B-7, are summarized in Table 3. Revenue reductions are shown as negative amounts. Estimates are on an all-funds basis. The net effect of the selected changes, as estimated by the executive, is a reduction in tax revenue from these taxes, on an all-funds basis, of \$0.37 billion in FY 2016 and \$0.45 billion in FY 2017.

<b>Table 3. Executive Estimates of Revenue Effects of Selected Tax Changes</b>		
<b>Billions of Dollars, All Funds</b>		
	<b>FY 2016</b>	<b>FY 2017</b>
State income tax changes	-\$2.40	-\$2.98
State sales tax changes	\$1.14	\$1.49
Commercial activity tax changes	\$0.29	\$0.40
Cigarette & other tobacco products tax changes	\$0.53	\$0.46
Severance tax changes	\$0.08	\$0.18
<b>Net Effect of Selected Changes</b>	<b>-\$0.37</b>	<b>-\$0.45</b>

### State Income Tax

The administration proposes to reduce state personal income tax rates by a total of 23% in two steps, in tax years 2015 and 2016. Rates in all brackets would be lowered by approximately the same percentage in each year. The Blue Book estimates the resulting reduction in tax revenue, on an all-funds basis, at \$2.03 billion in FY 2016 and \$2.60 billion in FY 2017.

The budget also proposes an expansion of the tax deduction for small businesses and pass-through entities with gross receipts of \$2 million or less that would eliminate income tax for these entities. The executive projects that this expanded deduction would reduce state income tax revenue by \$338 million in FY 2016 and by \$358 million in FY 2017.

The administration plan increases personal exemptions for persons with Ohio adjusted gross income of \$80,000 or less. The executive estimates that this change will lower personal income tax revenue by \$184 million in FY 2016 and \$188 million in FY 2017.

Offsetting a portion of these tax reductions, the executive proposes to means test the retirement income credit, the Social Security deduction, and the senior citizen credit. These changes would add to state revenues, by an amount that the executive estimates at \$152 million in FY 2016 and \$167 million in FY 2017.

The net effect of these changes is a reduction in state income tax revenue that the executive estimates at \$2.40 billion in FY 2016 and \$2.98 billion in FY 2017.

### **State Sales Tax**

The executive proposes to increase the state sales and use tax rate from 5.75% to 6.25%, to broaden the base of the tax to specified services, to reduce trade-in exemptions for new motor vehicles and watercraft, and to cap vendor timely filing discounts. These changes are projected by the executive to increase tax revenue by \$1.14 billion in FY 2016 and by \$1.49 billion in FY 2017.

### **Commercial Activity Tax**

The administration's tax reform plan increases the commercial activity tax rate from 0.26% to 0.32%. A small portion of the resulting increase in tax revenue is offset by a reduction in the CAT alternative minimum tax from \$800 to \$150 for businesses with gross receipts of \$1 million to \$2 million. The net effect of these changes is an increase in all-funds tax revenue by \$290 million in FY 2016 and by \$402 million in FY 2017.

### **Tax on Cigarettes and Other Tobacco Products**

The executive proposes to increase the cigarette tax by \$1 per pack and to increase other taxes on cigarettes and other tobacco products. The net effect of these changes is an increase in tax revenue estimated by the executive at \$528 million in FY 2016 and \$463 million in FY 2017.

### **Severance Tax**

The executive proposes a severance tax of 6.5% on the gross market value of hydrocarbons. This tax is projected by the administration to raise \$77 million in FY 2016 and \$183 million in FY 2017.

### **Job Creation and Retention Tax Credits**

Computation of Job Creation Tax Credits and Job Retention Tax Credits is changed, in the budget bill proposed by the executive, to be based on the taxpayer's Ohio employee payroll (taxable income paid to Ohio residents). Both credits currently are calculated based on the taxpayer's Ohio income tax withholdings, which would be reduced if withholding rates are lowered in line with proposed income tax rate cuts.

## **ANALYSIS OF EXECUTIVE PROPOSAL**

### **Introduction**

This section provides an analysis of the Governor's recommended funding for each appropriation item in TAX's budget. In this analysis, TAX's line items are grouped into two major categories. For each category a table is provided listing the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. The two categories used in this analysis are as follows:

1. Tax Administration
2. Revenue Distribution

The Revenue Distribution category within the Department of Taxation budget, listed above and in the table that follows, is separate and distinct from the State Revenue Distributions and the funds within that group. Information on both the Department of Taxation and the State Revenue Distributions is included in this Redbook.

### **Department of Taxation**

To aid the reader in finding each item in the analysis of the Governor's recommended funding for TAX, the table below shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order in which the line items appear in the budget bill.

Categorization of TAX's Appropriation Line Items for Analysis of Executive Proposal		
Fund	ALI and Name	Category
<b>General Revenue Fund Group</b>		
GRF 110321	Operating Expenses	1: Tax Administration
GRF 110404	Tobacco Settlement Enforcement	1: Tax Administration
<b>Dedicated Purpose Fund Group</b>		
2280 110628	CAT Administration	1: Tax Administration
4330 110602	Municipal Data Exchange Administration	1: Tax Administration
4350 110607	Local Tax Administration	1: Tax Administration
4360 110608	Motor Vehicle Audit Administration	1: Tax Administration
4370 110606	Income Tax Refund Contribution Administration	1: Tax Administration
4380 110609	School District Income Tax Administration	1: Tax Administration
4C60 110616	International Registration Plan Administration	1: Tax Administration
4R60 110610	Tire Tax Administration	1: Tax Administration
5BP0 110639	Wireless 911 Administration	1: Tax Administration
5JM0 110637	Casino Tax Administration	1: Tax Administration
5MN0 110638	STARS Development and Implementation	1: Tax Administration
5N50 110605	Municipal Income Tax Administration	1: Tax Administration
5N60 110618	Kilowatt Hour Tax Administration	1: Tax Administration
5NY0 110643	Petroleum Activity Tax Administration	1: Tax Administration
5V70 110622	Motor Fuel Tax Administration	1: Tax Administration
5V80 110623	Property Tax Administration	1: Tax Administration
5W70 110627	Exempt Facility Administration	1: Tax Administration
6390 110614	Cigarette Tax Enforcement	1: Tax Administration
6880 110615	Local Excise Tax Administration	1: Tax Administration
<b>Fiduciary Fund Group</b>		
4250 110635	Tax Refunds	2: Revenue Distribution
5CZ0 110631	Vendor's License Application	2: Revenue Distribution
6420 110613	Ohio Political Party Distributions	2: Revenue Distribution
7095 110995	Municipal Income Tax	2: Revenue Distribution
<b>Holding Account Fund Group</b>		
R010 110611	Tax Distributions	2: Revenue Distribution
R011 110612	Miscellaneous Income Tax Receipts	2: Revenue Distribution

## Tax Administration

The Department of Taxation administers the state's tax laws to ensure compliance in filing and payment of taxes and to determine tax liabilities. The table below shows the line items that are used to fund this function of the Department of Taxation, as well as the Governor's recommended funding levels.

<b>Governor's Recommended Amounts for Tax Administration</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2016</b>	<b>FY 2017</b>
<b>General Revenue Fund</b>				
GRF	110321	Operating Expenses	\$69,405,605	\$69,405,605
GRF	110404	Tobacco Settlement Enforcement	\$160,380	\$160,380
<b>General Revenue Fund Subtotal</b>			<b>\$69,565,985</b>	<b>\$69,565,985</b>
<b>Dedicated Purpose Fund Group</b>				
2280	110628	CAT Administration	\$16,100,000	\$16,100,000
4330	110602	Municipal Data Exchange Administration	\$175,000	\$175,000
4350	110607	Local Tax Administration	\$20,300,000	\$20,300,000
4360	110608	Motor Vehicle Audit Administration	\$1,459,609	\$1,459,609
4370	110606	Income Tax Refund Contribution Administration	\$38,800	\$38,800
4380	110609	School District Income Tax Administration	\$5,402,044	\$5,402,044
4C60	110616	International Registration Plan Administration	\$682,415	\$682,415
4R60	110610	Tire Tax Administration	\$244,193	\$244,193
5BP0	110639	Wireless 9-1-1 Administration	\$290,000	\$290,000
5JM0	110637	Casino Tax Administration	\$75,000	\$75,000
5MN0	110638	STARS Development and Implementation	\$3,000,000	\$3,000,000
5N50	110605	Municipal Income Tax Administration	\$150,000	\$150,000
5N60	110618	Kilowatt Hour Tax Administration	\$100,000	\$100,000
5NY0	110643	Petroleum Activity Tax Administration	\$1,000,000	\$1,000,000
5V70	110622	Motor Fuel Tax Administration	\$5,035,374	\$5,035,374
5V80	110623	Property Tax Administration	\$11,178,310	\$11,178,310
5W70	110627	Exempt Facility Administration	\$49,500	\$49,500
6390	110614	Cigarette Tax Enforcement	\$1,750,000	\$1,750,000
6880	110615	Local Excise Tax Administration	\$775,015	\$775,015
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$67,805,260</b>	<b>\$67,805,260</b>
<b>Total Funding: Tax Administration</b>			<b>\$137,371,245</b>	<b>\$137,371,245</b>

The tax administration function includes several components. The Taxpayer Services Program provides information to taxpayers and improves compliance with tax laws by telephone and email, and through presentations to groups. Tax Processing reviews paper and electronic submissions of tax forms, enters the data into the Department's computer systems, and retains tax returns. Tax Compliance audits returns and issues notices and assessments for unpaid taxes, matches persons delinquent in making child support payments with taxpayers owed Ohio income tax refunds, provides the first level of appeal of the Tax Commissioner's findings in tax disputes, and engages in other enforcement and investigation activities. Tax Policy and Analysis monitors and analyzes tax legislation, gives technical assistance to the executive and legislative branches, and provides for the legal counsel needed in tax cases. Local Government Services gives information and assistance to units of local government, and provides for administration of certain local taxes.

#### **Operating Expenses (110321)**

This GRF line item pays for personal service, maintenance, and equipment expenses of TAX that are not offset by specific revenue sources. GRF funding for this line item is \$69.4 million in each of FY 2016 and FY 2017, \$0.8 million (1.1%) more than the estimate for FY 2015. The administrative costs of the Taxpayer Services, Tax Processing, and Tax Policy and Analysis functions, and about two-thirds of these costs for the Tax Compliance function, are paid from this line item.

#### **Local Tax Administration (110607)**

This line item, Fund 4350, pays costs incurred by TAX in collecting and administering the county and regional transit authority sales and use taxes. The executive recommendation is to fund this function at \$20.3 million in each of FY 2016 and FY 2017, an increase of \$1.3 million (6.8%) from the FY 2015 estimate.

#### **CAT Administration (110628)**

This line item, Fund 2280, provides funding for the costs of collecting and administering the commercial activity tax. Recommended funding of ALI 110628 is \$16.1 million in each of FY 2016 and FY 2017, an increase of \$0.5 million (2.9%) from the estimate for FY 2015. This line item is funded by 0.85% of commercial activity tax receipts. The line item was renamed in the current main operating budget bill, and was previously called Revenue Enhancement.

#### **Property Tax Administration (110623)**

Costs of TAX to administer property taxes are paid from this line item, Fund 5V80. Taxes included are the personal property tax on public utilities and the tax on real property. The tax on personal property of general business, for which administrative costs were previously paid from this line item, has been phased out. The

dealers in intangibles tax, for which administrative costs were paid from this line item, was eliminated at the end of 2013. This line item includes funding recommended at \$11.2 million in each of FY 2016 and FY 2017, \$0.4 million (3.4%) more than the estimate for FY 2015.

#### **School District Income Tax Administration (110609)**

Expenses of TAX to administer the school district income tax are paid from this line item, Fund 4380. Funding is from 1.5% of school district income tax collections. The Department distributed revenues to 188 school districts in the latest quarter. This line item has funding recommended at \$5.4 million in each year of the next biennium, \$0.2 million (3.8%) lower than the estimate for FY 2015. The line item was renamed in the current main operating budget bill by appending the word "Administration" to the end of the name.

#### **Motor Fuel Tax Administration (110622)**

Costs for TAX to administer the motor fuel tax are paid from this line item, Fund 5V70, which is funded by 0.275% of the revenues from the tax. Revenues of the fund have fluctuated in a narrow range in recent years. The executive recommends appropriations of \$5.0 million for both FY 2016 and FY 2017, \$1.6 million (45.5%) higher than the estimate for FY 2015. The appropriation amounts match those for each of FY 2014 and FY 2015 in H.B. 59 of the 130th General Assembly.

#### **STARS Development and Implementation (110638)**

This line item, Fund 5MN0, has been used since FY 2014 to pay costs of developing and implementing the State Tax Accounting and Revenue System. The STARS project was begun in 2008, to replace the Department's numerous legacy systems with an integrated package of hardware and software that will facilitate efficient tax collection. The executive recommends appropriations of \$3.0 million in each of FY 2016 and FY 2017. Under temporary language in the main operating budget bill, funding is to be provided by transfers from six of the Department's other administrative funds: Fund 2280, Fund 4350, Fund 4360, Fund 4380, Fund 5V70, and Fund 5V80.

#### **Cigarette Tax Enforcement (110614)**

The costs for TAX to enforce cigarette and tobacco tax laws are paid from this line item, Fund 6390. The line item is funded from retail, wholesale, and tobacco product license fees that are renewed annually. Recommended funding is \$1.8 million in each year of the biennium, the same as the estimate for FY 2015.

**Motor Vehicle Audit Administration (110608)**

The Department's costs to investigate sales and use tax returns filed for motor vehicle transactions, to determine if tax liabilities have been met, are paid from this line item, Fund 4360. The source of funding is \$0.25 from issuance of each vehicle certificate of title. The executive recommends appropriation of \$1.5 million in each of FY 2016 and FY 2017, \$0.8 million (130.6%) higher than the estimate for FY 2015. The line item was renamed in the current main operating budget bill by appending the word "Administration" to the end of the name.

**Petroleum Activity Tax Administration (110643)**

This line item is to be used to pay the Department's costs to administer the tax on gross receipts of motor fuel suppliers. It is funded from 1% of the balance, after payment of any refunds, in the Petroleum Activity Tax Fund (Fund R057). The petroleum activity tax is levied at a rate of 0.65%.

**Other Tax Administration (110404, 110602, 110605, 110606, 110610, 110615, 110616, 110618, 110627, 110637, and 110639)**

Other administrative functions of the Department of Taxation are paid from these 11 line items. Details on each are included in the Catalog of Budget Line Items (COBLI) for TAX, attached to this Redbook. The appropriation for each of these line items is less than \$1 million per year in FY 2016 and FY 2017, and they total less than \$2.8 million in each year. One line item is new, ALI 110637, Casino Tax Administration (Fund 5JM0). It is to be used to pay the Department's costs of administering the casino tax. The fund was established in FY 2013 and received transfers in each of the past three years, but through January 2015 had not disbursed funds. The appropriation is \$75,000 in each year of the biennium. Appropriations to most line items in this group are increased or unchanged from the estimate for FY 2015. The exception is GRF ALI 110404, Tobacco Settlement Enforcement, for which the appropriation is \$17,800 (10.0%) lower in each of FY 2016 and FY 2017 than the estimate for FY 2015. Line item 110602 was previously named Tape File Account and was renamed Municipal Data Exchange Administration in the current main operating budget bill. It has an appropriation of \$175,000 in each year of the upcoming biennium. The line item previously called "Income Tax Contribution" (ALI 110606) was renamed "Income Tax Refund Contribution Administration" and has an appropriation of \$38,800 in each year of the biennium. The line item previously called "International Registration Plan" (ALI 110616) was renamed by appending "Administration" to the end of the name and has an appropriation of \$682,415 in each year of the biennium.

## Revenue Distribution

The Department of Taxation distributes revenue to the parties intended by law. The table below shows the line items that are used to fund this function of the Department of Taxation, as well as the Governor's recommended funding levels. As noted above, recommended funding levels included in this Revenue Distribution category within the Department of Taxation's budget do not include the funding recommended for funds within State Revenue Distributions.

<b>Governor's Recommended Amounts for Revenue Distribution</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2016</b>	<b>FY 2017</b>
<b>Fiduciary Fund Group</b>				
4250	110635	Tax Refunds	\$1,546,800,000	\$1,546,800,000
5CZ0	110631	Vendor's License Application	\$340,000	\$340,000
6420	110613	Ohio Political Party Distributions	\$267,500	\$265,000
7095	110995	Municipal Income Tax	\$8,100,000	\$7,900,000
<b><i>Fiduciary Fund Group Subtotal</i></b>			<b><i>\$1,555,507,500</i></b>	<b><i>\$1,555,305,000</i></b>
<b>Holding Account Fund Group</b>				
R010	110611	Tax Distributions	\$230,000	\$230,000
R011	110612	Miscellaneous Income Tax Receipts	\$50,000	\$50,000
<b><i>Holding Account Fund Group Subtotal</i></b>			<b><i>\$280,000</i></b>	<b><i>\$280,000</i></b>
<b>Total Funding: Revenue Distribution</b>			<b>\$1,555,787,500</b>	<b>\$1,555,585,000</b>

### Tax Refunds (110635)

Appropriations to this line item are used to pay refunds for taxes or fees for which amounts in excess of those owed have been paid. Amounts in this line item are by far the largest in the budget for TAX. Receipts of the Tax Refund Fund are transferred from current receipts of the same tax or fee for which the refund arose. The recommended appropriation for both FY 2016 and FY 2017 is \$1,546.8 million, 12.0% lower than the estimate for FY 2015. The appropriation amounts match those for each of FY 2014 and FY 2015 in H.B. 59 of the 130th General Assembly. Any additional amounts needed to pay required refunds are appropriated by the budget bill.

### Municipal Income Tax (110995)

Municipal corporations with a municipal income tax generally either administer their own income taxes or contract with one of two outside organizations in Ohio that perform this service. However, for the municipal income tax for electric light companies and local exchange telephone companies, the Department of Taxation collects and distributes the tax, less an administrative fee. The funding for this line item covers the anticipated amounts to be distributed by TAX to the municipal corporations. The executive recommended budget includes \$8.1 million for FY 2016 and \$7.9 million for

FY 2017 for this purpose, down from \$8.4 million estimated for FY 2015. Any additional amounts needed to make required payments are appropriated by the budget bill.

#### **Other Revenue Distributions (110611, 110612, 110613, and 110631)**

Other line items in the Department of Taxation revenue distribution category have total funding recommended by the executive of \$887,500 in FY 2016 and \$885,000 in FY 2017, up from estimated \$600,000 in FY 2015. The largest item is ALI 110631, Vendor's License Application, for which the executive recommendation is \$340,000 in each year of the biennium, higher than the estimate for FY 2015 by 6.3%. Amounts collected are distributed back to counties. Any additional amounts needed to make required payments are appropriated by the budget bill. The next largest item is ALI 110613, Fund 6420, Ohio Political Party Distributions, used to receive funds from the state income tax check-off to support public financing of Ohio political parties and distribute the funds to qualified political parties. The amounts recommended for this line item are \$267,500 in FY 2016, 16.3% higher than the amount estimated for FY 2015 but 0.8% lower than actual distributions in FY 2014, and \$265,000 in FY 2017, 0.9% lower than in FY 2016. Revenue to Fund 6420 is distributed completely to the two major statewide political parties, and has been trending lower.

#### **State Revenue Distributions**

Each of the funds in State Revenue Distributions is administered by a state agency, but the funds are not included as part of the budget of the administering agency. Notable changes in the executive recommendation for these funds include shifting the property tax relief program from the budgets of the departments of Education and Taxation into State Revenue Distributions. This program reimburses school districts and local governments for revenue losses resulting from the 10% and 2.5% real property tax rollbacks and the homestead exemption. The executive describes the change as intended to group these appropriations with other subsidies, and does not involve any other changes to the programs. Instead of payments to school districts from GRF line item 200901, Property Tax Allocation – Education, in the Department of Education budget, payments are to be made starting in FY 2016 from GRF line item 200903, Property Tax Reimbursement – Education, in the State Revenue Distributions budget. Instead of payments to other units of local government from GRF line item 110901, Property Tax Allocation – Taxation, in the Department of Taxation budget, payments are to be made from GRF line item 110908, Property Tax Reimbursement – Local Government, in the State Revenue Distributions budget. Any additional amounts needed to make required payments are appropriated by the budget bill. Reimbursements to both schools and other units of local government are budgeted to grow 1.9% in FY 2016, from the executive estimates for FY 2015, and by 1.7% in FY 2017.

Appropriations to the Local Government Property Tax Replacement – Business line item, ALI 110981 (Fund 7081), and the Local Government Property Tax Replacement – Utility line item, ALI 110954 (Fund 7054), end with the FY 2015 appropriations, replaced in the upcoming biennium by appropriations to the Property Tax Replacement Phase Out – Local Government line item, ALI 110907 (Fund 7081). Similarly, appropriations in the Department of Education budget to the School District Property Tax Replacement – Business line item, ALI 200909 (Fund 7047), and the School District Property Tax Replacement – Utility line item, ALI 200900 (Fund 7053), end with the FY 2015 budget, replaced in the upcoming biennium by appropriations to the Property Tax Replacement Phase Out – Education line item in State Revenue Distributions, ALI 200902 (Fund 7047). These appropriations reimburse local governments for revenue foregone as a result of elimination of tangible personal property taxes on general business and reduction of assessment rates on tangible property of electric and natural gas utilities. The appropriations reflect a resumption of the reductions in reimbursements in previous budgets. More details about the terms of the reductions can be found in LSC's Comparison Document and Bill Analysis.

Additional information on funds in State Revenue Distributions is appended to the end of this Redbook.

## **REQUESTS NOT FUNDED**

All amounts in the Department's budget request are funded in the executive's recommended budget, except for Ohio Political Party Distributions, ALI 110613 (Fund 6420), for which the recommended appropriation is \$232,500 (46.5%) lower than the request in FY 2016 and \$235,000 (47.0%) lower in FY 2017, and more in line with amounts contributed in recent years. The amounts recommended by the executive for GRF Operating Expenses, ALI 110321, are about \$0.76 million (1.1%) higher than the amounts requested by the Department for the next two fiscal years.

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## Department of Taxation

### General Revenue Fund

#### GRF 110321 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$67,319,604	\$70,046,053	\$63,639,063	\$68,650,332	<b>\$69,405,605</b>	<b>\$69,405,605</b>
	4.1%	-9.1%	7.9%	1.1%	0.0%

**Source:** General Revenue Fund

**Legal Basis:** ORC 5703; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item pays for personal service, maintenance, and equipment expenses of the Department of Taxation that are not offset by specific revenue sources.

#### GRF 110404 Tobacco Settlement Enforcement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$166,053	\$161,020	\$118,933	\$178,200	<b>\$160,380</b>	<b>\$160,380</b>
	-3.0%	-26.1%	49.8%	<b>-10.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established under Section 405.10 of Am. Sub. H.B. 119 of the 127th G.A.)

**Purpose:** This line item is used to pay costs incurred by the Department of Taxation to enforce cigarette tax laws. The Department of Taxation also provides assistance to the Attorney General's office on non-compliance and enforcement of the Tobacco Master Settlement Agreement.

#### GRF 110901 Property Tax Allocation - Taxation

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$633,014,486	\$636,142,965	\$642,920,529	\$652,390,000	<b>\$0</b>	<b>\$0</b>
	0.5%	1.1%	1.5%	<b>-100%</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (ORC 319.302 and 323.151 through 323.157; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.)

**Purpose:** This line item was used to reimburse local governments other than school districts for losses incurred as a result of the 10% and 2.5% rollback reductions in real and manufactured home property taxes and as a result of the homestead exemption reductions in taxes. Under the executive budget plan, these programs are to be reimbursed through the State Revenue Distribution Funds.

## Department of Taxation

### Dedicated Purpose Fund Group

#### 2250 110626 Enforcement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$136,547	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: Revenues from settlements through the court systems distributed to the Department of Taxation's Enforcement Division as a result of forfeitures

**Legal Basis:** As needed line item; ORC 2981.13

**Purpose:** All moneys in the fund are used by the Department of Taxation for law enforcement purposes as specified in ORC 2981.13.

#### 2280 110628 CAT Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$12,632,996	\$12,122,598	\$14,095,020	\$15,642,000	<b>\$16,100,000</b>	<b>\$16,100,000</b>
	-4.0%	16.3%	11.0%	<b>2.9%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Revenue since FY 2010 has been from a 0.85% administrative fee on commercial activity tax collections

**Legal Basis:** ORC 5751.20(B); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item provides funding to defray costs of administering the Commercial Activity Tax and of implementing tax reform. The line item name is changed from Revenue Enhancement to CAT Administration in the executive budget plan.

#### 4330 110602 Municipal Data Exchange Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$181,433	\$170,544	\$78,437	\$167,000	<b>\$175,000</b>	<b>\$175,000</b>
	-6.0%	-54.0%	112.9%	<b>4.8%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Fees charged to local governments for tax-related computer services and data

**Legal Basis:** ORC 5703.41 and 5747.18; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board in 1972)

**Purpose:** The Department provides computer listings of the names and addresses of taxpayers in local taxing districts (but does not share financial information on taxpayers). The fees for this service are established by the Department, based on the time spent by their computer personnel and the costs involved in producing the lists. Revenues are also used to maintain and replace computer equipment and for computer programming for this purpose.

## Department of Taxation

### 4350 110607 Local Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$17,400,718	\$17,027,171	\$20,647,600	\$19,006,950	<b>\$20,300,000</b>	<b>\$20,300,000</b>
	-2.1%	21.3%	-7.9%	<b>6.8%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: One percent of the proceeds from county permissive sales and use taxes and regional transit authority sales and use taxes

**Legal Basis:** ORC 5739.21(C) and 5741.03(B); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item pays Department of Taxation costs of collecting and administering county sales and use taxes and regional transit authority sales and use taxes.

### 4360 110608 Motor Vehicle Audit Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,021,300	\$919,492	\$717,882	\$633,000	<b>\$1,459,609</b>	<b>\$1,459,609</b>
	-10.0%	-21.9%	-11.8%	<b>130.6%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: \$0.25 charge levied for every motor vehicle certificate of title issued

**Legal Basis:** ORC 4505.09(B)(2)(c); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Funds from this line item are used by the Tax Commissioner to investigate sales and use tax returns filed for person to person motor vehicle sales, to enforce payment of sales and use taxes owed.

### 4370 110606 Income Tax Refund Contribution Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$20,000	\$1,351	\$39,179	\$38,000	<b>\$38,800</b>	<b>\$38,800</b>
	-93.2%	2,801.1%	-3.0%	<b>2.1%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Up to 2.5% of the total amount contributed under the natural areas and preserves, nongame and endangered wildlife, military injury relief, Ohio Historical Society, and breast and cervical cancer checkoffs on the personal income tax return

**Legal Basis:** ORC 5747.113(D); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 361 of the 113th G.A.)

**Purpose:** The Department of Taxation's costs of administering the income tax contribution system are paid from this line item. The newest checkoff, the Breast and Cervical Cancer Project Income Tax Contribution Fund, was created by Am. H.B. 112 of the 130th G.A., for taxable years beginning on or after January 1, 2014.

## Department of Taxation

### 4380 110609 School District Income Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,907,413	\$4,865,231	\$5,178,722	\$5,616,000	<b>\$5,402,044</b>	<b>\$5,402,044</b>
	-0.9%	6.4%	8.4%	<b>-3.8%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 1.5 percent of school district income tax collections

**Legal Basis:** ORC 5747.03(C); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This fund is used to reimburse the Department of Taxation for expenses incurred in administering school district income taxes. Money remaining in the fund after such use is returned to the fund from which collections are distributed to school districts. The number of school districts with income taxes has been growing, to 188 as of December 2014.

### 4C60 110616 International Registration Plan Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$473,531	\$346,601	\$605,631	\$600,000	<b>\$682,415</b>	<b>\$682,415</b>
	-26.8%	74.7%	-0.9%	<b>13.7%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Distributions from the International Registration Plan Distribution Fund (Fund 7050), which receives revenues from truck and bus registration fees

**Legal Basis:** ORC 5703.12(B) and 4501.044; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Department of Taxation costs for audits of persons who have registered motor vehicles under the International Registration Plan (IRP) are paid from this line item. Am. Sub. H.B. 831 of the 118th G.A. required the Registrar of Motor Vehicles in Ohio to apply for membership in the IRP. The highway use tax (axle-mile tax) and the various commercial vehicle registration taxes imposed under prior law were replaced with a system of registration fees based on gross vehicle weight and a three cents per gallon fuel use surcharge for vehicles subject to the IRP. The surcharge was reduced to two cents in 2004 and eliminated in 2005.

## Department of Taxation

### 4R60 110610 Tire Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$238,129	\$129,648	\$213,845	\$193,000	<b>\$244,193</b>	<b>\$244,193</b>
	-45.6%	64.9%	-9.7%	<b>26.5%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Two percent of the \$1 tire tax.

**Legal Basis:** ORC 3734.901 and 3734.9010; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** The Department of Taxation uses its share of the tax for administration of the tire tax. The rest goes to the Scrap Tire Management Fund used by the Ohio EPA and the Soil and Water Conservation District Assistance Fund used by the Department of Natural Resources. Am. Sub. H.B. 59 of the 130th G.A. extended this tax through June 30, 2016.

### 5AP0 110632 Discovery Project

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$3,548,653	\$2,121,914	\$1,823,510	\$0	<b>\$0</b>	<b>\$0</b>
	-40.2%	-14.1%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: Transfer from the GRF

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 562 of the 127th G.A.)

**Purpose:** The Department of Taxation's costs associated with the Discovery Project were paid from this fund. Beginning in FY 2014, these costs are paid from GRF line item 110321, except that the amount paid from line item 110632 in FY 2014 was encumbered in FY 2013 and paid in July. The Discovery Project uses a data warehouse to improve discovery of tax non-filers and non-compliance with tax laws.

### 5BP0 110639 Wireless 9-1-1 Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$40,817	\$253,000	<b>\$290,000</b>	<b>\$290,000</b>
	N/A	N/A	519.8%	<b>14.6%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 1.0 percent of receipts from 25-cent per month wireless 9-1-1 charges

**Legal Basis:** ORC 128.54; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 472 of the 129th G.A.)

**Purpose:** Money in the fund is for use by the Tax Commissioner to defray the costs of collecting wireless 9-1-1 charges. This function was taken over from PUCO starting on January 1, 2014.

## Department of Taxation

### 5BW0 110630 Tax Amnesty Promotion and Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$701,206	\$658,973	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-6.0%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: Revenue transfer from the GRF

**Legal Basis:** As needed line item (last established in sections 403.10, 403.20, and 757.40 of Am. Sub. H.B. 153 of the 129th G.A.)

**Purpose:** Funds were used for promotion and administration of tax amnesty programs conducted in 2012 and previously in 2006.

### 5JM0 110637 Casino Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$75,000</b>	<b>\$75,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 1% of the 3% of casino tax receipts transferred to the Casino Control Commission Fund in July, October, January, and April

**Legal Basis:** ORC 5753.03

**Purpose:** Money in the fund is used to defray the cost of administering the casino tax.

### 5MN0 110638 STARS Development and Implementation

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$4,540,095	\$3,000,000	<b>\$3,000,000</b>	<b>\$3,000,000</b>
	N/A	N/A	-33.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Transfer of cash under the executive budget plan from six funds used by the Department of Taxation for administrative costs.

**Legal Basis:** Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Money in the fund is to be used to pay costs of development and implementation of the Department's State Tax Accounting and Revenue System (STARS). Transfers into Fund 5MN0 are limited to \$6 million during the FY 2016-FY 2017 biennium.

## Department of Taxation

### 5N50 110605 Municipal Income Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$342,034	\$87,468	\$53,388	\$0	<b>\$150,000</b>	<b>\$150,000</b>
	-74.4%	-39.0%	-100%	<b>N/A</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 1.5 percent of collections of the municipal income tax on electric light and local exchange telephone companies

**Legal Basis:** ORC 5745.03(A); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. S.B. 287 of the 123rd G.A.)

**Purpose:** Money in this fund is used to cover the cost of administering the municipal income tax on electric light and local exchange telephone companies.

### 5N60 110618 Kilowatt Hour Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$175,000	\$68,937	\$51,976	\$93,000	<b>\$100,000</b>	<b>\$100,000</b>
	-60.6%	-24.6%	78.9%	<b>7.5%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Annual fee of \$500 for each qualifying meter or location collected from large commercial or industrial firms that register with the Department of Taxation to pay the self-assessing purchasers' tax option of the kilowatt-hour tax

**Legal Basis:** ORC 5727.81; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. S.B. 3 of the 123rd G.A.)

**Purpose:** This line item is used for the costs of administering the kilowatt hour tax.

### 5NY0 110643 Petroleum Activity Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$1,000,000</b>	<b>\$1,000,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 1% of the balance, net of refunds, in the Petroleum Activity Tax Fund from the tax levied at a rate of 0.65% on gross receipts of motor fuel suppliers

**Legal Basis:** ORC 5736.13

**Purpose:** This line item is used to pay the costs of the Department of Taxation to administer the tax on gross receipts of motor fuel suppliers

## Department of Taxation

### 5V70 110622 Motor Fuel Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$3,788,087	\$3,839,590	\$2,874,152	\$3,460,000	<b>\$5,035,374</b>	<b>\$5,035,374</b>
	1.4%	-25.1%	20.4%	<b>45.5%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 0.275% from motor fuel taxes collected net of refunds

**Legal Basis:** ORC 5735.053; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item pays for the administration of the motor fuel tax.

### 5V80 110623 Property Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$10,606,455	\$9,981,184	\$10,393,909	\$10,815,800	<b>\$11,178,310</b>	<b>\$11,178,310</b>
	-5.9%	4.1%	4.1%	<b>3.4%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 0.48% in FY 2011 and thereafter of the amount by which taxes charged on real property for the preceding tax year were reduced pursuant to ORC 319.302; 0.951% in FY 2011 and thereafter of the amount of taxes levied against public utility personal property for the preceding tax year

**Legal Basis:** ORC 5703.80; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** The Department's costs for administration of the public utility personal property tax and real property tax equalization are paid from this fund.

### 5W40 110625 Centralized Tax Filing and Payment

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$200,000	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: GRF transfer of not more than \$400,000 in the biennium

**Legal Basis:** Discontinued line item (originally established by Section 104 of Am. Sub. H.B. 95 of the 125th G.A.)

**Purpose:** This money was used to pay for ongoing maintenance of the municipal tax electronic filing application operating on the Ohio Business Gateway electronic tax filing and payment system.

## Department of Taxation

### 5W70 110627 Exempt Facility Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$50,000	\$0	\$60,440	\$49,500	<b>\$49,500</b>	<b>\$49,500</b>
	-100%	N/A	-18.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: An application fee of 0.5% of the total exempt facility project cost, not to exceed \$2,000 per facility, with half of the fee credited for use by the Department of Taxation

**Legal Basis:** ORC 5709.212(A); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay the Department of Taxation's costs for administering laws pertaining to issuance of certificates for tax exemption of the following types of facilities: air pollution control, energy conversion, noise pollution control, solid waste energy conversion, thermal efficiency improvement, and industrial water pollution control.

### 6390 110614 Cigarette Tax Enforcement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,527,729	\$958,435	\$956,936	\$1,750,000	<b>\$1,750,000</b>	<b>\$1,750,000</b>
	-37.3%	-0.2%	82.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 100% of wholesale cigarette license tax revenue, 60% of retail cigarette license tax revenue, and \$25 fee to transfer wholesale dealer cigarette license to other place of business

**Legal Basis:** ORC 5743.15; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to defray the costs of enforcing cigarette tax laws.

### 6880 110615 Local Excise Tax Administration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$575,518	\$627,389	\$352,829	\$534,000	<b>\$775,015</b>	<b>\$775,015</b>
	9.0%	-43.8%	51.3%	<b>45.1%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: 2% of Cuyahoga County excise tax collections on cigarettes and alcoholic beverages, net of refunds

**Legal Basis:** ORC 5743.024 and 4301.423; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Cuyahoga County voters approved local option excise taxes on cigarettes, beer, wine, and mixed beverages beginning August 1, 1990. Revenue from these taxes is used to pay debt service on bonds issued for the construction of professional sports facilities. Part of the revenue from the tax on cigarettes goes to the regional arts and cultural district. The Department of Taxation's costs of administering the tax, including auditing and enforcement, are paid from this line item.

## Department of Taxation

### Fiduciary Fund Group

#### 4250 110635 Tax Refunds

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,581,196,812	\$1,575,727,326	\$2,083,547,994	\$1,757,464,400	<b>\$1,546,800,000</b>	<b>\$1,546,800,000</b>
	-0.3%	32.2%	-15.7%	<b>-12.0%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: Money transferred from current receipts of the tax or fee for which the refund arose

**Legal Basis:** ORC 5703.052; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Refunds for various overpaid taxes or fees are paid from this line item.

#### 5CZ0 110631 Vendor's License Application

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$202,000	\$281,400	\$311,575	\$320,000	<b>\$340,000</b>	<b>\$340,000</b>
	39.3%	10.7%	2.7%	<b>6.3%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: \$25 of vendor license registration fees collected on behalf of counties

**Legal Basis:** ORC 5739.17; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established in Am. Sub. H.B. 66 of the 126th General Assembly)

**Purpose:** The fund is used for deposits of vendor's license fees received by the Department of Taxation on behalf of county auditors. These fees are transmitted monthly from the fund to each county.

#### 6420 110613 Ohio Political Party Distributions

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$307,250	\$278,788	\$269,558	\$230,000	<b>\$267,500</b>	<b>\$265,000</b>
	-9.3%	-3.3%	-14.7%	<b>16.3%</b>	<b>-0.9%</b>

**Source:** Fiduciary Fund Group: State income tax checkoff of \$1 on single returns and \$1 or \$2 on joint returns

**Legal Basis:** ORC 3517.16; Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Money is distributed to the Auditor of State to conduct audits of financial statements of the state committee of a political party eligible to receive public money, and of county committees of such a political party. Remaining money in the fund is distributed to qualified political parties. For each qualifying party, half of the distribution goes to the treasurer of the state executive committee of the party, and half goes to the treasurers of each county executive committee. Each county committee's share is determined by the ratio of the number of checkoffs in that county to the total statewide number of checkoffs.

## Department of Taxation

### 7095 110995 Municipal Income Tax

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$12,399,943	\$10,621,858	\$7,995,077	\$8,400,000	<b>\$8,100,000</b>	<b>\$7,900,000</b>
	-14.3%	-24.7%	5.1%	<b>-3.6%</b>	<b>-2.5%</b>

**Source:** Fiduciary Fund Group: 98.5% of taxes collected by the state on behalf of local governments from electric companies and telephone and telecommunications companies subject to the municipal income tax

**Legal Basis:** ORC 5745.03(A); Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This fund is used to distribute taxes collected by the state from electric companies and telephone and telecommunications companies to the local governments to which these taxes are owed.

## Holding Account Fund Group

### R010 110611 Tax Distributions

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$15,000	\$50,000	\$125,000	\$50,000	<b>\$230,000</b>	<b>\$230,000</b>
	233.3%	150.0%	-60.0%	<b>360.0%</b>	<b>0.0%</b>

**Source:** Holding Account Fund Group: Sales tax payments

**Legal Basis:** Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board in December 1985)

**Purpose:** This line item functions as a holding account for sales tax and excise tax payments when the proper disposition of the payment is uncertain. The line item also temporarily holds money from checks that include payment for more than one purpose, such as sales tax and employers' workers' compensation premiums. Disbursements from the fund vary greatly from year to year, depending on the volume of misdirected sales tax payments.

### R011 110612 Miscellaneous Income Tax Receipts

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$50,000</b>	<b>\$50,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>0.0%</b>

**Source:** Holding Account Fund Group: Personal income tax payments

**Legal Basis:** Section 395.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board in December 1985)

**Purpose:** This line item functions as a holding account for Ohio personal income tax payments when the proper disposition of the payment is uncertain.

# FY 2016 - FY 2017 Introduced Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

Line Item Detail by Agency			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: As Introduced</b>					
<b>TAX Department of Taxation</b>								
GRF	110321	Operating Expenses	\$ 63,639,063	\$ 68,650,332	\$ 69,405,605	1.10%	\$ 69,405,605	0.00%
GRF	110404	Tobacco Settlement Enforcement	\$ 118,933	\$ 178,200	\$ 160,380	-10.00%	\$ 160,380	0.00%
GRF	110901	Property Tax Allocation - Taxation	\$ 642,920,529	\$ 652,390,000	\$ 0	-100.00%	\$ 0	N/A
<b>General Revenue Fund Total</b>			<b>\$ 706,678,526</b>	<b>\$ 721,218,532</b>	<b>\$ 69,565,985</b>	<b>-90.35%</b>	<b>\$ 69,565,985</b>	<b>0.00%</b>
2280	110628	CAT Administration	\$ 14,095,020	\$ 15,642,000	\$ 16,100,000	2.93%	\$ 16,100,000	0.00%
4330	110602	Municipal Data Exchange Administration	\$ 78,437	\$ 167,000	\$ 175,000	4.79%	\$ 175,000	0.00%
4350	110607	Local Tax Administration	\$ 20,647,600	\$ 19,006,950	\$ 20,300,000	6.80%	\$ 20,300,000	0.00%
4360	110608	Motor Vehicle Audit Administration	\$ 717,882	\$ 633,000	\$ 1,459,609	130.59%	\$ 1,459,609	0.00%
4370	110606	Income Tax Refund Contribution Administration	\$ 39,179	\$ 38,000	\$ 38,800	2.11%	\$ 38,800	0.00%
4380	110609	School District Income Tax Administration	\$ 5,178,722	\$ 5,616,000	\$ 5,402,044	-3.81%	\$ 5,402,044	0.00%
4C60	110616	International Registration Plan Administration	\$ 605,631	\$ 600,000	\$ 682,415	13.74%	\$ 682,415	0.00%
4R60	110610	Tire Tax Administration	\$ 213,845	\$ 193,000	\$ 244,193	26.52%	\$ 244,193	0.00%
5AP0	110632	Discovery Project	\$ 1,823,510	\$ 0	\$ 0	N/A	\$ 0	N/A
5BP0	110639	Wireless 9-1-1 Administration	\$ 40,817	\$ 253,000	\$ 290,000	14.62%	\$ 290,000	0.00%
5JM0	110637	Casino Tax Administration	\$ 0	\$ 0	\$ 75,000	N/A	\$ 75,000	0.00%
5MN0	110638	STARS Development and Implementation	\$ 4,540,095	\$ 3,000,000	\$ 3,000,000	0.00%	\$ 3,000,000	0.00%
5N50	110605	Municipal Income Tax Administration	\$ 53,388	\$ 0	\$ 150,000	N/A	\$ 150,000	0.00%
5N60	110618	Kilowatt Hour Tax Administration	\$ 51,976	\$ 93,000	\$ 100,000	7.53%	\$ 100,000	0.00%
5NY0	110643	Petroleum Activity Tax Administration	\$ 0	\$ 0	\$ 1,000,000	N/A	\$ 1,000,000	0.00%
5V70	110622	Motor Fuel Tax Administration	\$ 2,874,152	\$ 3,460,000	\$ 5,035,374	45.53%	\$ 5,035,374	0.00%
5V80	110623	Property Tax Administration	\$ 10,393,909	\$ 10,815,800	\$ 11,178,310	3.35%	\$ 11,178,310	0.00%
5W70	110627	Exempt Facility Administration	\$ 60,440	\$ 49,500	\$ 49,500	0.00%	\$ 49,500	0.00%
6390	110614	Cigarette Tax Enforcement	\$ 956,936	\$ 1,750,000	\$ 1,750,000	0.00%	\$ 1,750,000	0.00%
6880	110615	Local Excise Tax Administration	\$ 352,829	\$ 534,000	\$ 775,015	45.13%	\$ 775,015	0.00%

# FY 2016 - FY 2017 Introduced Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			Estimate	Introduced	FY 2015 to FY 2016	Introduced	FY 2016 to FY 2017	
			FY 2014	FY 2015	FY 2016	FY 2017	% Change	
					% Change		% Change	
<b>TAX Department of Taxation</b>								
<b>Dedicated Purpose Fund Group Total</b>			<b>\$ 62,724,368</b>	<b>\$ 61,851,250</b>	<b>\$ 67,805,260</b>	<b>9.63%</b>	<b>\$ 67,805,260</b>	<b>0.00%</b>
4250	110635	Tax Refunds	\$ 2,083,547,994	\$ 1,757,464,400	\$ 1,546,800,000	-11.99%	\$ 1,546,800,000	0.00%
5CZ0	110631	Vendor's License Application	\$ 311,575	\$ 320,000	\$ 340,000	6.25%	\$ 340,000	0.00%
6420	110613	Ohio Political Party Distributions	\$ 269,558	\$ 230,000	\$ 267,500	16.30%	\$ 265,000	-0.93%
7095	110995	Municipal Income Tax	\$ 7,995,077	\$ 8,400,000	\$ 8,100,000	-3.57%	\$ 7,900,000	-2.47%
<b>Fiduciary Fund Group Total</b>			<b>\$ 2,092,124,204</b>	<b>\$ 1,766,414,400</b>	<b>\$ 1,555,507,500</b>	<b>-11.94%</b>	<b>\$ 1,555,305,000</b>	<b>-0.01%</b>
R010	110611	Tax Distributions	\$ 125,000	\$ 50,000	\$ 230,000	360.00%	\$ 230,000	0.00%
R011	110612	Miscellaneous Income Tax Receipts	\$0	\$ 0	\$ 50,000	N/A	\$ 50,000	0.00%
<b>Holding Account Fund Group Total</b>			<b>\$ 125,000</b>	<b>\$ 50,000</b>	<b>\$ 280,000</b>	<b>460.00%</b>	<b>\$ 280,000</b>	<b>0.00%</b>
<b>Department of Taxation Total</b>			<b>\$ 2,861,652,098</b>	<b>\$ 2,549,534,182</b>	<b>\$ 1,693,158,745</b>	<b>-33.59%</b>	<b>\$ 1,692,956,245</b>	<b>-0.01%</b>

## State Revenue Distributions

### General Revenue Fund

#### GRF 110908 Property Tax Reimbursement - Local Government

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$664,740,000</b>	<b>\$675,760,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>1.7%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 319.302 and 323.151 through 323.157; previously part of the Department of Taxation's budget

**Purpose:** This line item is used to reimburse local governments other than school districts for losses incurred as a result of the 10% and 2.5% rollback reductions in real and manufactured home property taxes and as a result of the homestead exemption reductions in taxes.

Types of real property eligible for the rollback include those used for farming; leasing property for farming; occupying, holding, or leasing property improved with one-, two-, or three-family dwellings; or holding vacant land that the county auditor determines will be used for these purposes. Owner-occupants of residential real property are eligible for an additional 2.5% tax reduction for those primary residences. Only "qualifying levies" as defined in ORC 319.302 as amended by Am. Sub. H.B. 59 of the 130th G.A. are subject to the rollbacks. Qualifying levies generally are levies on the tax list for tax year 2013 or renewals of such levies.

The homestead exemption is a partial exemption from real property taxation, on the first \$25,000 of a home's market value for owner-occupants who are (1) age 65 or older, or (2) permanently and totally disabled. Starting in tax year 2014, eligibility for the homestead exemption is further limited to persons with incomes of \$30,000 or less, except that persons who previously received the exemption will continue to do so, and persons who qualified but did not apply for the exemption in 2013, and who timely filed in 2014, will also receive the exemption. In future years, the \$30,000 cap rises with inflation. For a homestead of a disabled veteran, the partial exemption is \$50,000 of the real property's market value. Disabled veterans are exempt from the income test for eligibility.

## State Revenue Distributions

### GRF 200903 Property Tax Reimbursement - Education

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$1,181,760,000</b>	<b>\$1,201,340,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>1.7%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 319.302 and 323.151 through 323.157; previously appropriated in the Department of Education's budget

**Purpose:** This line item is used to reimburse school districts for losses incurred as a result of the 10% and 2.5% rollback reductions in real property taxes and as a result of the homestead exemption reduction in real property taxes. This line item may also reimburse school districts for tax revenue lost from Class 2 real property and public utility tangible personal property as a result of passing a conversion levy. Under Am. Sub. H.B. 59 of the 130th G.A., the rollback payments no longer apply to new or replacement levies approved by voters at the November 2013 election and onward. That bill also altered the homestead exemption program so that newly eligible elderly or disabled homeowners must have an Ohio adjusted gross income of less than \$30,000 to qualify (persons currently receiving the exemption for their current home will not lose it). Since 2007, all elderly or disabled homeowners have qualified regardless of income. Prior to that, the homestead exemption was also means-tested.

## State Revenue Distributions

### Dedicated Purpose Fund Group

#### 5KT0 955501 Racetrack Host Supplement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$12,000,000	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: Money paid to the state by casino operators in excess of amounts required by chapter 3772. of the Revised Code for licenses or fees, or by Title 57 of the Revised Code for taxes.

**Legal Basis:** Discontinued line item (ORC 3772.34; Section 610.15.10 of Am. Sub. H.B. 59 of the 130th G.A.)

**Purpose:** This line item was used to make two payments of \$1 million each to the municipal corporation or township in which more than 50% of the real property of each commercial racetrack was located on June 11, 2012, or to which more than 50% of the real property was to relocate, but excluding the previous municipal corporation or township of each moved or moving commercial racetrack, and excluding the City of Columbus and Hamilton Township in Franklin County where Scioto Downs is located. The money was to be used for workforce and economic development, job creation, training, education, food banks, and expenses, with at least 50% to be used for infrastructure or capital improvements.

### Revenue Distribution Fund Group

#### 5JG0 110633 Gross Casino Revenue County Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$89,021,910	\$140,683,100	\$134,400,000	<b>\$123,500,000</b>	<b>\$114,100,000</b>
	N/A	58.0%	-4.5%	<b>-8.1%</b>	<b>-7.6%</b>

**Source:** Revenue Distribution Fund Group: 51% of the 33% tax on gross casino revenue

**Legal Basis:** ORC 5753.03; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 519 of the 128th G.A.)

**Purpose:** This line item is used to make payments to all counties in proportion to population, as required by Section 6(C)(3)(a) of Article XV, Ohio Constitution.

## State Revenue Distributions

### 5JH0 110634 Gross Casino Revenue County Student Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$37,951,206	\$92,702,868	\$89,600,000	<b>\$82,300,000</b>	<b>\$76,100,000</b>
	N/A	144.3%	-3.3%	<b>-8.1%</b>	<b>-7.5%</b>

**Source:** Revenue Distribution Fund Group: 34% of the 33% tax on gross casino revenue

**Legal Basis:** ORC 5753.03; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 519 of the 128th G.A.)

**Purpose:** This line item is used to make payments among all counties in proportion to public school district student population, as required by Section 6(C)(3)(b) of Article XV, Ohio Constitution.

### 5JJ0 110636 Gross Casino Revenue Host City Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$8,727,638	\$13,792,461	\$13,100,000	<b>\$12,100,000</b>	<b>\$11,100,000</b>
	N/A	58.0%	-5.0%	<b>-7.6%</b>	<b>-8.3%</b>

**Source:** Revenue Distribution Fund Group: 5% of the 33% tax on gross casino revenue

**Legal Basis:** ORC 5753.03; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 519 of the 128th G.A.)

**Purpose:** This line item is used to make payments to the cities in which casino facilities are located, as required by Section 6(C)(3)(c) of Article XV, Ohio Constitution.

### 7047 200902 Property Tax Replacement Phase Out - Education

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$360,873,101</b>	<b>\$249,760,497</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>-30.8%</b>

**Source:** Revenue Distribution Fund Group: 20% of receipts from the commercial activity tax

**Legal Basis:** ORC 5751.02 in the executive proposed budget

**Purpose:** This line item is used to make payments to school districts and joint vocational school districts to help compensate for losses from the phase-out of general business tangible personal property taxes. This phase-out was initiated by H.B. 66 of the 126th G.A., and accelerated by H.B. 153 of the 129th G.A. The executive budget continues the phase-out, reducing the share of CAT revenues credited to the School District Tangible Property Tax Replacement Fund from 35% in FY 2015 to 20% in FY 2016 and thereafter.

## State Revenue Distributions

### 7049 038900 Indigent Drivers Alcohol Treatment

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$2,050,650	\$1,819,541	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-11.3%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Revenue Distribution Fund Group: \$37.50 of the fine paid for reinstatement of a driver's license after it was suspended for operation of a vehicle while under the influence of alcohol or a controlled substance

**Legal Basis:** Discontinued line item (originally established by Am. Sub. S.B. 131 of the 118th G.A.)

**Purpose:** This line item was used by the Department of Alcohol and Drug Addiction Services to distribute money to local courts through county and municipal indigent drivers treatment funds, which paid the costs of alcohol and drug addiction treatment programs ordered by the courts for indigent persons. Beginning in FY 2014, this line item is replaced by RDF Fund 7049 line item 335900.

### 7049 335900 Indigent Drivers Alcohol Treatment

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$1,593,852	\$1,900,000	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	19.2%	<b>-100%</b>	<b>N/A</b>

**Source:** Revenue Distribution Fund Group: \$37.50 of the fine paid for reinstatement of a driver's license after it was suspended for operation of a vehicle while under the influence of alcohol or a controlled substance

**Legal Basis:** Discontinued line item (ORC 4511.191(F)(2)(c): Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.)

**Purpose:** This line item was used by the Department of Mental Health and Addiction Services to distribute money 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 courts for indigent persons.

## State Revenue Distributions

### 7049 336900 Indigent Drivers Alcohol Treatment

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$2,250,000</b>	<b>\$2,250,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: \$37.50 of the fine paid for reinstatement of a driver's license after it was suspended for operation of a vehicle while under the influence of alcohol or a controlled substance

**Legal Basis:** ORC 4511.191(F)(2)(c); Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Department of Mental Health and Addiction Services to distribute money 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 courts for indigent persons.

### 7050 762900 International Registration Plan Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$15,644,416	\$15,042,297	\$15,398,922	\$30,000,000	<b>\$20,000,000</b>	<b>\$20,000,000</b>
	-3.8%	2.4%	94.8%	<b>-33.3%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: Registration fees based on gross vehicle weight for vehicles subject to the International Registration Plan (IRP)

**Legal Basis:** ORC 4501.044; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Distributions are made from Fund 7050 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 State Highway Safety Fund; (3) to the Highway Operating Fund; (4) to offset operation costs of the Department of Taxation and the Bureau of Motor Vehicles; and (5) to local governments as compensation for lost revenue which would have been received under prior law.

### 7051 762901 Auto Registration Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$473,898,744	\$477,056,491	\$326,065,837	\$360,000,000	<b>\$345,000,000</b>	<b>\$345,000,000</b>
	0.7%	-31.7%	10.4%	<b>-4.2%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: Motor vehicle license tax

**Legal Basis:** ORC 4501.03; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Money in this fund is returned by the Registrar of Motor Vehicles to the counties and districts of registration. 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.

## State Revenue Distributions

### 7054 110954 Local Government Property Tax Replacement - Utility

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$12,428,556	\$12,106,177	\$9,578,170	\$5,649,000	\$0	\$0
	-2.6%	-20.9%	-41.0%	-100%	N/A

**Source:** Revenue Distribution Fund Group: A portion of revenue from the kilowatt-hour tax and, prior to FY 2012, the natural gas consumption tax

**Legal Basis:** Discontinued line item (originally established by Am. Sub. S.B. 3 and Am. Sub. S.B. 287 of the 123rd G.A.)

**Purpose:** This line item was used to reimburse local governments other than school districts for property tax revenue lost due to reductions in 2001 in assessment rates on tangible property owned by electric and natural gas utilities. The phase-out schedule for these payments was changed by Am. Sub. H.B. 153 and Am. Sub. H.B. 508, both of the 129th G.A.

### 7060 110960 Gasoline Excise Tax Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$364,527,675	\$369,858,155	\$372,845,367	\$395,000,000	\$395,000,000	\$395,000,000
	1.5%	0.8%	5.9%	0.0%	0.0%

**Source:** Revenue Distribution Fund Group: Motor vehicle fuel tax

**Legal Basis:** ORC 5735.27; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to distribute funds to (1) municipal corporations for constructing and maintaining public highways and roads, maintaining bridges, and purchasing and installing traffic signs, markers, lights, and signals; (2) counties (under the authority of the county treasurer) 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 payment of bond obligations for road construction and improvements; and (3) townships (after first going to the county treasurer) for planning, constructing, and maintaining public roads and highways.

## State Revenue Distributions

### 7065 110965 Public Library Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$352,167,638	\$344,252,252	\$340,998,647	\$359,200,000	<b>\$379,520,000</b>	<b>\$394,310,000</b>
	-2.2%	-0.9%	5.3%	<b>5.7%</b>	<b>3.9%</b>

**Source:** Revenue Distribution Fund Group: Beginning in August 2013, 1.66% of total state GRF tax revenue is transferred into Fund 7065; from August 2011 through June 2013, the monthly transfer amount equaled 95% of the amount distributed in the same month of FY 2011; for accounting purposes, transfers to Fund 7065 are debited against receipts of the kilowatt-hour tax and the nonauto sales and use tax.

**Legal Basis:** ORC 131.51 and 5747.47; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Public Library Fund money is distributed to counties, and county budget commissions determine the amounts to be given to individual libraries based on needs for building construction and improvements, operations, maintenance, and other expenses. In a few counties, a small amount of this money is allocated to municipal corporations. Also, a total of \$5.0 million in each of FY 2016 and FY 2017 is to be transferred from Fund 7065 to the OPLIN Technology Fund (Fund 4S40) and the Library for the Blind Fund (Fund 5GB0).

### 7066 800966 Undivided Liquor Permits

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$14,318,961	\$14,329,450	\$14,080,807	\$14,100,000	<b>\$14,100,000</b>	<b>\$14,100,000</b>
	0.1%	-1.7%	0.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: Liquor permit fees

**Legal Basis:** ORC 4301.30; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item provides the appropriations necessary to pay liquor permit fee refunds as well as distribute the appropriate amount of liquor permit fee revenue back to the local taxing district where the permit was issued. The moneys deposited to the Undivided Liquor Permit Fund (Fund 7066) are distributed to the State Liquor Regulatory Fund (Fund 5LP0, 45%), the municipal corporations and townships in which the permitted premises are located (35%), and the Statewide Treatment and Prevention Fund (Fund 4750, 20%), which is used by the Department of Mental Health and Addiction Services (previously by the Department of Alcohol and Drug Addiction Services) to fund alcohol treatment and education efforts statewide.

## State Revenue Distributions

### 7068 110968 State and Local Government Highway Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$187,275,297	\$185,836,895	\$188,612,824	\$196,000,000	<b>\$196,000,000</b>	<b>\$196,000,000</b>
	-0.8%	1.5%	3.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: Motor vehicle fuel tax

**Legal Basis:** ORC 5735.23; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** A portion of the money in Fund 7068 is paid to the Ohio Turnpike and Infrastructure Commission (renamed in Am. Sub. H.B. 51 of the 130th G.A.) and to the Local Transportation Improvement Program Fund (Fund 7052) created by ORC 164.14. The remainder is distributed to counties, municipal corporations, townships, and the state Highway Operating Fund. These moneys are to be spent according to the same guidelines as the Gasoline Excise Tax Fund (see RDF Fund 7060 line item 110960).

### 7069 110969 Local Government Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$594,483,565	\$348,666,532	\$347,337,595	\$364,200,000	<b>\$383,520,000</b>	<b>\$399,310,000</b>
	-41.3%	-0.4%	4.9%	<b>5.3%</b>	<b>4.1%</b>

**Source:** Revenue Distribution Fund Group: Starting August 2013, 1.66% of total state GRF tax revenue is transferred to this fund; from August 2011 through June 2012, the monthly transfer amount equaled 75% of the amount distributed in the same month of FY 2011, with an additional approximately \$50 million added for the year; from July 2012 through June 2013, the monthly transferred amount equaled 50% of the amount distributed in the same month of FY 2011; for accounting purposes, transfers to Fund 7069 are debited against personal income tax receipts.

**Legal Basis:** ORC 131.51 and 5747.50; Sections 371.10 and 757.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** The Local Government Fund (LGF) provides state aid to counties and municipalities. County amounts are disbursed to local subdivisions to be used for current operating expenses of the county government, municipalities, townships, and certain special districts. Starting in FY 2014, no county undivided local government fund is to receive less than \$750,000 or the amount received in FY 2013, whichever is smaller.

## State Revenue Distributions

### 7081 110907 Property Tax Replacement Phase Out - Local Government

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	\$65,942,450	\$40,188,766
	N/A	N/A	N/A	N/A	-39.1%

**Source:** Revenue Distribution Fund Group: 5% of receipts from the commercial activity tax

**Legal Basis:** ORC 5751.02 in the executive proposed budget

**Purpose:** This line item is used to make payments to local taxing units other than school districts to help compensate for losses from the phase-out of general business tangible personal property taxes. This phase-out was initiated by H.B. 66 of the 126th G.A., and accelerated by H.B. 153 of the 129th G.A. The executive budget continues the phase-out, reducing the share of CAT revenues credited to the Local Government Tangible Property Tax Replacement Fund from 15% in FY 2015 to 5% in FY 2016 and thereafter.

### 7081 110981 Local Government Property Tax Replacement - Business

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$261,500,518	\$181,698,003	\$166,774,048	\$122,000,000	\$0	\$0
	-30.5%	-8.2%	-26.8%	-100%	N/A

**Source:** Revenue Distribution Fund Group: A portion of revenue from the commercial activity tax

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 66 of the 126th General Assembly)

**Purpose:** This line item was used to reimburse local taxing units other than school districts 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. The phase-out schedule for these payments was changed by Am. Sub. H.B. 153 and Am. Sub. H.B. 508, both of the 129th G.A.

### 7082 110982 Horse Racing Tax

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$71,454	\$69,817	\$58,802	\$0	\$100,000	\$100,000
	-2.3%	-15.8%	-100%	N/A	0.0%

**Source:** Revenue Distribution Fund Group: Revenue from the tax on Ohio pari-mutuel wagering on races at Ohio county fairs

**Legal Basis:** ORC 3769.08(K); Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to distribute revenues to the agricultural societies of the counties in which the revenues originated.

## State Revenue Distributions

### 7083 700900 Ohio Fairs Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,129,171	\$1,023,815	\$903,669	\$1,400,000	<b>\$1,200,000</b>	<b>\$1,200,000</b>
	-9.3%	-11.7%	54.9%	<b>-14.3%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: 0.5% of amounts wagered, or a lesser amount on a prorated basis if sufficient funds from the tax are not available, plus 0.25% of the amount of "exotic" wagers

**Legal Basis:** ORC 3769.082; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Moneys from Fund 7083 are distributed as follows: (1) 12% of the fund balance is distributed to county agricultural societies and to independent agricultural societies that hold annual fairs, for general operations; (2) 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 and other expenses necessary for conducting horse races; and (3) the Ohio Expositions Commission receives \$120,000 to conduct stakes races. Any shortfall is to be prorated; any excess is to be distributed to agricultural societies conducting stakes races and to the Ohio Expositions Commission.

### 7088 110900 Local Government Services Collaboration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$64,025	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Revenue Distribution Fund Group: Funds otherwise scheduled to be deposited into the Local Government Fund

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 119 of the 127th G.A.)

**Purpose:** The Local Government Services Collaboration Grant Program, administered by the Director of Development, provided competitive formula grants to counties, municipal corporations, and townships that were interested in combining the provision of local government services with those of other counties, municipal corporations, or townships. Awards were solely for the cost of conducting a feasibility study addressing whether, and in what manner, counties, municipal corporations, and townships may combine their respective provision of local government services.

## State Revenue Distributions

### Fiduciary Fund Group

#### 4P80 001698 Cash Management Improvement Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$110,089	\$22,079	\$74,998	\$3,100,000	<b>\$3,100,000</b>	<b>\$3,100,000</b>
	-79.9%	239.7%	4,033.4%	<b>0.0%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 131.37; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay interest earnings to the federal government that the state must pay under the federal Cash Management Improvement Act of 1990.

#### 6080 001699 Investment Earnings

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$14,089,663	\$21,791,810	\$31,735,265	\$30,000,000	<b>\$100,000,000</b>	<b>\$120,000,000</b>
	54.7%	45.6%	-5.5%	<b>233.3%</b>	<b>20.0%</b>

**Source:** Fiduciary Fund Group: Investment earnings from various state funds

**Legal Basis:** ORC 113.09; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay investment earnings from the State Treasurer's investment pool to the funds that ultimately receive them, including the GRF, as apportioned by the Office of Budget and Management.

#### 7001 110996 Horse-Racing Tax Municipality Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$122,975	\$125,000	<b>\$125,000</b>	<b>\$125,000</b>
	N/A	N/A	1.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: Tax on pari-mutuel wagering on horse races at commercial racetracks

**Legal Basis:** ORC 3769.102 and 3769.28; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay to municipal corporations and townships where horse racing takes place the proceeds of a tax on pari-mutuel wagering on those races, excluding those at county fairs.

## State Revenue Distributions

### 7062 110962 Resort Area Excise Tax Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,002,111	\$1,068,135	\$1,172,376	\$1,000,000	<b>\$1,200,000</b>	<b>\$1,200,000</b>
	6.6%	9.8%	-14.7%	<b>20.0%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: Municipal corporations and townships in which housing, employment, and facilities meet specified criteria may impose a resort area excise tax of up to 1.5% on gross receipts from general sales or intrastate transportation within the resort area. Three jurisdictions impose the tax, all at the rate of 1.5%: the villages of Kelley's Island and Put-in-Bay, and the township of Put-in-Bay.

**Legal Basis:** ORC 5739.102; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Tax Commissioner to distribute money from the resort area excise tax to each jurisdiction that levies the tax, within 45 days after the month of collection, minus 1% credited to the GRF for administration.

### 7063 110963 Permissive Tax Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,893,335,506	\$2,016,139,319	\$2,142,429,548	\$2,151,135,000	<b>\$2,356,000,000</b>	<b>\$2,475,000,000</b>
	6.5%	6.3%	0.4%	<b>9.5%</b>	<b>5.1%</b>

**Source:** Fiduciary Fund Group: County and transit authority permissive sales and use taxes and county permissive cigarette taxes and alcoholic beverage taxes

**Legal Basis:** ORC 4301.423, 5743.024, 5739.21, and 5741.03; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Tax Commissioner to distribute revenue from county and transit authority permissive taxes to the county or transit authority of origin. Cuyahoga County is the only county levying excise taxes on cigarettes and alcoholic beverages. H.B. 562 of the 127th G.A. amended the Revised Code to prohibit any other county from levying excise taxes on cigarettes and alcoholic beverages.

## State Revenue Distributions

### 7067 110967 School District Income Tax Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$336,546,812	\$350,408,496	\$380,854,119	\$365,277,800	<b>\$430,000,000</b>	<b>\$453,000,000</b>
	4.1%	8.7%	-4.1%	<b>17.7%</b>	<b>5.3%</b>

**Source:** Fiduciary Fund Group: School district income tax collections, including any penalties or interest thereon

**Legal Basis:** ORC 5747.03(C); Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Tax Commissioner to distribute school district income tax collections to the districts of origin, less 1.5% for administration of the tax. Money deducted to pay costs of administration of the tax but not used for that purpose is to be returned to the fund.

### 7085 800985 Volunteer Firemen's Dependents Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$236,750	\$238,575	\$234,900	\$300,000	<b>\$300,000</b>	<b>\$300,000</b>
	0.8%	-1.5%	27.7%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: Initial premiums paid by each political subdivision or fire district that maintains a volunteer fire department or employs volunteer firefighters, and each private volunteer fire company under contract to afford fire protection to a political subdivision or fire district and which has elected to become a member of the fund; if needed to meet funding requirements, additional assessments by the state fire marshal

**Legal Basis:** ORC 146.07; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay three types of benefits: (1) surviving spouse benefits to anyone whose volunteer firefighter spouse was killed in the line of duty, (2) monthly benefits for dependent children until age 18 or age 23 if the child is attending a post-secondary educational institution, and (3) monthly benefits to volunteer firefighters totally and permanently disabled in the line of duty.

## State Revenue Distributions

### 7093 110640 Next Generation 9-1-1

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$2,690,000	<b>\$2,600,000</b>	<b>\$2,600,000</b>
	N/A	N/A	N/A	-3.3%	0.0%

**Source:** Fiduciary Fund Group: Any excess remaining after required distributions monthly from the Wireless 9-1-1 Government Assistance Fund to counties; any assessments for failure to remit wireless 9-1-1 charges; any excess in 9-1-1 administrative funds from revenues in excess of actual administrative

**Legal Basis:** ORC 128.54; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This new line item is for use by the Tax Commissioner in disbursing money to countywide 9-1-1 systems. The disbursements may be used for costs associated with the operation of and equipment for phase II wireless systems and for costs associated with a county's migration to next generation 9-1-1 systems and technology.

### 7094 110641 Wireless 9-1-1 Government Assistance

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$13,485,958	\$23,310,000	<b>\$28,200,000</b>	<b>\$28,200,000</b>
	N/A	N/A	72.8%	<b>21.0%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: 97% of receipts from 25-cent per month wireless 9-1-1 charges, beginning January 1, 2014

**Legal Basis:** ORC 128.54; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** Wireless 9-1-1 collection authority is transferred to the Tax Commissioner, from the Public Utilities Commission, on January 1, 2014. The Tax Commissioner is to disburse money from this fund every month to each county, up to the amount distributed in the corresponding month of calendar year 2013. If any excess remains after these distributions, the excess is to be transferred to the Next Generation 9-1-1 Fund.

### 7099 762902 Permissive Tax Distribution - Auto Registration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$151,000,537	\$184,000,000	<b>\$184,000,000</b>	<b>\$184,000,000</b>
	N/A	N/A	21.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Fiduciary Fund Group: County, township, municipal, or transportation improvement district motor vehicle license tax paid with applications for motor vehicle registration

**Legal Basis:** ORC 4501.031; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Registrar of Motor Vehicles to distribute tax payments to the local governments levying them.

## State Revenue Distributions

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### Holding Account Fund Group

#### R045 110617 International Fuel Tax Distribution

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$40,422,399	\$39,211,832	\$35,659,614	\$40,000,000	<b>\$40,000,000</b>	<b>\$40,000,000</b>
	-3.0%	-9.1%	12.2%	<b>0.0%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 5728.06; Section 371.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This fund holds fuel use tax payments prior to distribution to other funds in Ohio or to other jurisdictions owed a portion of the fuel tax collected from Ohio-based carriers under the International Fuel Tax Agreement (IFTA). Under IFTA, an agreement among the 48 contiguous U.S. states and 10 Canadian provinces, trucking companies register for fuel use tax in their home state or province and file one tax return, instead of registering and filing in each jurisdiction in which they operate. The base state or province 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 among the states and provinces in IFTA.

# FY 2016 - FY 2017 Introduced Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			Estimate	Introduced	FY 2015 to FY 2016	Introduced	FY 2016 to FY 2017	
			FY 2014	FY 2015	FY 2016	FY 2017	% Change	
					% Change		% Change	
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: As Introduced</b>					
<b>RDF State Revenue Distributions</b>								
GRF	110908	Property Tax Reimbursement - Local Government	\$0	\$0	\$ 664,740,000	N/A	\$ 675,760,000	1.66%
GRF	200903	Property Tax Reimbursement - Education	\$0	\$0	\$ 1,181,760,000	N/A	\$ 1,201,340,000	1.66%
<b>General Revenue Fund Total</b>			<b>\$0</b>	<b>\$0</b>	<b>\$ 1,846,500,000</b>	<b>N/A</b>	<b>\$ 1,877,100,000</b>	<b>1.66%</b>
5KT0	955501	Racetrack Host Supplement	\$ 12,000,000	\$0	\$0	N/A	\$0	N/A
<b>Dedicated Purpose Fund Group Total</b>			<b>\$ 12,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>	<b>\$0</b>	<b>N/A</b>
5JG0	110633	Gross Casino Revenue County Distribution	\$ 140,683,100	\$ 134,400,000	\$ 123,500,000	-8.11%	\$ 114,100,000	-7.61%
5JH0	110634	Gross Casino Revenue County Student Distribution	\$ 92,702,868	\$ 89,600,000	\$ 82,300,000	-8.15%	\$ 76,100,000	-7.53%
5JJ0	110636	Gross Casino Revenue Host City Distribution	\$ 13,792,461	\$ 13,100,000	\$ 12,100,000	-7.63%	\$ 11,100,000	-8.26%
7047	200902	Property Tax Replacement Phase Out - Education	\$0	\$0	\$ 360,873,101	N/A	\$ 249,760,497	-30.79%
7049	335900	Indigent Drivers Alcohol Treatment	\$ 1,593,852	\$ 1,900,000	\$0	N/A	\$0	N/A
7049	336900	Indigent Drivers Alcohol Treatment	\$0	\$0	\$ 2,250,000	N/A	\$ 2,250,000	0.00%
7050	762900	International Registration Plan Distribution	\$ 15,398,922	\$ 30,000,000	\$ 20,000,000	-33.33%	\$ 20,000,000	0.00%
7051	762901	Auto Registration Distribution	\$ 326,065,837	\$ 360,000,000	\$ 345,000,000	-4.17%	\$ 345,000,000	0.00%
7054	110954	Local Government Property Tax Replacement - Utility	\$ 9,578,170	\$ 5,649,000	\$0	-100.00%	\$0	N/A
7060	110960	Gasoline Excise Tax Fund	\$ 372,845,367	\$ 395,000,000	\$ 395,000,000	0.00%	\$ 395,000,000	0.00%
7065	110965	Public Library Fund	\$ 340,998,647	\$ 359,200,000	\$ 379,520,000	5.66%	\$ 394,310,000	3.90%
7066	800966	Undivided Liquor Permits	\$ 14,080,807	\$ 14,100,000	\$ 14,100,000	0.00%	\$ 14,100,000	0.00%
7068	110968	State and Local Government Highway Distribution	\$ 188,612,824	\$ 196,000,000	\$ 196,000,000	0.00%	\$ 196,000,000	0.00%
7069	110969	Local Government Fund	\$ 347,337,595	\$ 364,200,000	\$ 383,520,000	5.30%	\$ 399,310,000	4.12%
7081	110907	Property Tax Replacement Phase Out - Local Government	\$0	\$0	\$ 65,942,450	N/A	\$ 40,188,766	-39.05%
7081	110981	Local Government Property Tax Replacement - Business	\$ 166,774,048	\$ 122,000,000	\$0	-100.00%	\$0	N/A
7082	110982	Horse Racing Tax	\$ 58,802	\$0	\$ 100,000	N/A	\$ 100,000	0.00%
7083	700900	Ohio Fairs Fund	\$ 903,669	\$ 1,400,000	\$ 1,200,000	-14.29%	\$ 1,200,000	0.00%
<b>Revenue Distribution Fund Group Total</b>			<b>\$ 2,031,426,968</b>	<b>\$ 2,086,549,000</b>	<b>\$ 2,381,405,551</b>	<b>14.13%</b>	<b>\$ 2,258,519,263</b>	<b>-5.16%</b>

## FY 2016 - FY 2017 Introduced Appropriation Amounts

## All Fund Groups

### Line Item Detail by Agency

			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
<b>RDF State Revenue Distributions</b>								
4P80	001698	Cash Management Improvement Fund	\$ 74,998	\$ 3,100,000	\$ 3,100,000	0.00%	\$ 3,100,000	0.00%
6080	001699	Investment Earnings	\$ 31,735,265	\$ 30,000,000	\$ 100,000,000	233.33%	\$ 120,000,000	20.00%
7001	110996	Horse-Racing Tax Municipality Fund	\$ 122,975	\$ 125,000	\$ 125,000	0.00%	\$ 125,000	0.00%
7062	110962	Resort Area Excise Tax Distribution	\$ 1,172,376	\$ 1,000,000	\$ 1,200,000	20.00%	\$ 1,200,000	0.00%
7063	110963	Permissive Tax Distribution	\$ 2,142,429,548	\$ 2,151,135,000	\$ 2,356,000,000	9.52%	\$ 2,475,000,000	5.05%
7067	110967	School District Income Tax Distribution	\$ 380,854,119	\$ 365,277,800	\$ 430,000,000	17.72%	\$ 453,000,000	5.35%
7085	800985	Volunteer Firemen's Dependents Fund	\$ 234,900	\$ 300,000	\$ 300,000	0.00%	\$ 300,000	0.00%
7093	110640	Next Generation 9-1-1	\$ 0	\$ 2,690,000	\$ 2,600,000	-3.35%	\$ 2,600,000	0.00%
7094	110641	Wireless 9-1-1 Government Assistance	\$ 13,485,958	\$ 23,310,000	\$ 28,200,000	20.98%	\$ 28,200,000	0.00%
7099	762902	Permissive Tax Distribution - Auto Registration	\$ 151,000,537	\$ 184,000,000	\$ 184,000,000	0.00%	\$ 184,000,000	0.00%
<b>Fiduciary Fund Group Total</b>			<b>\$ 2,721,110,676</b>	<b>\$ 2,760,937,800</b>	<b>\$ 3,105,525,000</b>	<b>12.48%</b>	<b>\$ 3,267,525,000</b>	<b>5.22%</b>
R045	110617	International Fuel Tax Distribution	\$ 35,659,614	\$ 40,000,000	\$ 40,000,000	0.00%	\$ 40,000,000	0.00%
<b>Holding Account Fund Group Total</b>			<b>\$ 35,659,614</b>	<b>\$ 40,000,000</b>	<b>\$ 40,000,000</b>	<b>0.00%</b>	<b>\$ 40,000,000</b>	<b>0.00%</b>
<b>State Revenue Distributions Total</b>			<b>\$ 4,800,197,259</b>	<b>\$ 4,887,486,800</b>	<b>\$ 7,373,430,551</b>	<b>50.86%</b>	<b>\$ 7,443,144,263</b>	<b>0.95%</b>