

As Introduced

**130th General Assembly
Regular Session
2013-2014**

H. B. No. 639

Representatives Beck, Adams, J.

Cosponsors: Representatives Retherford, Becker

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A B I L L

To amend sections 5747.02 and 5747.41 and to enact 1
section 5747.027 of the Revised Code to phase out 2
the income tax and income tax expenditures over 3
ten years. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 5747.02 and 5747.41 of the Revised 5
Code be amended and section 5747.027 of the Revised Code be 6
enacted to read as follows: 7

Sec. 5747.02. (A) For the purpose of providing revenue for 8
the support of schools and local government functions, to provide 9
relief to property taxpayers, to provide revenue for the general 10
revenue fund, and to meet the expenses of administering the tax 11
levied by this chapter, there is hereby levied on every 12
individual, trust, and estate residing in or earning or receiving 13
income in this state, on every individual, trust, and estate 14
earning or receiving lottery winnings, prizes, or awards pursuant 15
to Chapter 3770. of the Revised Code, on every individual, trust, 16
and estate earning or receiving winnings on casino gaming, and on 17
every individual, trust, and estate otherwise having nexus with or 18
in this state under the Constitution of the United States, an 19

annual tax measured in the case of individuals by Ohio adjusted 20
gross income less an exemption for the taxpayer, the taxpayer's 21
spouse, and each dependent as provided in section 5747.025 of the 22
Revised Code; measured in the case of trusts by modified Ohio 23
taxable income under division (D) of this section; and measured in 24
the case of estates by Ohio taxable income. The tax imposed by 25
this section on the balance thus obtained is hereby levied as 26
follows: 27

(1) For taxable years beginning in 2004: 28

OHIO ADJUSTED GROSS INCOME LESS 29

EXEMPTIONS (INDIVIDUALS)

OR 30

MODIFIED OHIO 31

TAXABLE INCOME (TRUSTS) 32

OR 33

OHIO TAXABLE INCOME (ESTATES) TAX 34

\$5,000 or less .743% 35

More than \$5,000 but not more \$37.15 plus 1.486% of the amount 36
than \$10,000 in excess of \$5,000

More than \$10,000 but not more \$111.45 plus 2.972% of the 37
than \$15,000 amount in excess of \$10,000

More than \$15,000 but not more \$260.05 plus 3.715% of the 38
than \$20,000 amount in excess of \$15,000

More than \$20,000 but not more \$445.80 plus 4.457% of the 39
than \$40,000 amount in excess of \$20,000

More than \$40,000 but not more \$1,337.20 plus 5.201% of the 40
than \$80,000 amount in excess of \$40,000

More than \$80,000 but not more \$3,417.60 plus 5.943% of the 41
than \$100,000 amount in excess of \$80,000

More than \$100,000 but not more \$4,606.20 plus 6.9% of the 42
than \$200,000 amount in excess of \$100,000

More than \$200,000 \$11,506.20 plus 7.5% of the 43

amount in excess of \$200,000

(2) For taxable years beginning in 2005:	44	
OHIO ADJUSTED GROSS INCOME LESS	45	
EXEMPTIONS (INDIVIDUALS)		
OR	46	
MODIFIED OHIO	47	
TAXABLE INCOME (TRUSTS)	48	
OR	49	
OHIO TAXABLE INCOME (ESTATES)	50	
TAX		
\$5,000 or less	.712%	51
More than \$5,000 but not more than \$10,000	\$35.60 plus 1.424% of the amount in excess of \$5,000	52
More than \$10,000 but not more than \$15,000	\$106.80 plus 2.847% of the amount in excess of \$10,000	53
More than \$15,000 but not more than \$20,000	\$249.15 plus 3.559% of the amount in excess of \$15,000	54
More than \$20,000 but not more than \$40,000	\$427.10 plus 4.27% of the amount in excess of \$20,000	55
More than \$40,000 but not more than \$80,000	\$1,281.10 plus 4.983% of the amount in excess of \$40,000	56
More than \$80,000 but not more than \$100,000	\$3,274.30 plus 5.693% of the amount in excess of \$80,000	57
More than \$100,000 but not more than \$200,000	\$4,412.90 plus 6.61% of the amount in excess of \$100,000	58
More than \$200,000	\$11,022.90 plus 7.185% of the amount in excess of \$200,000	59
(3) For taxable years beginning in 2006:	60	
OHIO ADJUSTED GROSS INCOME LESS	61	
EXEMPTIONS (INDIVIDUALS)		
OR	62	
MODIFIED OHIO	63	
TAXABLE INCOME (TRUSTS)	64	

OR		65
OHIO TAXABLE INCOME (ESTATES)	TAX	66
\$5,000 or less	.681%	67
More than \$5,000 but not more than \$10,000	\$34.05 plus 1.361% of the amount in excess of \$5,000	68
More than \$10,000 but not more than \$15,000	\$102.10 plus 2.722% of the amount in excess of \$10,000	69
More than \$15,000 but not more than \$20,000	\$238.20 plus 3.403% of the amount in excess of \$15,000	70
More than \$20,000 but not more than \$40,000	\$408.35 plus 4.083% of the amount in excess of \$20,000	71
More than \$40,000 but not more than \$80,000	\$1,224.95 plus 4.764% of the amount in excess of \$40,000	72
More than \$80,000 but not more than \$100,000	\$3,130.55 plus 5.444% of the amount in excess of \$80,000	73
More than \$100,000 but not more than \$200,000	\$4,219.35 plus 6.32% of the amount in excess of \$100,000	74
More than \$200,000	\$10,539.35 plus 6.87% of the amount in excess of \$200,000	75
(4) For taxable years beginning in 2007:		76
OHIO ADJUSTED GROSS INCOME LESS EXEMPTIONS (INDIVIDUALS)		77
OR		78
MODIFIED OHIO		79
TAXABLE INCOME (TRUSTS)		80
OR		81
OHIO TAXABLE INCOME (ESTATES)	TAX	82
\$5,000 or less	.649%	83
More than \$5,000 but not more than \$10,000	\$32.45 plus 1.299% of the amount in excess of \$5,000	84
More than \$10,000 but not more than \$15,000	\$97.40 plus 2.598% of the amount in excess of \$10,000	85
More than \$15,000 but not more	\$227.30 plus 3.247% of the	86

than \$20,000	amount in excess of \$15,000	
More than \$20,000 but not more than \$40,000	\$389.65 plus 3.895% of the amount in excess of \$20,000	87
More than \$40,000 but not more than \$80,000	\$1,168.65 plus 4.546% of the amount in excess of \$40,000	88
More than \$80,000 but not more than \$100,000	\$2,987.05 plus 5.194% of the amount in excess of \$80,000	89
More than \$100,000 but not more than \$200,000	\$4,025.85 plus 6.031% of the amount in excess of \$100,000	90
More than \$200,000	\$10,056.85 plus 6.555% of the amount in excess of \$200,000	91
(5) For taxable years beginning in 2008, 2009, or 2010:		92
OHIO ADJUSTED GROSS INCOME LESS		93
EXEMPTIONS (INDIVIDUALS)		
OR		94
MODIFIED OHIO		95
TAXABLE INCOME (TRUSTS)		96
OR		97
OHIO TAXABLE INCOME (ESTATES)	TAX	98
\$5,000 or less	.618%	99
More than \$5,000 but not more than \$10,000	\$30.90 plus 1.236% of the amount in excess of \$5,000	100
More than \$10,000 but not more than \$15,000	\$92.70 plus 2.473% of the amount in excess of \$10,000	101
More than \$15,000 but not more than \$20,000	\$216.35 plus 3.091% of the amount in excess of \$15,000	102
More than \$20,000 but not more than \$40,000	\$370.90 plus 3.708% of the amount in excess of \$20,000	103
More than \$40,000 but not more than \$80,000	\$1,112.50 plus 4.327% of the amount in excess of \$40,000	104
More than \$80,000 but not more than \$100,000	\$2,843.30 plus 4.945% of the amount in excess of \$80,000	105
More than \$100,000 but not more	\$3,832.30 plus 5.741% of the	106

than \$200,000	amount in excess of \$100,000	
More than \$200,000	\$9,573.30 plus 6.24% of the amount in excess of \$200,000	107
(6) For taxable years beginning in 2011 or 2012:		108
OHIO ADJUSTED GROSS INCOME LESS		109
EXEMPTIONS (INDIVIDUALS)		
OR		110
MODIFIED OHIO		111
TAXABLE INCOME (TRUSTS)		112
OR		113
OHIO TAXABLE INCOME (ESTATES)	TAX	114
\$5,000 or less	.587%	115
More than \$5,000 but not more than \$10,000	\$29.35 plus 1.174% of the amount in excess of \$5,000	116
More than \$10,000 but not more than \$15,000	\$88.05 plus 2.348% of the amount in excess of \$10,000	117
More than \$15,000 but not more than \$20,000	\$205.45 plus 2.935% of the amount in excess of \$15,000	118
More than \$20,000 but not more than \$40,000	\$352.20 plus 3.521% of the amount in excess of \$20,000	119
More than \$40,000 but not more than \$80,000	\$1,056.40 plus 4.109% of the amount in excess of \$40,000	120
More than \$80,000 but not more than \$100,000	\$2,700.00 plus 4.695% of the amount in excess of \$80,000	121
More than \$100,000 but not more than \$200,000	\$3,639.00 plus 5.451% of the amount in excess of \$100,000	122
More than \$200,000	\$9,090.00 plus 5.925% of the amount in excess of \$200,000	123
(7) For taxable years beginning in 2013:		124
OHIO ADJUSTED GROSS INCOME LESS		125
EXEMPTIONS (INDIVIDUALS)		
OR		126

MODIFIED OHIO		127
TAXABLE INCOME (TRUSTS)		128
OR		129
OHIO TAXABLE INCOME (ESTATES)	TAX	130
\$5,000 or less	.537%	131
More than \$5,000 but not more than \$10,000	\$26.86 plus 1.074% of the amount in excess of \$5,000	132
More than \$10,000 but not more than \$15,000	\$80.57 plus 2.148% of the amount in excess of \$10,000	133
More than \$15,000 but not more than \$20,000	\$187.99 plus 2.686% of the amount in excess of \$15,000	134
More than \$20,000 but not more than \$40,000	\$322.26 plus 3.222% of the amount in excess of \$20,000	135
More than \$40,000 but not more than \$80,000	\$966.61 plus 3.760% of the amount in excess of \$40,000	136
More than \$80,000 but not more than \$100,000	\$2,470.50 plus 4.296% of the amount in excess of \$80,000	137
More than \$100,000 but not more than \$200,000	\$3,329.68 plus 4.988% of the amount in excess of \$100,000	138
More than \$200,000	\$8,317.35 plus 5.421% of the amount in excess of \$200,000	139
(8) For taxable years beginning in 2014 or thereafter :		140
OHIO ADJUSTED GROSS INCOME LESS		141
EXEMPTIONS (INDIVIDUALS)		
OR		142
MODIFIED OHIO		143
TAXABLE INCOME (TRUSTS)		144
OR		145
OHIO TAXABLE INCOME (ESTATES)	TAX	146
\$5,000 or less	.528%	147
More than \$5,000 but not more than \$10,000	\$26.41 plus 1.057% of the amount in excess of \$5,000	148
More than \$10,000 but not more	\$79.24 plus 2.113% of the amount	149

than \$15,000	in excess of \$10,000	
More than \$15,000 but not more than \$20,000	\$184.90 plus 2.642% of the amount in excess of \$15,000	150
More than \$20,000 but not more than \$40,000	\$316.98 plus 3.169% of the amount in excess of \$20,000	151
More than \$40,000 but not more than \$80,000	\$950.76 plus 3.698% of the amount in excess of \$40,000	152
More than \$80,000 but not more than \$100,000	\$2,430.00 plus 4.226% of the amount in excess of \$80,000	153
More than \$100,000 but not more than \$200,000	\$3,275.10 plus 4.906% of the amount in excess of \$100,000	154
More than \$200,000	\$8,181.00 plus 5.333% of the amount in excess of \$200,000	155
<u>(9) For taxable years beginning in 2015:</u>		156
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		157
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		158
<u>MODIFIED OHIO</u>		159
<u>TAXABLE INCOME (TRUSTS)</u>		160
<u>OR</u>		161
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	162
<u>\$5,000 or less</u>	<u>.475%</u>	163
<u>More than \$5,000 but not more than \$10,000</u>	<u>\$23.75 plus .951% of the amount in excess of \$5,000</u>	164
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$71.30 plus 1.902% of the amount in excess of \$10,000</u>	165
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$166.40 plus 2.378% of the amount in excess of \$15,000</u>	166
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$285.30 plus 2.852% of the amount in excess of \$20,000</u>	167
<u>More than \$40,000 but not more than \$80,000</u>	<u>\$855.70 plus 3.328% of the amount in excess of \$40,000</u>	168
<u>More than \$80,000 but not more</u>	<u>\$2,186.90 plus 3.803% of the</u>	169

<u>than \$100,000</u>	<u>amount in excess of \$80,000</u>	
<u>More than \$100,000 but not more</u>	<u>\$2,947.50 plus 4.415% of the</u>	170
<u>than \$200,000</u>	<u>amount in excess of \$100,000</u>	
<u>More than \$200,000</u>	<u>\$7,362.50 plus 4.800% of the</u>	171
	<u>amount in excess of \$200,000</u>	
 <u>(10) For taxable years beginning in 2016:</u>		172
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		173
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		174
<u>MODIFIED OHIO</u>		175
<u>TAXABLE INCOME (TRUSTS)</u>		176
<u>OR</u>		177
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	178
<u>\$5,000 or less</u>	<u>.422%</u>	179
<u>More than \$5,000 but not more</u>	<u>\$21.10 plus .846% of the amount</u>	180
<u>than \$10,000</u>	<u>in excess of \$5,000</u>	
<u>More than \$10,000 but not more</u>	<u>\$63.40 plus 1.690% of the amount</u>	181
<u>than \$15,000</u>	<u>in excess of \$10,000</u>	
<u>More than \$15,000 but not more</u>	<u>\$147.90 plus 2.114% of the</u>	182
<u>than \$20,000</u>	<u>amount in excess of \$15,000</u>	
<u>More than \$20,000 but not more</u>	<u>\$253.60 plus 2.535% of the</u>	183
<u>than \$40,000</u>	<u>amount in excess of \$20,000</u>	
<u>More than \$40,000 but not more</u>	<u>\$760.60 plus 2.958% of the</u>	184
<u>than \$80,000</u>	<u>amount in excess of \$40,000</u>	
<u>More than \$80,000 but not more</u>	<u>\$1,943.80 plus 3.381% of the</u>	185
<u>than \$100,000</u>	<u>amount in excess of \$80,000</u>	
<u>More than \$100,000 but not more</u>	<u>\$2,620.00 plus 3.925% of the</u>	186
<u>than \$200,000</u>	<u>amount in excess of \$100,000</u>	
<u>More than \$200,000</u>	<u>\$6,545.00 plus 4.266% of the</u>	187
	<u>amount in excess of \$200,000</u>	
 <u>(11) For taxable years beginning in 2017:</u>		188
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		189

<u>EXEMPTIONS (INDIVIDUALS)</u>		
OR		190
<u>MODIFIED OHIO</u>		191
<u>TAXABLE INCOME (TRUSTS)</u>		
OR		193
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	194
<u>\$5,000 or less</u>	<u>.370%</u>	195
<u>More than \$5,000 but not more than \$10,000</u>	<u>\$18.50 plus .740% of the amount in excess of \$5,000</u>	196
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$55.50 plus 1.479% of the amount in excess of \$10,000</u>	197
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$129.45 plus 1.849% of the amount in excess of \$15,000</u>	198
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$221.90 plus 2.218% of the amount in excess of \$20,000</u>	199
<u>More than \$40,000 but not more than \$80,000</u>	<u>\$665.50 plus 2.589% of the amount in excess of \$40,000</u>	200
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$1,701.10 plus 2.958% of the amount in excess of \$80,000</u>	201
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$2,292.70 plus 3.434% of the amount in excess of \$100,000</u>	202
<u>More than \$200,000</u>	<u>\$5,726.70 plus 3.733% of the amount in excess of \$200,000</u>	203
<u>(12) For taxable years beginning in 2018:</u>		204
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		
		205
<u>EXEMPTIONS (INDIVIDUALS)</u>		
OR		206
<u>MODIFIED OHIO</u>		207
<u>TAXABLE INCOME (TRUSTS)</u>		
OR		209
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	210
<u>\$5,000 or less</u>	<u>.317%</u>	211
<u>More than \$5,000 but not more</u>	<u>\$15.85 plus .634% of the amount</u>	212

<u>than \$10,000</u>	<u>in excess of \$5,000</u>	
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$47.55 plus 1.268% of the amount in excess of \$10,000</u>	213
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$110.95 plus 1.585% of the amount in excess of \$15,000</u>	214
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$190.20 plus 1.901% of the amount in excess of \$20,000</u>	215
<u>More than \$40,000 but not more than \$80,000</u>	<u>\$570.40 plus 2.219% of the amount in excess of \$40,000</u>	216
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$1,458.00 plus 2.536% of the amount in excess of \$80,000</u>	217
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$1,965.20 plus 2.944% of the amount in excess of \$100,000</u>	218
<u>More than \$200,000</u>	<u>\$4,909.20 plus 3.200% of the amount in excess of \$200,000</u>	219
<u>(13) For taxable years beginning in 2019:</u>		220
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		221
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		222
<u>MODIFIED OHIO</u>		223
<u>TAXABLE INCOME (TRUSTS)</u>		224
<u>OR</u>		225
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	226
<u>\$5,000 or less</u>	<u>.264%</u>	227
<u>More than \$5,000 but not more than \$10,000</u>	<u>\$13.20 plus .529% of the amount in excess of \$5,000</u>	228
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$39.65 plus 1.057% of the amount in excess of \$10,000</u>	229
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$92.50 plus 1.321% of the amount in excess of \$15,000</u>	230
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$158.55 plus 1.585% of the amount in excess of \$20,000</u>	231
<u>More than \$40,000 but not more</u>	<u>\$475.55 plus 1.849% of the</u>	232

<u>than \$80,000</u>	<u>amount in excess of \$40,000</u>	
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$1,215.15 plus 2.113% of the amount in excess of \$80,000</u>	233
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$1,637.75 plus 2.453% of the amount in excess of \$100,000</u>	234
<u>More than \$200,000</u>	<u>\$4,090.75 plus 2.667% of the amount in excess of \$200,000</u>	235
<u>(14) For taxable years beginning in 2020:</u>		236
<u>OHIO ADJUSTED GROSS INCOME LESS EXEMPTIONS (INDIVIDUALS)</u>		237
<u>OR</u>		238
<u>MODIFIED OHIO TAXABLE INCOME (TRUSTS)</u>		239
<u>OR</u>		241
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	242
<u>\$5,000 or less</u>	<u>.211%</u>	243
<u>More than \$5,000 but not more than \$10,000</u>	<u>\$10.55 plus .423% of the amount in excess of \$5,000</u>	244
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$31.70 plus .845% of the amount in excess of \$10,000</u>	245
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$73.95 plus 1.057% of the amount in excess of \$15,000</u>	246
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$126.80 plus 1.268% of the amount in excess of \$20,000</u>	247
<u>More than \$40,000 but not more than \$80,000</u>	<u>\$380.40 plus 1.479% of the amount in excess of \$40,000</u>	248
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$972.00 plus 1.690% of the amount in excess of \$80,000</u>	249
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$1,310.00 plus 1.962% of the amount in excess of \$100,000</u>	250
<u>More than \$200,000</u>	<u>\$3,272.00 plus 2.133% of the amount in excess of \$200,000</u>	251
<u>(15) For taxable years beginning in 2021:</u>		252

<u>OHIO ADJUSTED GROSS INCOME LESS</u>		253
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		254
<u>MODIFIED OHIO</u>		255
<u>TAXABLE INCOME (TRUSTS)</u>		256
<u>OR</u>		257
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	258
<u>\$5,000 or less</u>	<u>.158%</u>	259
<u>More than \$5,000 but not more</u>	<u>\$7.90 plus .317% of the amount</u>	260
<u>than \$10,000</u>	<u>in excess of \$5,000</u>	
<u>More than \$10,000 but not more</u>	<u>\$23.75 plus .634% of the amount</u>	261
<u>than \$15,000</u>	<u>in excess of \$10,000</u>	
<u>More than \$15,000 but not more</u>	<u>\$55.45 plus .793% of the amount</u>	262
<u>than \$20,000</u>	<u>in excess of \$15,000</u>	
<u>More than \$20,000 but not more</u>	<u>\$95.10 plus .951% of the amount</u>	263
<u>than \$40,000</u>	<u>in excess of \$20,000</u>	
<u>More than \$40,000 but not more</u>	<u>\$285.30 plus 1.109% of the</u>	264
<u>than \$80,000</u>	<u>amount in excess of \$40,000</u>	
<u>More than \$80,000 but not more</u>	<u>\$728.90 plus 1.268% of the</u>	265
<u>than \$100,000</u>	<u>amount in excess of \$80,000</u>	
<u>More than \$100,000 but not more</u>	<u>\$982.50 plus 1.472% of the</u>	266
<u>than \$200,000</u>	<u>amount in excess of \$100,000</u>	
<u>More than \$200,000</u>	<u>\$2,454.50 plus 1.600% of the</u>	267
	<u>amount in excess of \$200,000</u>	
<u>(16) For taxable years beginning in 2022:</u>		268
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		269
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		270
<u>MODIFIED OHIO</u>		271
<u>TAXABLE INCOME (TRUSTS)</u>		272
<u>OR</u>		273
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	274
<u>\$5,000 or less</u>	<u>.106%</u>	275

<u>More than \$5,000 but not more than \$10,000</u>	<u>\$5.30 plus .211% of the amount in excess of \$5,000</u>	276
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$15.85 plus .423% of the amount in excess of \$10,000</u>	277
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$37.00 plus .528% of the amount in excess of \$15,000</u>	278
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$63.40 plus .634% of the amount in excess of \$20,000</u>	279
<u>More than \$40,000 but not more than \$80,000</u>	<u>\$190.20 plus .740% of the amount in excess of \$40,000</u>	280
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$486.20 plus .845% of the amount in excess of \$80,000</u>	281
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$655.20 plus .981% of the amount in excess of \$100,000</u>	282
<u>More than \$200,000</u>	<u>\$1,636.20 plus 1.067% of the amount in excess of \$200,000</u>	283
<u>(17) For taxable years beginning in 2023:</u>		284
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		285
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		286
<u>MODIFIED OHIO</u>		287
<u>TAXABLE INCOME (TRUSTS)</u>		288
<u>OR</u>		289
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	290
<u>\$5,000 or less</u>	<u>.053%</u>	291
<u>More than \$5,000 but not more than \$10,000</u>	<u>\$2.65 plus .106% of the amount in excess of \$5,000</u>	292
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$7.95 plus .211% of the amount in excess of \$10,000</u>	293
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$18.50 plus .264% of the amount in excess of \$15,000</u>	294
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$31.70 plus .317% of the amount in excess of \$20,000</u>	295

<u>More than \$40,000 but not more than \$80,000</u>	<u>\$95.10 plus .370% of the amount in excess of \$40,000</u>	296
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$243.10 plus .423% of the amount in excess of \$80,000</u>	297
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$327.70 plus .491% of the amount in excess of \$100,000</u>	298
<u>More than \$200,000</u>	<u>\$818.70 plus .533% of the amount in excess of \$200,000</u>	299

(18) For taxable years beginning in 2024 or thereafter, no tax. 300
301

Except as otherwise provided in this division, in August of 302
each year, the tax commissioner shall make a new adjustment to the 303
income amounts prescribed in this division by multiplying the 304
percentage increase in the gross domestic product deflator 305
computed that year under section 5747.025 of the Revised Code by 306
each of the income amounts resulting from the adjustment under 307
this division in the preceding year, adding the resulting product 308
to the corresponding income amount resulting from the adjustment 309
in the preceding year, and rounding the resulting sum to the 310
nearest multiple of fifty dollars. The tax commissioner also shall 311
recompute each of the tax dollar amounts to the extent necessary 312
to reflect the new adjustment of the income amounts. The rates of 313
taxation shall not be adjusted. 314

The adjusted amounts apply to taxable years beginning in the 315
calendar year in which the adjustments are made and to taxable 316
years beginning in each ensuing calendar year until a calendar 317
year in which a new adjustment is made pursuant to this division. 318
The tax commissioner shall not make a new adjustment in any year 319
in which the amount resulting from the adjustment would be less 320
than the amount resulting from the adjustment in the preceding 321
year. The commissioner shall not make a new adjustment for taxable 322
years beginning in 2013, 2014, or 2015. 323

(B) If the director of budget and management makes a certification to the tax commissioner under division (B) of section 131.44 of the Revised Code, the amount of tax as determined under division (A) of this section shall be reduced by the percentage prescribed in that certification for taxable years beginning in the calendar year in which that certification is made.

(C) The levy of this tax on income does not prevent a municipal corporation, a joint economic development zone created under section 715.691, or a joint economic development district created under section 715.70 or 715.71 or sections 715.72 to 715.81 of the Revised Code from levying a tax on income.

(D) This division applies only to taxable years of a trust beginning in 2002 or thereafter.

(1) The tax imposed by this section on a trust shall be computed by multiplying the Ohio modified taxable income of the trust by the rates prescribed by division (A) of this section.

(2) A resident trust may claim a credit against the tax computed under division (D) of this section equal to the lesser of (1) the tax paid to another state or the District of Columbia on the resident trust's modified nonbusiness income, other than the portion of the resident trust's nonbusiness income that is qualifying investment income as defined in section 5747.012 of the Revised Code, or (2) the effective tax rate, based on modified Ohio taxable income, multiplied by the resident trust's modified nonbusiness income other than the portion of the resident trust's nonbusiness income that is qualifying investment income. The credit applies before any other applicable credits.

(3) The credits enumerated in divisions (A)(1) to (13) of section 5747.98 of the Revised Code do not apply to a trust subject to division (D) of this section. Any credits enumerated in

other divisions of section 5747.98 of the Revised Code apply to a trust subject to division (D) of this section. To the extent that the trust distributes income for the taxable year for which a credit is available to the trust, the credit shall be shared by the trust and its beneficiaries. The tax commissioner and the trust shall be guided by applicable regulations of the United States treasury regarding the sharing of credits.

(E) For the purposes of this section, "trust" means any trust described in Subchapter J of Chapter 1 of the Internal Revenue Code, excluding trusts that are not irrevocable as defined in division (I)(3)(b) of section 5747.01 of the Revised Code and that have no modified Ohio taxable income for the taxable year, charitable remainder trusts, qualified funeral trusts and preneed funeral contract trusts established pursuant to sections 4717.31 to 4717.38 of the Revised Code that are not qualified funeral trusts, endowment and perpetual care trusts, qualified settlement trusts and funds, designated settlement trusts and funds, and trusts exempted from taxation under section 501(a) of the Internal Revenue Code.

Sec. 5747.027. (A) As used in this section, "income tax expenditure" means any credit, deduction, exemption, or other tax provision in the Revised Code that effectively exempts income from the tax imposed under section 5747.02 of the Revised Code, except for any such provision required to be allowed under federal law.

(B) For taxable years beginning on or after January 1, 2015, but before January 1, 2024, a taxpayer shall not claim or take more than the following percentage of the amount of any income tax expenditure that the taxpayer is otherwise entitled to take or claim:

(1) For taxable years beginning in 2015, ninety per cent.

(2) For taxable years beginning in 2016, eighty per cent.

<u>(3) For taxable years beginning in 2017, seventy per cent.</u>	386
<u>(4) For taxable years beginning in 2018, sixty per cent.</u>	387
<u>(5) For taxable years beginning in 2019, fifty per cent.</u>	388
<u>(6) For taxable years beginning in 2020, forty per cent.</u>	389
<u>(7) For taxable years beginning in 2021, thirty per cent.</u>	390
<u>(8) For taxable years beginning in 2022, twenty per cent.</u>	391
<u>(9) For taxable years beginning in 2023, ten per cent.</u>	392
<u>(C) Nothing in this section prohibits a taxpayer disallowed</u>	393
<u>from claiming the full amount of a credit because of this section</u>	394
<u>against the tax imposed under section 5747.02 of the Revised Code</u>	395
<u>from claiming the credit amount so disallowed against another tax,</u>	396
<u>provided the credit is authorized to be claimed against that other</u>	397
<u>tax.</u>	398
Sec. 5747.41. (A) For the same purposes for which the tax is	399
levied under section 5747.02 of the Revised Code, there is hereby	400
levied a withholding tax on every qualifying pass-through entity	401
having at least one qualifying investor who is an individual and	402
on every qualifying trust having at least one qualifying	403
beneficiary who is an individual. The withholding tax imposed by	404
this section is imposed on the sum of the adjusted qualifying	405
amounts of a qualifying pass-through entity's qualifying investors	406
who are individuals and on the sum of the adjusted qualifying	407
amounts of a qualifying trust's qualifying beneficiaries, at the	408
rate of five per cent of that sum <u>prescribed in division (B) of</u>	409
<u>this section.</u>	410
The tax imposed by this section applies only if the	411
qualifying entity has nexus with this state under the Constitution	412
of the United States for any portion of the qualifying entity's	413
qualifying taxable year, and the sum of the qualifying entity's	414
adjusted qualifying amounts exceeds one thousand dollars for the	415

qualifying entity's qualifying taxable year- 416

~~The levy of the tax under this section does not prevent a 417
municipal corporation or a joint economic development district 418
created under section 715.70 or 715.71 or sections 715.72 to 419
715.81 of the Revised Code from levying a tax on income. 420~~

(B) The rate of the tax levied in division (A) of this 421
section shall be one of the following: 422

(1) For qualifying taxable years beginning in or before 2014, 423
five per cent. 424

(2) For qualifying taxable years beginning in 2015, four and 425
one-half per cent. 426

(3) For qualifying taxable years beginning in 2016, four per 427
cent. 428

(4) For qualifying taxable years beginning in 2017, three and 429
one-half per cent. 430

(5) For qualifying taxable years beginning in 2018, three per 431
cent. 432

(6) For qualifying taxable years beginning in 2019, two and 433
one-half per cent. 434

(7) For qualifying taxable years beginning in 2020, two per 435
cent. 436

(8) For qualifying taxable years beginning in 2021, one and 437
one-half per cent. 438

(9) For qualifying taxable years beginning in 2022, one per 439
cent. 440

(10) For qualifying taxable years beginning in 2023, one-half 441
of one per cent. 442

(11) For qualifying taxable years beginning in 2024 or 443
thereafter, no tax. 444

Section 2. That existing sections 5747.02 and 5747.41 of the Revised Code are hereby repealed.

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