

## 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

.75% RATE FOR SERVICES

.35% RATE FOR RETAIL TRADE

.25% RATE FOR WHOLESALE

.48% RATE FOR ALL OTHER

43% CAT CREDIT FOR PASS THROUGHES

### 2. NEW PERSONAL INCOME TAX RATE STRUCTURE: (2018 TAX YEAR)

4.5%, 6.5%, 8.75%, 9.9%

MAINTAIN CURRENT BRACKETS

### 3. ELIMINATE CORPORATE INCOME TAX(2018 CORPORATE TAX YEAR)

#### REVENUE IMPACT ESTIMATES

(MILLIONS)	2017-19	2019-21	2021-23
COMMERCIAL ACTIVITY TAX	\$ 1,702	\$ 2,558	\$ 2,810
43% CAT CREDIT FOR PASS THROUGHES	\$ (183)	\$ (275)	\$ (302)
PERSONAL INCOME TAX	\$ (345)	\$ (527)	\$ (575)
REPEAL PASS THROUGH SPECIAL RATE	\$ 282	\$ 277	\$ 332
CORPORATE INCOME TAX	\$ (660)	\$ (1,054)	\$ (1,107)
NET REVENUE IMPACT	\$ 796	\$ 979	\$ 1,158

LRO: 5-25-17D