

## Revenue Distribution Funds

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### Agency Fund Group

#### 062 110-900 RESORT AREA EXCISE TAX

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 87,751	\$ 249,371	\$ 290,313	\$ 292,476	<b>\$ 250,000</b>	<b>\$ 250,000</b>
	184.2%	16.4%	0.7%	<b>-14.5%</b>	<b>0.0%</b>

**Source:** Agency Fund Group: Resort areas may impose a tax of up to 1.5 percent on sales of food off-premises and/or intrastate transportation of passengers, for the general funds, (this tax replaces the old "island tax" which was repealed.

**Legal Basis:** ORC 5739.102

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

#### 063 110-900 PERMISSIVE TAX DISTRIBUTION

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 1,023,903,672	\$ 1,108,734,273	\$ 1,187,877,852	\$ 1,248,270,082	<b>\$ 1,291,217,300</b>	<b>\$ 1,342,814,000</b>
	8.3%	7.1%	5.1%	<b>3.4%</b>	<b>4.0%</b>

**Source:** Agency Fund Group: 99 percent of county and transit authority permissive sales and use taxes, and 98 percent of county permissive cigarette taxes and alcoholic beverage taxes (Cuyahoga County is still the only county levying excise taxes on cigarettes and alcoholic beverages).

**Legal Basis:** ORC 4301.423; ORC 5743.024; ORC 5739.21; ORC 5741.03

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

## Revenue Distribution Funds

### 067 110-900 SCHOOL DISTRICT INCOME TAX

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 85,691,716	\$ 99,795,827	\$ 113,495,457	\$ 128,887,294	<b>\$ 145,000,000</b>	<b>\$ 155,000,000</b>
	16.5%	13.7%	13.6%	<b>12.5%</b>	<b>6.9%</b>

**Source:** Agency Fund Group: The original law authorizing the school district income tax went into effect in November, 1981. H.B. 291 of the 115th G.A.; repealed the authority of any school district to enact an income tax after August 1, 1983. There were six districts which has approved the tax before that date which continued to levy the tax. Licking Valley Local repealed its tax effective 1987, reducing the number of districts levying the tax to five. Am. Sub. S.B. 28 of the 118 G.A reauthorized new enactments of voter-approved school district income taxes. Over 100 districts have now enacted the tax.

**Legal Basis:** ORC 5747.03

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

### 4P8 001-698 CASH MANAGEMENT IMPROVEMENT FUND

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 0	\$ 1,536,341	\$ 1,943,258	\$ 2,002,302	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>
	N/A	26.5%	3.0%	<b>-0.1%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 131.37

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

### 608 001-699 INVESTMENT EARNINGS

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 197,293,509	\$ 0	\$ 302,770,096	\$ 341,721,338	<b>\$ 345,000,000</b>	<b>\$ 345,000,000</b>
	-100.0%	N/A	12.9%	<b>1.0%</b>	<b>0.0%</b>

**Source:** Agency Fund Group: investment earnings from various state funds

**Legal Basis:** budget bills; Am. Sub. H.B. 201 of the 116th G.A. transferred responsibility for appropriating investment earning to OBM (appropriation authority was granted the Controlling Board in FY 1987)

**Purpose:** This fund hold investment earning from the State Treasurer's investment pool until OBM apports them to the funds that ultimately receive them, including the GRF.

## Revenue Distribution Funds

### Revenue Distribution Fund Group

#### 049 038-900 INDIGENT DRIVERS ALCOHOL TREATMENT

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 1,636,575	\$ 1,572,730	\$ 1,610,310	\$ 1,460,418	<b>\$ 1,900,000</b>	<b>\$ 1,900,000</b>
	-3.9%	2.4%	-9.3%	<b>30.1%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group: \$25 of the fine paid by OMVI offenders to have their license reinstated after their suspension period, according to ORC 4511.191(J)(2)(c)

**Legal Basis:** originally established by Am. Sub. S.B. 131 (revised in Sub. H.B. 837) of the 118th G.A. (in Am. Sub. H.B. 117 of the 121st G.A. this line item was moved from ADA's appropriation section to the Revenue Redistribution section at the end of the budget bill)

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

#### 050 762-900 INTL REGISTRATION PLAN DISTRIBUTION

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 34,824,025	\$ 35,810,846	\$ 38,880,197	\$ 46,144,278	<b>\$ 45,000,000</b>	<b>\$ 47,250,000</b>
	2.8%	8.6%	18.7%	<b>-2.5%</b>	<b>5.0%</b>

**Source:** Revenue Distribution Fund Group: Registration fees based on gross vehicle weight and a 3 cents per gallon motor fuel surcharge for vehicles subject to the IRP. Am. Sub. H.B 831 of the 118th General Assembly eliminated the highway use tax (axle-mile tax) effective January 1, 1991. The act required the Registrar of Motor Vehicles in Ohio to apply for membership in a reciprocal registration agreement known as the International Registration Plan (IRP). The highway use tax and the various commercial vehicle registration taxed effective under prior law were replaced with a system for registration fees based on gross vehicle weight and a 3 cents per gallon motor fuel surcharges for vehicle subject to the IRP. Revenues from the new IRP registration fees are deposited into the International Registration Plan Distribution Fund (IRDPF)

**Legal Basis:** ORC 4501.044

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

## Revenue Distribution Funds

### 051 762-901 AUTO REGISTRATION DISTRIBUTION

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 415,350,873	\$ 423,774,554	\$ 0	\$ 448,539,710	<b>\$ 448,300,000</b>	<b>\$ 448,300,000</b>
	2.0%	-100.0%	N/A	<b>-0.1%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 4501.03

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

### 060 110-900 GASOLINE EXCISE TAX FUND

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 101,589,469	\$ 102,279,923	\$ 105,114,529	\$ 108,451,654	<b>\$ 110,977,700</b>	<b>\$ 113,752,100</b>
	0.7%	2.8%	3.2%	<b>2.3%</b>	<b>2.5%</b>

**Source:** Revenue Distribution Fund Group: The Ohio motor vehicles fuel tax actually consists of five separate levies. There are two levies that are 2 cents per gallon whose proceeds are split between the state highway fund and local governments. The gasoline excise tax fund receives that portion of those two levies that is distributed to local governments. In effect, this fund receives 1.75 cents per gallon of the motor vehicle fuel tax.

**Legal Basis:** ORC 5735.27; also OCR 5735.23 and ORC 5735.26

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

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

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

## Revenue Distribution Funds

### 064 110-900 LOCAL GOVERNMENT REVENUE ASSISTANCE

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 76,152,703	\$ 80,096,702	\$ 87,086,810	\$ 92,931,175	<b>\$ 93,211,200</b>	<b>\$ 97,797,000</b>
	5.2%	8.7%	6.7%	<b>0.3%</b>	<b>4.9%</b>

**Source:** Revenue Distribution Fund Group: 0.6% of the personal income tax, sales and use tax, corporate franchise tax, and public utility excise tax.

**Legal Basis:** ORC 5747.61; the percentages of tax sources deposited to the fund are specified in ORC 5727.45; ORC 5733.12; ORC 5739.21; ORC 5741.03; and ORC 5747.03.

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

### 065 110-900 LIBRARY/LOCAL GOVERNMENT SUPPORT FD

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 333,402,332	\$ 365,003,677	\$ 402,557,965	\$ 449,954,268	<b>\$ 443,933,100</b>	<b>\$ 472,336,200</b>
	9.5%	10.3%	11.8%	<b>-1.3%</b>	<b>6.4%</b>

**Source:** Revenue Distribution Fund Group: 5.7 of the state personal income tax.

**Legal Basis:** distributions are governed by ORC 5747.46; ORC 5747.47; and OCR 5747.48; revenue source is specified in ORC 5747.03; uses of funds are detailed in ORC 3375.05; ORC 3375.121; ORC 3375.40; ORC 3375.403; ORC 3375.82; ORC 3375.85; and ORC 5705.32.

**Purpose:** LLGSF money flows to the counties, and the county budget commission determines the amounts to be given to all libraries.. The amount given to each library is based on its needs for building construction and improvements, operations, maintenance, and other expenses. In a few counties, a small amount of LLGSF money gets allocated to municipal corporations.

### 066 800-900 Undivided Liquor Permit Fund

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 0	\$ 0	\$ 0	\$ 12,730,222	<b>\$ 13,300,000</b>	<b>\$ 13,300,000</b>
	N/A	N/A	N/A	<b>4.5%</b>	<b>0.0%</b>

**Source:** Revenue Distribution Fund Group:

**Legal Basis:**

**Purpose:**

## Revenue Distribution Funds

### 068 110-900 STATE/LOCAL GOVERNMENT HIGHWAY DISTR

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 204,030,142	\$ 205,627,939	\$ 211,137,851	\$ 217,841,475	<b>\$ 222,487,300</b>	<b>\$ 228,049,500</b>
	0.8%	2.7%	3.2%	<b>2.1%</b>	<b>2.5%</b>

**Source:** Revenue Distribution Fund Group: Motor vehicle fuel tax revenue from one of the 2 cents per gallon levies and from the variable cents per gallon levy (currently at 15 cents) authorized by ORC 5735.05

**Legal Basis:** ORC 5735.23

**Purpose:** First, the amount of this fund's balance derived from applying the variable cents per gallon levy to fuel sales at stations operated by the Ohio Turnpike Commission (OTC) is paid to the commission. Then the remaining balance is distributed among counties, municipal corporations, townships, and the state Highway Operation Fund. These moneys are to be spent according to the guidelines listed in the prior section describing the Gasoline Excise Tax Fund.

### 069 110-900 LOCAL GOVERNMENT FUND

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 555,377,232	\$ 569,431,642	\$ 648,323,525	\$ 635,019,271	<b>\$ 663,478,400</b>	<b>\$ 695,579,000</b>
	2.5%	13.9%	-2.1%	<b>4.5%</b>	<b>4.8%</b>

**Source:** Revenue Distribution Fund Group: 4.2% of the personal income tax, sales and use tax, corporate franchise tax, and public utility excise tax.

**Legal Basis:** created in ORC 5747.03; the percentages of tax sources deposited to the fund are specified in ORC 5727.45; ORC 5733.12; ORC 5739.21; ORC 5741.03; and ORC 5747.03.

**Purpose:** Like the LGRAF, the LGF provides state aid to counties, but there is also a share that goes to municipalities. Specifically, municipal corporations receive one-tenth of the difference between the total in the state LGF and 145.45 percent of the 1983 county deposits tax revenue, plus \$6 million. This amount (\$45.8 million in CY 1995) goes to all municipalities that levied an income tax in the preceding year. Each municipality's share of the total equals its percentage of total municipal income taxed collected in the state two years before. Amounts going to municipalities are paid into the general fund and may be used for any purpose.

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

## Revenue Distribution Funds

### 082 CAS-900 HORSE RACING TAX

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 156,407	\$ 120,074	\$ 108,550	\$ 139,629	<b>\$ 250,000</b>	<b>\$ 250,000</b>
	-23.2%	-9.6%	28.6%	<b>79.0%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 3769.08

**Purpose:** Revenues are distributed in November of each year to agricultural societies to conduct horse races and pay purses for those races.

### 083 700-900 OHIO FAIRS FUND

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 2,698,041	\$ 2,599,623	\$ 184,372	\$ 2,893,469	<b>\$ 3,000,000</b>	<b>\$ 3,000,000</b>
	-3.6%	-92.9%	1469.4%	<b>3.7%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 3769.082

**Purpose:** 12 percent of the fund balance goes to each county agricultural society and to each independent agricultural society that holds an annual fair, for general operations. Each county or independent agricultural society that conducts horse races at its annual fair receives a lump sum of \$5,000, to be used for purse money and for other expenses (\$1,000 is earmarked for racetrack maintenance). The Ohio Expositions Commission receives \$120,000 to conduct stakes races. After all these distributions, the remainder is split as follows; 4 percent to the Ohio Expositions Commission, and the other 96 percent to agricultural societies that conduct stakes races, for general operations.

**Revenue Distribution Funds**

**INTERNATIONAL FUEL TAX DISTRIBUTION FUND G**

**R45 110-617 INTERNATIONAL FUEL TAX DISTRIBUTION**

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 0	\$ 30,039,585	\$ 37,426,306	\$ 31,028,601	<b>\$ 44,100,000</b>	<b>\$ 44,100,000</b>
	N/A	24.6%	-17.1%	<b>42.1%</b>	<b>0.0%</b>

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

**Legal Basis:** Am. H.B. 515 of the 120th G.A permitted Ohio to enter IFTA (Ohio became part of IFTA in FY 1995)

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

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

**Revenue Distribution Funds**

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**Volunteer Firefighters Dependents Fund Group**

**085 800-900 VOL FIREFIGHTERS DEPENDENTS FUND**

FY 1996	FY 1997	FY 1998	FY 1999	FY 2000 Appropriation	FY 2001 Appropriation
\$ 220,925	\$ 181,175	\$ 196,770	\$ 185,585	<b>\$ 200,000</b>	<b>\$ 200,000</b>
	-18.0%	8.6%	-5.7%	<b>7.8%</b>	<b>0.0%</b>

**Source:** Volunteer Firefighters Dependents Fund Group: "Initial premiums" paid by each political subdivision or fire district that maintains a volunteer fire department; initial premium is determined by the assessed property value of the political subdivision or fire district (private volunteer fire companies under contract to a political subdivision or fire district may become members of the fund for an initial premium of \$500, if they so desire); when claims against the fund have reduced it to 96 percent or less of the basic capital account, the Auditor of State assesses each member of the fund 10 percent of the initial premium paid.

**Legal Basis:** ORC 146.07

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

- (1) Surviving spouse benefits, to anyone who firefighter spouse was killed in the line of duty.
- (2) Benefits to dependent children in the sum of \$25 per child per month.
- (3) Benefits to totally and permanently disable firefighters, in the sum of \$100 per month.