

Taxation

(Source: Taxadmin.org)

Corporate Income Tax Franchise Tax:

Ohio no longer levies a tax based on income, but instead imposes a Commercial Activity Tax (CAT) equal to \$150 for gross receipts situated to Ohio of between \$150,000 and \$1 million, plus 0.26% of gross receipts over \$1 million. Banks continue to pay a franchise tax of 1.3% of net worth. For those few corporations for whom the franchise tax on net worth or net income still applies, a litter tax also applies.

Personal Income Tax

- Rate Range: .587% - 5.925%
- Number of Tax Brackets – 9
- Income Brackets - \$5,050 - \$200,001
- Personal Exemptions: \$1600 for single or dependent, \$3200 for married
- Federal Income Tax Deductible – No

Sales Use Tax Rate

(Source: Ohio Department of Taxation)

- The State of Ohio's sales tax is 5.5%
- Mahoning County's sales tax is 6.75%

Tax on Utilities

(Source: UPOC)

- 4.9% gross receipts excise tax on electric, natural gas, and telephone
- Fuel oil has no tax

Machinery and Equipment Subject to Sales Use Tax

(Source: Ohio Department of Taxation)

- Production – Exempt from tax
- Non-Production – Taxable
- Pollution Control – Exempt from tax
- Office Furniture Fixtures Equipment – Taxable

Sales Use Tax on

- Office Building Construction Materials – Taxable at time of purchase
- Industrial Building Construction Materials – Taxable at time of purchase
- Manufacturer's Raw Materials – Exempt from tax
- Standard Software - Taxable
- Custom Software – Exempt from Tax

Personal Property Tax

- Personal Property Tax phased out for general taxpayers in 2008. For telephone and IX companies from the Public Utilities side, it phased out in 2010.

Real Property Tax Rates

- Tangible Property Millage Rate – 79.65
- Class I Real Property Millage Rate – 60.72
- Class II Real Property Millage Rate – 73.28
- Residential and Agricultural Gross Rate – 82.85
- Residential and Agricultural Net Rate – 62.47
- Public Utility, Commercial, Industrial, and Mineral Gross Rate – 82.81
- Public Utility, Commercial, Industrial, and Mineral Net Rate – 74.87
- Public Utility Personal Property Rate – 82.85
- Assessment Ratio (%) – 35%
- Effective Rate - all rates appear as mills; a mill is equivalent to \$1 per \$1,000 of taxable value