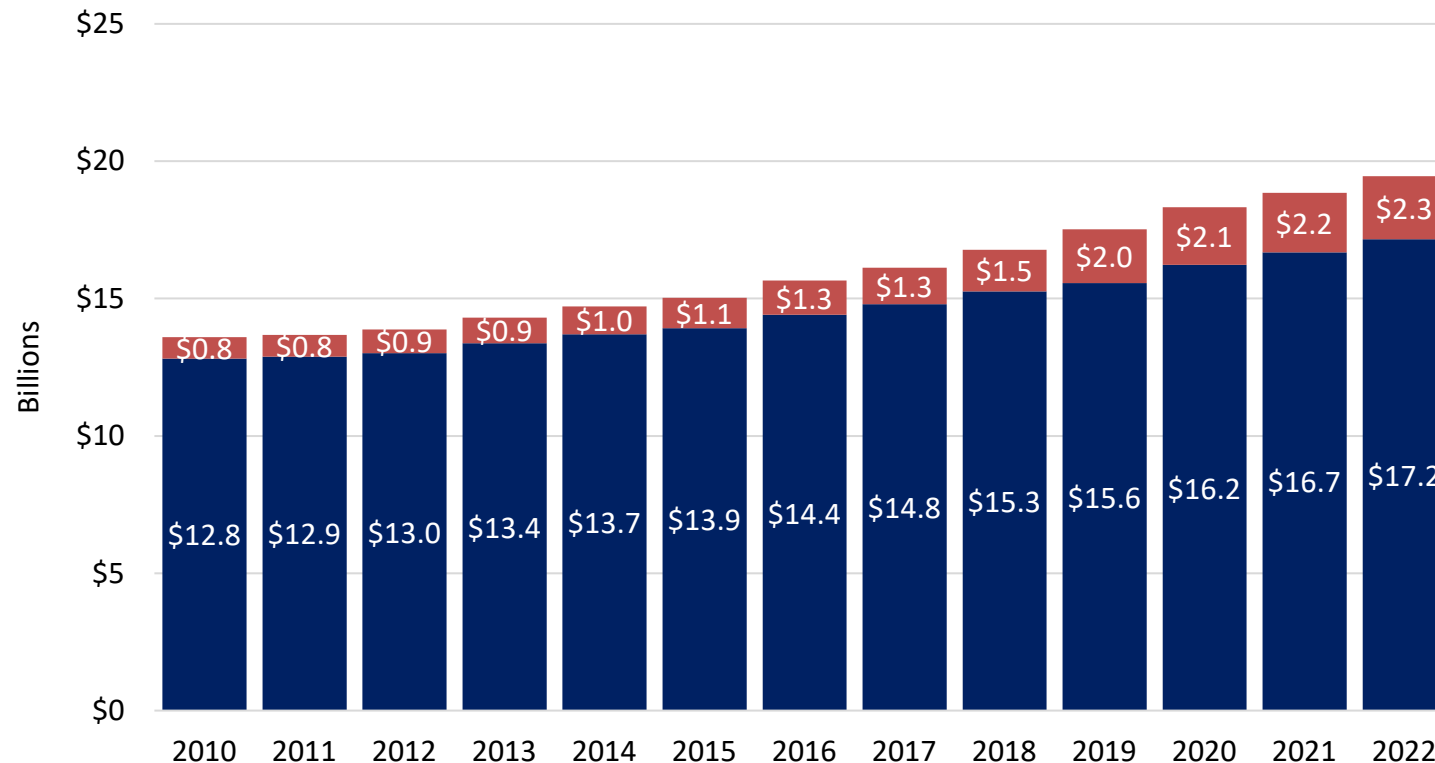


Local Government Tax Revenues



Property tax revenues reach new high in 2022

Net Property Taxes Collectible by Property Type



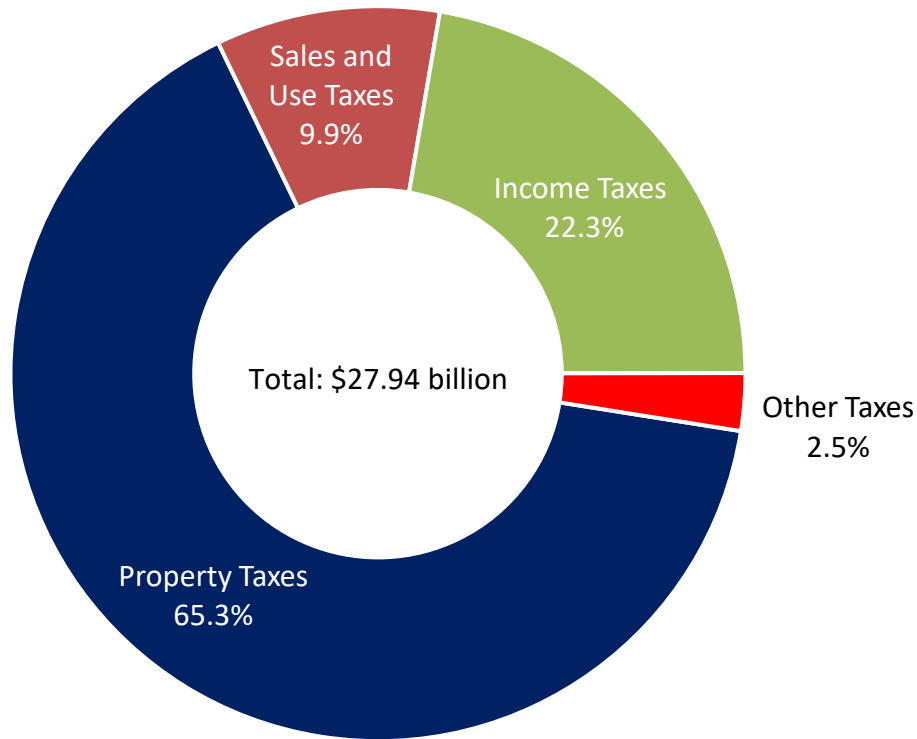
Sources: Ohio Department of Taxation;
Legislative Service Commission

■ Real ■ Tangible Personal

- Net property taxes collectible for tax year (TY) 2022 reached an all-time high of \$19.5 billion, an increase of 3.2% (\$612 million) from 2021, which was the previous peak year.
- From 2010 to 2022, net taxes collectible on real property rose 33.8%, while taxes on tangible personal property (TPP) increased 197%. The TPP growth was related to new gas pipelines placed into service in Ohio, largely due to shale drilling.
- The TPP tax has largely been phased out, and now only public utilities, including certain pipeline operators, are subject to the tax.
- Property taxes in Ohio primarily fund local governments, with a small portion retained by the state to cover tax administration costs. About three-fifths of the property tax revenue is allocated to school districts.

Ohio's local governments rely heavily on property taxes

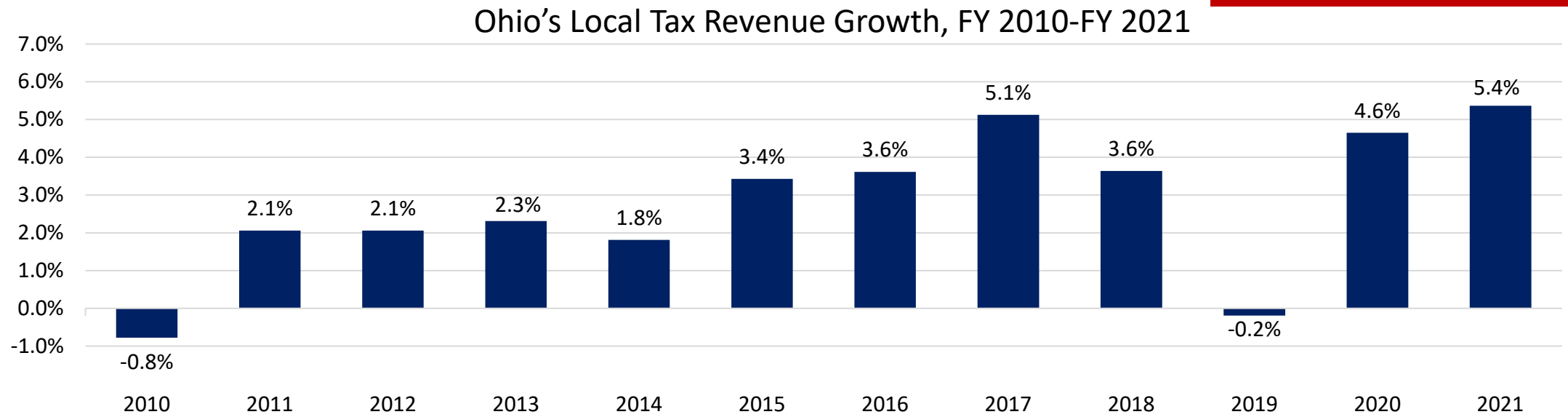
Ohio's Local Tax Revenue by Source, FY 2021



- In FY 2021, local tax revenue in Ohio totaled \$27.94 billion, an increase of \$1.42 billion (5.4%) from FY 2020.
- Property taxes collected in FY 2021 accounted for \$18.26 billion. Individual and corporate income taxes were \$6.22 billion. Sales and use taxes provided \$2.76 billion. Other taxes generated \$0.71 billion.

Source: U.S. Census Bureau's Annual Survey of Local Government Finances

Local tax revenue growth averaged 2.8% per year from 2010 to 2021



Source: U.S. Census Bureau's Annual Survey of Local Government Finances

- Between FY 2010 and FY 2021, total local tax revenue grew at an average annual rate of 2.8%. Growth rates varied annually, with a notable decrease of 0.2% in FY 2019 and significant increases of 4.6% in FY 2020 and 5.4% in FY 2021. Apart from the decline in FY 2019, local tax revenue generally experienced modest growth since FY 2011.
- During this period, revenue growth was fastest in the sales and use taxes category, averaging 3.2% per year, followed by property taxes at 2.8% annually. Income taxes grew at an average rate of 2.7% per year, while other taxes increased by 1.1% annually.