

DRAFT TAX REFORM PLAN

- 1. COMMERCIAL ACTIVITY TAX(1-1-18)
 - APPLIES TO ALL ENTITY TYPES
 - OHIO BASE INCLUDING FIT
 - FILING THRESHOLD \$150,000 IN SALES
 - FLAT \$250 FOR BUSINESSES WITH SALES LESS THAN \$3 MILLION
 - .85% RATE FOR SERVICES
 - .35% RATE FOR RETAIL TRADE
 - .25% RATE FOR WHOLESALE/WAREHOUSING
 - .48% RATE FOR ALL OTHER
 - 25% CAT CREDIT FOR PASS THROUGH
- 2. NEW PERSONAL INCOME TAX RATE STRUCTURE: (2018 TAX YEAR)
 - 4.5%, 6.5%, 8.75%, 9.9%
 - CURRENT BRACKETS STILL APPLY
 - REPEAL PASS THROUGH SPECIAL RATE (2017 TAX YEAR)
- 3. ELIMINATE CORPORATE INCOME TAX(2018 CORPORATE TAX YEAR)

REVENUE IMPACT ESTIMATES
(MILLIONS)

	2017-19	2019-21	2021-23
COMMERCIAL ACTIVITY TAX	\$ 1,789	\$ 2,690	\$ 2,955
25% CAT CREDIT FOR PASS THROUGH	\$ (112)	\$ (168)	\$ (185)
PERSONAL INCOME TAX RATE REDUCTIONS	\$ (345)	\$ (527)	\$ (575)
REPEAL PASS THROUGH SPECIAL RATE	\$ 282	\$ 277	\$ 332
CORPORATE INCOME TAX	\$ (660)	\$ (1,054)	\$ (1,107)
NET REVENUE IMPACT	\$ 954	\$ 1,218	\$ 1,420

LRO: 5-22-17F