

# Tax Facts & Comparisons Ohio

Taxes are complicated. Each state's tax code is a multifaceted system with many moving parts, and Ohio is no exception. The Tax Foundation produces a number of rankings that evaluate states on tax structures and overall tax burdens. Here's how Ohio scores.



## Tax Foundation Rankings of Ohio

### State Business Tax Climate Index

44<sup>th</sup>  
best

Ohio ranks 44th out of the 50 states on the Tax Foundation's 2014 *State Business Tax Climate Index*, which annually compares the states' tax systems on over 100 variables that impact business. Last year, Ohio ranked 39th.

Ohio's individual income tax ranks 47th best, its corporate income tax ranks 26th best, its sales tax ranks 32nd best, its property tax ranks 20th best, and its unemployment insurance tax ranks 5th best.

Neighboring states' ranks: Indiana (8th), Pennsylvania (34th), West Virginia (21st), Kentucky (26th) Michigan (13th)

### State-Local Tax Burdens Rank

18<sup>th</sup>  
highest

Estimated at 9.7% of income, Ohio's 2011 state-local tax burden ranks 18th highest nationally, below the national average of 9.8%. Ohio taxpayers pay \$3,687 per capita in state and local taxes.

Neighboring states' ranks: Indiana (22nd), Pennsylvania (10th), West Virginia (19th), Kentucky (23rd) Michigan (21st)

### Tax Freedom Day®

2015  
April  
17

In 2014, Ohio taxpayers worked 107 days into the year until April 17 to pay their total tax bill, ranking 23rd highest nationally.

That's 7 days before national Tax Freedom Day (April 21), the day when Americans finally have earned enough money to pay their total tax bill for the year.

More at [taxfoundation.org/publications](http://taxfoundation.org/publications)

# Ohio Taxes at a Glance

Each state uses a variety of tax tools to raise revenue, including individual income taxes, property taxes, and sales taxes, among others. Here are some facts on how Ohio structures their different tax types:

Note: All collections listed on this page are combined state and local tax collections as reported by the Census Bureau's Government Finance Division. For all ranks, 1 indicates highest among the 50 states.

## General Info

		Rank	Nat. Avg.
Income per capita	\$38,073	30th	\$43,735
Federal aid as % of gen. revenue	34%	18th	32.8%
State debt per capita	\$7,033	35th	\$3,678

## Individual Income Tax

Number of brackets	9
Bottom income bracket rate	0.53%
Bottom bracket kick in	\$0
Top income tax rate	5.33%
Top bracket kick in	\$208,500
Collections per capita (2012)	\$1,163
Collections rank (2012)	13th

## Property Tax

Collections per capita (2012)	\$1,174
Collections rank (2012)	29th
Property taxes paid as share of owner-occupied housing value (2013)	1.55%
Property taxes paid percent rank (2013)	12th

## Sources of State & Local Tax Collections

	Ohio	All States.
Property Tax	29%	32%
Sales Tax	22%	23%
Corporate Income Tax	1%	4%
Individual Income Tax	29%	22%
Other	20%	20%

## Corporate Income Tax

Number of brackets	0
Top corporate tax rate	GRT
Collections per capita (2012)	\$30
Collections rank (2012)	46th

## Sales Tax

State rate	5.75%
State + average local rate	7.10%
State + average local rank	19th
Collections per capita (2011)	\$874
Collections rank (2011)	29th

## Excise Taxes

	Rate	Rank
Gasoline taxes and fees	28.0¢ per gallon	21st
Cigarette taxes	\$1.25 per pack	28th
Spirits taxes	\$9.34 per gallon	12th
Beer taxes	\$0.18 per gallon	32nd
Cell phone taxes	8.45%	34th

## Other Taxes

	Rate	Exemption
Gross receipts tax	0.26%	N/A
Capital stock tax	None	N/A
Inheritance tax	None	N/A
Estate tax	None	N/A

## About the Tax Foundation



The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our principled research, insightful analysis, and engaged experts have informed smarter tax policy at the federal, state, and local levels. Our Center for

State Tax Policy is routinely relied upon for presentations, testimony, and media appearances on state tax and fiscal policy, and our website is a comprehensive resource for information on tax and spending policy in each U.S. state.

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