

**Updating League of Women Voters of Ohio’s
State Government Finance and Taxation Positions**

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Updating League of Women Voters of Ohio's State Government Finance and Taxation Positions

The League of Women Voters of Ohio's (LWVO) state finance positions were adopted in 1983 and 1989. Since that time there have been changes in Ohio's taxes. It is time to review and update the positions.

Current LWVO Positions on State Finance and Taxation

Criteria

LWVO supports the following tax principles as criteria to be used in evaluating individual taxes and the tax mix in Ohio. Taxes should:

1. be fair and equitable;
2. provide adequate funds for government programs while allowing flexibility for financing future program changes;
3. be understandable to the taxpayer and encourage compliance; and
4. be easy to administer.

Income Tax: LWVO supports a personal income tax as a source of state revenue because it meets the fair and equitable principles. The state income tax rates should be graduated.

Property Tax:

1. LWVO supports real property tax relief, financed by the state in the form of the Homestead Exemption, based on age, income and disability income.
2. LWVO supports the elimination of the real property tax rollbacks, both across-the-board and for owner-occupied homes.

Sales Tax:

3. LWVO supports a change in the base rather than a change in the rate of the sales tax. We favor broadening the base by reducing the number of exemptions.
4. LWVO supports application of the sales tax to nonessential services, tickets for professional athletic and entertainment events, and prepared food purchased for on- or off-premise consumption.
5. LWVO supports exemptions for food, other than prepared food, sold for off-premise consumption, prescription drugs, prosthetic and surgical devices, and items for direct use (components in manufacturing and agricultural use).

Tax Mix: LWVO supports the taxes that are currently in effect. If an increase in state taxes is needed, LWVO prefers the income tax as a source of revenue because it tends to be progressive rather than regressive. Taxes on alcohol and cigarettes are another revenue source if needed. An increase in sales tax, although less desirable, is another possible revenue source

If a decrease in state taxes is called for, LWVO supports reducing the sales tax because it is regressive and less equitable. Tax relief for those at the lower end of the income scale should be considered if there is an increase in state taxes.

Background to Update of LWVO State Finance and Taxation Study

The first LWVO state finance study in 1969 focused on services such as education, welfare, and mental health. In 1981 the LWVO conducted a study of state taxes and in 1983 reached consensus on support for the property and sales taxes. Consensus was reached in 1989 to support the corporate franchise and income taxes. There have been significant changes to the tax structure in the last few years, including repeal of the corporate franchise tax which was replaced with a Commercial Activity Tax (CAT), repeal of the personal property tax on business machinery and equipment, decrease in the sales tax, etc. In 2007, the LWVO appointed a study group to review and make recommendations to update its positions in light of the new CAT tax and the phasing out of the corporate franchise and personal property taxes.

Members of the LWVO State Finance Update Committee:

Don Mottley, Columbus, chair
Joan Callecod, Bowling Green
Vicki Kline, Kent
Kurt Miller, Shaker Heights
Roslyn Talerico, Cleveland
Stuart Wright, Columbus

Ohio's Tax Structure Overview and Recent History

Definition of Key State-level Taxes:

- **Individual Income Tax:** a graduated tax, based on the adjusted gross income used for Federal income tax purposes, but with some additional adjustments. Rates ranged from .743% on incomes between \$5,000 and \$10,000 to 7.5% for Ohio taxable income above \$200,000.
- **Corporate Franchise Tax:** a tax based on the greater of 8.5% of a corporation's Ohio income or 4 mills on a corporation's Ohio net worth.
- **Sales and Use Tax:** a tax levied on all sales of tangible personal property, unless a statutory exemption applies, and on certain services listed in the sales tax statute. One of the sales exemptions is for food sold for human consumption off the premises where sold. The Ohio sales and use tax applies to the retail sale, lease, and rental of tangible personal property as well as the sale of selected services in Ohio. The Ohio use tax applies to the storage, use, or consumption of tangible personal property in Ohio - or the receipt of the benefit of selected services in Ohio - if sales tax was not paid to the vendor or seller. The current state sales and use tax rate is 5.5%, but nearly all Ohio counties have at least some additional county tax.
- **Commercial Activity Tax (CAT):** an annual business privilege tax measured by gross receipts from business activities in Ohio. Businesses in Ohio with gross receipts of \$150,000 or more must register for the CAT and make payments.
- **Excise taxes on alcohol and tobacco products:** these are taxes above and beyond the normal sales tax on these products; sometimes known as "sin taxes."

- Special taxes on certain regulated businesses (insurance, financial institutions, public utilities, horse racing, and “dealers in intangibles”) as well as a motor fuel tax that is constitutionally earmarked for highway purposes. These “special taxes” were not covered by the LWVO study. (Note: The current League criteria allow LWVO to take a stand on them.)

Local Taxes

- Real Property Tax: a tax on land and buildings, with rates established by school districts and other local governments. The State paid (reimbursed local governments for a mandated) 10% rollback on all property taxes, and an additional 2.5% rollback on owner-occupied residences. The state also paid for a “homestead exemption” property tax reduction for senior citizens and disabled people with incomes below a certain level.
- Tangible Personal Property Tax: a tax on business machinery, equipment, inventory, and fixtures, with rates established by school districts and other local governments.
- Municipal Income Tax: an optional flat rate tax on both individual and business income, with the rate established by each local municipality. The tax applies to business income earned in the municipality, and to individual income either earned in the municipality or earned by a resident of the municipality.
- School District Income Tax: an optional flat rate tax levied only on the income of individuals residing in the school district, at a rate established by the local school district.
- Local Option Sales Taxes: counties and regional transit authorities may levy a local option tax, at a rate established locally, on sales that are subject to the Ohio sales and use tax.
- Other local taxes (lodging taxes, public utility property taxes, admission taxes, etc.).

Note: LWVO cannot take a stand on specific proposed or existing local taxes at the local level, although local Leagues with relevant positions may do so. However, based on application of our positions, LWVO can take a stand on state legislation regarding categories of taxes which localities are permitted to adopt.

Recent Changes:

After the 2001-02 state budget was balanced on one-time monies, a committee was appointed by the General Assembly to study state and local taxes. The momentum for reform continued with the goals of stimulating jobs and capital investment in Ohio and slowing down the growth in government spending. In 2005, the Ohio General Assembly enacted a substantial tax reform. Many of the reforms were based on recommendations in a 2003 report from a bi-partisan Committee to Study State and Local Taxes and chaired by former Ohio Tax Commissioner Tom Zaino (sometimes referred to as the Zaino Committee). See also Appendix A. The 2005 tax reform legislation made the following changes:

- The corporate franchise tax was phased out, going to 0% in 2010 with no replacement revenue to the State.
- A 21% income tax rate reduction was phased in by 2009, reducing the top income tax rate from 7.5% to 5.95%, also with no replacement revenue to the State.

- The 10% rollback, and the associated reimbursement from the State, was eliminated for commercial and industrial real property (producing some savings to the State).
- The tangible personal property tax was phased out, with the revenue loss to school districts and other local governments replaced by a new state-wide Commercial Activity Tax (CAT). The CAT, when fully phased in, is essentially a .26% tax on a business' Ohio gross receipts.

The LWVO opposed the reform package because of:

- A lack of evidence that the CAT would generate economic growth or create jobs.
- Cuts to state programs that must be made because of insufficient revenue.
- Not meeting the fair and equitable standard: tax responsibility would be shifted from business to individuals and from wealthier to low- and middle-income individuals.

In 2007 Gov. Strickland recommended, and the General Assembly approved, an expansion of the Homestead Exemption program. Under the new program, the first \$25,000 of value of a senior citizen's or handicapped individual's owner-occupied home is exempt from property tax, regardless of the household's income.

Proposed Updates to the LWV of Ohio State Finance and Taxation Positions
LWVO State Finance Update Committee

The committee has reviewed the existing League positions and is proposing an update of the state finance and taxation policies of the League of Women Voters of Ohio (LWVO). Language proposed to be added for an update is underlined, while language proposed for deletion is ~~stricken through~~.

1. CRITERIA (Adopted July 1989):

LWVO supports the following tax principles as criteria to be used in evaluating individual taxes and the tax mix in Ohio. Taxes should:

1. be fair and equitable; *
2. provide adequate resources for government programs while allowing flexibility for financing future program changes;
3. be understandable to the taxpayer and encourage compliance;
4. be easy to administer;
5. promote economic competitiveness ^{1.A.}.

In applying these criteria, greater weight should be given to the first two criteria addressing fair and equitable taxes and adequacy of resources ^{1.B.}.

1.A. Consensus Question

1.A. Should “promote economic competitiveness” be added as a fifth criterion?

Yes _____ No _____ No consensus _____

Background Discussion:

“Economic competitiveness” is based on the premise that a tax system “should not impose an undue burden on taxpayers,” either individuals or corporations, “particularly as compared to similarly situated taxpayers in other states.”[†]

Pros:

- “A tax system should represent a meaningful part of a state’s living, working and business environment.”[‡]
- If a tax system is not economically competitive, it could cause businesses and individuals to relocate to other states where the tax burden is less—thus reducing Ohio’s tax revenue.
- If Ohio’s tax system is not economically competitive, the state may be at a disadvantage in attracting new businesses and attracting talented individuals. Both these groups would pay taxes, thus raising additional state revenues.

* As it assesses taxes and the tax mix, LWVO has been interpreting “fair and equitable” as a tax system that promotes horizontal equity by imposing similar tax burdens on similarly situated taxpayers, and promotes vertical equity by recognizing different abilities to pay. Also considered is whether there is fair distribution of tax liabilities across all economic sectors. (John Hart, Richard Marountas and Richard Sheridan, *Taxing Issues Redux 2009*, Center for Community Solutions)

[†] Ibid

[‡] Ibid.

Cons:

- By also considering economic competitiveness when evaluating proposed / existing taxes and the tax mix, Ohio runs the risk of entering into a race with other states to have the lowest tax rates. This will not benefit the state in the long term.
- Ohio’s ability to compete could be harmed by its inability to provide services due to lower tax revenues.

1.B. Consensus Question

1.B. In applying these criteria, should greater weight be given to the first two criteria addressing fair and equitable taxes, and adequacy of resources?

Yes _____ No _____ No consensus _____

Background Discussion: As currently written all of the League State Finance / Tax Criteria (League criteria) are entitled to equal weight. This may not accurately reflect LWVO priorities.

Pros:

- Giving greater weight to fairness and equity ensure a just tax system for Ohioans.
- Adequate revenues are essential to ensure Ohioans receive vital services.
- Ease of understanding, ease of administration (and if approved, economic competitiveness) are important but not as critical to ensuring a fair tax system with adequate revenues.
- Giving the same weight to all of the League criteria could result in support for a tax that is fundamentally unfair.

Cons:

- LWVO has successfully used the existing League criteria to date and should be able to do so in the future.
- “Greater weight” is a nebulous standard that will be difficult to apply.
- The League criteria are entitled to equal weight.

2. CORPORATE FRANCHISE TAX (Adopted July, 1989):

Option 1: LWVO supports ~~the corporate franchise tax~~ taxes on businesses as a source of state revenue, especially because businesses should help pay for services received.

Option 2: Eliminate the position: ~~LWVO supports the corporate franchise tax as a source of state revenue, especially because businesses should help pay for services received.~~

Note: the title of the section would be reworded to reflect any change, if approved.

2. Consensus Question

Option 1: Should the reference to “the corporate franchise tax” be replaced by “taxes on businesses”
Or

Option 2: Should the position be eliminated? (That is: “~~LWVO supports the corporate franchise tax as a source of state revenue, especially because businesses should help pay for services received~~”?)

Agree with Option 1 _____ Agree with Option 2 _____ No consensus _____

Background Discussion

The broadening of the position to “taxes on businesses” would explicitly allow LWVO to evaluate and take a stand on any and all state-level business tax legislation. Evaluation of a business tax would be based on the approved League criteria, just as all other state taxes are. Using the League criteria, the League would generally favor a corporate income tax as being fair and equitable but would evaluate it—like any proposed tax change—by considering all League criteria. If the League were to add the criterion of economic competitiveness, this would also be considered.

Pros to Option 1, replacing “corporate franchise tax” with “taxes on business”:

- The corporate franchise tax has been repealed, so support for it is no longer appropriate.
- A more general statement regarding support for business taxes will explicitly enable LWVO to take a stance on any business tax that may be proposed using League criteria.
- Although League criteria already provide the tools for the League to evaluate and take a stand on existing or proposed business taxes, the change would make the business section parallel to the other sections, i.e., Income Tax, Property Tax, etc. – and the State Finance / Tax section internally consistent.

Pros to Option 2, eliminating the position:

- The tax position should name specific taxes that currently exist, such as the Corporate Activities Tax (CAT Tax).
- The proposed update is redundant. The League criteria’s general reference to the “individual taxes and the tax mix” already allows LWVO to take a position on all existing and proposed state taxes, including business taxes. For example, business taxes that can be evaluated include, but are not be limited to:
 - a Commercial Activity Tax,
 - a Corporate Income Tax,
 - a Corporate Franchise Tax (should it be proposed again),
 - a Tangible Personal Property Tax,
- No statement on business taxes is needed because LWVO can take a position on how rates could be changed based on League criteria. For example, LWVO could take a stand on:
 - establishing a trigger in business tax rates to allow those rates to be increased or decreased, and
 - tax structures providing incentives for investment in businesses and economic growth.

3. INCOME TAX (Adopted July 1989):

LWVO supports a personal income tax as a source of state revenue because it meets fair and equitable tax principles. The state income tax rates should be graduated.

Note: There is no proposed update to this position.

Background Discussion

This position, coupled with the League criteria, allows the LWVO to weigh in on:

- state personal income tax, regardless of whether it is designed to be or is progressive, regressive or flat; and
- tax credits (exemptions) in personal income tax structures for persons of all income levels.

Note: Based on League criteria in place, the League would favor exemptions for low-income taxpayers and oppose those for high-income taxpayers in keeping with “fair and equitable” and “graduated.” As always, all other League criteria would be taken into consideration, too, however, before taking a definitive stand on a particular tax proposal.

4. PROPERTY TAX (Adopted March 1983)

1. LWVO supports real property tax relief, financed by the state, in the form of the Homestead Exemption based on age, income, and disability income.
2. LWVO supports the elimination of the real property tax rollbacks, both across-the-board and for owner-occupied homes, providing the rollbacks do not unduly burden low-income individuals and families.

4. Consensus Question

4. Should LWVO condition its support for the elimination of real property tax rollbacks by the requirement that they not unduly burden low-income individuals and families?

Yes _____ No _____ No consensus _____

Background Discussion

Property taxes are regressive taxes, but they play a key role in financing school systems. They cannot be eliminated without wholesale change in the current tax structure to support schools.

The League’s support for property tax relief financed by the state in the form of the Homestead Exemption based on age, income and disability meets the fairness requirement and, when financed by the state, will be revenue neutral.

A rollback of taxes on residential property may be desirable as reducing a regressive tax, but it would require LWVO consideration of the effect of a rollback on the adequacy of resources to provide essential services, equity and fairness and the other League criteria (including economic competitiveness, if adopted). The League criteria for fairness and equity allow LWVO to support means-testing for real property tax rollbacks to ensure the tax relief is equitable. The introduction of means testing for property tax relief programs (that is, providing the relief to tax payers whose income and/or assets are below a certain threshold) would be designed to make the relief programs equitable per LWVO criteria and increase revenues.

The position allows LWVO to address real property tax rollbacks on all property, including business property, e.g., commercial and industrial.

Pros:

- Applying the League criteria enables the League to take a position on any proposed changes to the property tax structure, but specificity to the qualification for rollbacks provides greater clarity.
- It is important to specify LWVO will not support rollback of property taxes if the result is to unfairly shift the tax burden to those least able to pay.

Cons:

- The property tax is regressive and should be reduced or opposed without qualification.
- Repeal of real property tax rollbacks eliminates confusion, increases revenue and should be supported.
- “Unduly burden” is a nebulous standard.

5. STATE SALES TAX (Adopted March 1983; revised June 1989)

1. LWVO supports a change in the base rather than a change in the rate of the sales tax. We favor broadening the base by reducing the number of exemptions.
2. LWVO supports application of the sales tax to nonessential services, tickets for professional athletic and entertainment events, and prepared food purchased for on- or off-premise consumption.
3. LWVO supports exemptions for food, other than prepared food sold for off-premise consumption, prescription drugs, prosthetic and surgical devices, and items for direct use (components in manufacturing and agricultural use).

Note: There are no updates proposed to this position.

Background Discussion

This position, coupled with the League criteria, defines the considerations LWVO must weigh when considering its stand on all existing and proposed sales taxes and related programs, including but not limited to:

- programs whose goal is to make it easier to collect taxes on out-of-state sellers who deliver products to Ohio;
- increasing the base by taxing additional nonessential services;
- raising taxes on luxury items;
- a sales tax on food sold for on-premise consumption, and for prepared food (“to go” food) for off-premise consumption; and
- state-level legislation that addresses local-option sales taxes.

As always, determination of LWVO’s stand on a particular sales tax would consider all League criteria.

6. TAX MIX (Adopted July 1989)

~~LWVO supports the state taxes that are currently in effect.~~^{6.A.} If an increase in state revenue taxes is needed, LWVO prefers corporate income tax, followed by personal income tax as a source of revenue

because income taxes tend it tends to be progressive rather than regressive.^{6.B.} Applying means testing to state property tax-relief programs would increase the revenue generated by the tax and make the system more equitable by not unduly burdening low-income individuals and families.^{6.C.} Taxes on alcohol and ~~cigarettes~~ tobacco^{6.D.} are another revenue source if needed. An increase in sales tax, although less desirable, is another possible revenue source; preference is given to expanding the base, followed by an increase in the sales tax rate.^{6.E.}

If a decrease in state taxes is called for, LWVO supports reducing the sales tax because it is regressive and less equitable. Tax Relief for those at the lower end of the income scale should be considered if there is an increase in state taxes.

Background

Given the wide variety of state taxes possible (and their bases and rates), the Tax Mix section seeks to outline LWVO's general preferences when evaluating proposals to generate more tax revenue or lower taxes.

6.A. Consensus Question

6. A. Should the following sentence be deleted: "~~LWVO supports the state taxes currently in effect~~"?

Yes _____ No _____ No consensus _____

Background Discussion

At the time this position was adopted, the tax mix in effect was different than today.

Pros:

- The tax mix changes over time.
- The sentence restricts LWVO from advocating for changes to the current tax mix—whatever is “current” at any point in time—that may better meet Ohio’s needs.

Con:

- No Cons identified.

6. B. Consensus Question

Option 1: Should LWVO specify the following preference: “If an increase in state revenue ~~taxes~~ is needed, LWVO prefers the corporate income tax, followed by personal income tax as a source of revenue because income taxes tend it tends to be progressive rather than regressive”?

Or

Option 2: Should the sentence remain as it is? (That is, “If an increase in state taxes is needed, LWVO prefers the income tax as a source of revenue because it tends to be progressive rather than regressive”?)

Agree with Option 1 _____ Agree with Option 2 _____ No consensus _____

Background

The preference in the current Tax Mix position only specifies “income tax.” The addition proposed for the position specifies corporate income taxes as the first preferred source of revenue, with personal income tax second. As always, the League criteria would be used to evaluate any changes and take into consider fairness and equity, adequacy, ease of administration, etc.

Pros to Option 1, specifying a preference for corporate over personal income tax:

- The addition maintains income tax as the preferred source of revenue.
- The addition adds clarity and specificity to the position regarding which type of income tax should be sought / increased if the state needs additional revenue.

Pros to Option 2, retaining the original language with no income-tax preference specified:

- Specifying a preference for raising corporate income taxes before personal income taxes is restrictive. There may be circumstances when it is more equitable to support increasing the personal income tax rather than corporate income tax. For example, Ohio may substantially increase corporate income taxes relative to personal income taxes.
- Corporate income taxes and personal income taxes should be treated equally.
- Ohio currently does not have a corporate income tax.

6. C. Consensus Question

6. C. Should the following be added to the Tax Mix position: “Applying means testing to state property tax-relief programs would increase the revenue generated by the tax and make the system more equitable by not unduly burdening low-income individuals and families”?

Yes _____ No _____ No consensus _____

Background Discussion

LWVO’s support for means testing is implicitly permitted by the criterion for fair and equitable taxes. Means testing of property tax relief programs would reduce tax relief to higher-income individuals and families.

Pro:

- Means-testing property tax-relief programs will generate more revenue from those people more able to pay, because it would reduce their tax relief.
- Adding means testing to these tax programs while retaining property tax relief for lower-income taxpayers would improve the equity of the tax system and partially address the regressive character of property taxes.
- The tax mix, if revised, would more clearly emphasize considerations that would make it more equitable.

Cons:

- Means testing is unfair and will create greater dissatisfaction with the tax system.
- Means testing stigmatizes people.
- The proposed revisions are not necessary; they are adequately covered in the Sales Tax position.
- Means testing adds to the cost of administration.

6. D. Consensus Question

6. D. Should “tobacco” replace “cigarettes” in the following: “Taxes on alcohol and ~~cigarettes~~ tobacco are another revenue source if needed”?

Yes _____ No _____ No consensus _____

Background Discussion

The proposed change allows LWVO to support a broader tax on tobacco products.

Pro:

- “Tobacco” is more general than “cigarettes,” so taxing tobacco products would generate more revenue.

Cons:

- Taxes on cigarettes are regressive; the tax should not be expanded by applying it to a broader consumer group.

6. E. Consensus Question

6.E. Should the following be added regarding an increase in sales tax: “An increase in sales tax, although less desirable, is another possible revenue source; preference is given to expanding the base, followed by an increase in the sales tax rate”?

Yes _____ No _____ No consensus _____

Background Discussion

Since the Sales Tax position supports a change in the base rather than a change in the rate of the sales tax, this specifies the same preference.

Pro:

- It adds clarity by defining what LWVO prefers in the Tax Mix when considering expansion of the sales tax.

Con:

- It is unnecessary because the Sales Tax position defines the same preference.

Consensus Questions: Updates for LWVO's State Finance and Taxation Positions

NOTE: Please use the separate Consensus Report Form to report results.

The committee has reviewed the existing League positions and is proposing an update of the state finance and taxation policies of the League of Women Voters of Ohio (LWVO). Language proposed to be added for an update is **underlined**, while language proposed for deletion is **~~stricken through~~**.

1. CRITERIA (Adopted July 1989):

1.A. Consensus Question: Should "promote economic competitiveness" be added as a fifth criterion?

Yes _____ No _____ No consensus _____

1.B. Consensus Question: In applying these criteria, should greater weight be given to the first two criteria addressing fair and equitable taxes, and adequacy of resources?

Yes _____ No _____ No consensus _____

2. CORPORATE FRANCHISE TAX (Adopted July, 1989):

2. Consensus Question:

Option 1: Should the reference to "the corporate franchise tax" be replaced by "taxes on businesses"?

Or

Option 2: Should the position be eliminated? (That is: "~~LWVO supports the corporate franchise tax as a source of state revenue, especially because businesses should help pay for services received~~")

Agree with Option 1 _____ Agree with Option 2 _____ No consensus _____

3. INCOME TAX (Adopted July 1989):

Note: There is no proposed update to this position.

4. PROPERTY TAX (Adopted March 1983)

4. Consensus Question: Should LWVO condition its support for the elimination of real property tax rollbacks by the requirement that they not unduly burden low-income individuals and families?

Yes _____ No _____ No consensus _____

5. STATE SALES TAX (Adopted March 1983; revised June 1989)

Note: There are no updates proposed to this position.

6. TAX MIX (Adopted July 1989)

6.A. *Consensus Question:* Should the following sentence be deleted: “~~LWVO supports the state taxes currently in effect~~”?

Yes _____ No _____ No consensus _____

6. B. *Consensus Question:*

Option 1: Should LWVO specify the following preference: “If an increase in state revenue taxes is needed, LWVO prefers ~~the corporate income tax, followed by personal~~ income tax as a source of revenue because income taxes tend ~~it tends~~ to be progressive rather than regressive”?

Or

Option 2: Should the sentence remain as it is? (That is, “LWVO prefers the income tax as a source of revenue because it tends to be progressive rather than regressive”?)

Agree with Option 1 _____ Agree with Option 2 _____ No consensus _____

6. C. *Consensus Question:* Should the following be added to the Tax Mix position: “Applying means testing to state property tax-relief programs would increase the revenue generated by the tax and make the system more equitable by not unduly burdening low-income individuals and families”?

Yes _____ No _____ No consensus _____

6. D. *Consensus Question:* Should “tobacco” replace “cigarettes” in the following: “Taxes on alcohol and ~~cigarettes~~ tobacco are another revenue source if needed”?

Yes _____ No _____ No consensus _____

6. E. *Consensus Question:* Should the following be added regarding an increase in sales tax: “An increase in sales tax, although less desirable, is another possible revenue source; preference is given to expanding the base, followed by an increase in the sales tax rate.”

Yes _____ No _____ No consensus _____

ADDENDUM

If you would like more information about state finance and tax issues, please see:

1. Report of the Committee to Study State and Local Taxes (Created in accordance with Amended Substitute Senate Bill 261 of the 124th General Assembly). Tax Commissioner Thomas M. Zaino, Chair. March 1, 2003.

Available at http://tax.ohio.gov/channels/research/documents/CSSLT_Final_Draft.pdf

2. Taxing Issues Redux 2009 by John Habat, Richard Marountas and Richard Sheridan,

Available at <http://www.communitysolutions.com/images/upload/resources/TIR-2009-Web-PDF.pdf>

From the Center of Community Solutions, a private, nonprofit organization and a United Way agency (Cleveland) that helps policymakers, community leaders, and service providers to identify health, social, and economic challenges, and to target resources toward sound, cost-effective solutions. It was formerly the Federation for Community Planning.