

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 THROUGHGS
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 THROUGHGS	\$ (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