Legislative Budget Office of the Legislative Service Commission

December 2025

School District Income Taxes

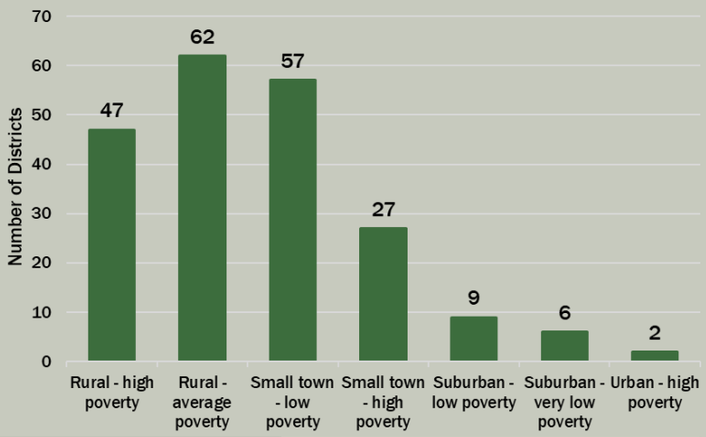
34% of Ohio's school districts levy an income tax.

Those that levy them tend to be rural or small town districts with relatively small student enrollment

Of the 210 school districts with an income tax...

92%	are rural or small town districts
95%	are at the 20-mill property tax floor for at least one class of real property. *Real property taxes for floor districts generally grow at the same rate as property values (tax reduction factors do not apply).
48%	enroll less than 1,000 students

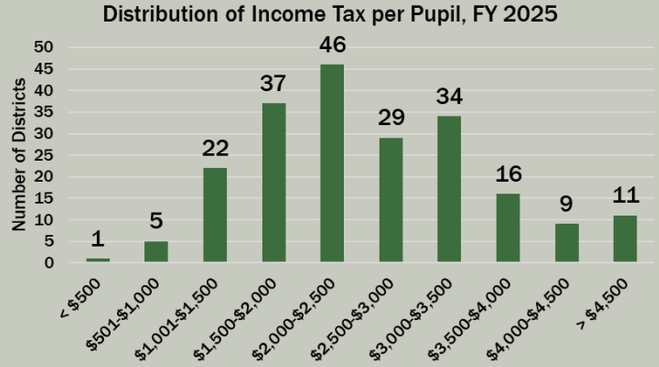
Income Tax-Levying Districts by Typology, FY 2025



In FY 2025	210 districts	with active levies collected income taxes totaling	$734 million
This represents	28%	of their local operating revenue and an average of	$2,489 per pupil

64% of income tax districts collected $1,000 to $3,000 per pupil from the tax

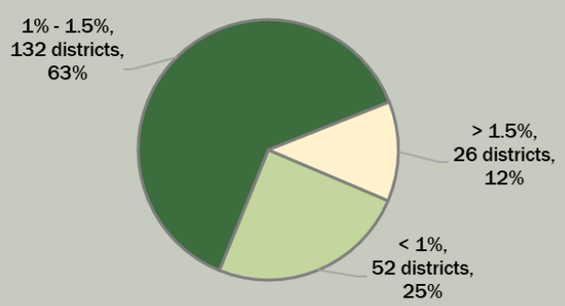
Distribution of Income Tax per Pupil, FY 2025



Very small per-pupil amounts ($200 or less) often indicate the beginning or ending of a levy. No district began levying an income tax in FY 2025.

63% of income tax districts levy rates between 1% and 1.5%

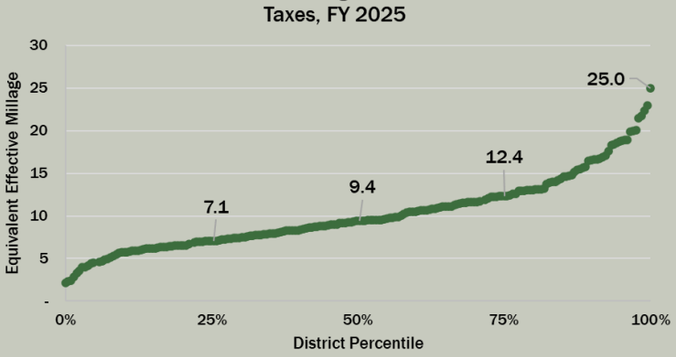
Distribution of School District Income Tax Rates, FY 2025



2.0% is the highest tax rate levied (6 districts); 0.25% is the lowest (2 districts)

Income tax revenue equated to a median property tax rate of **9 mills**

Distribution of Effective Millage of School District Income Taxes, FY 2025



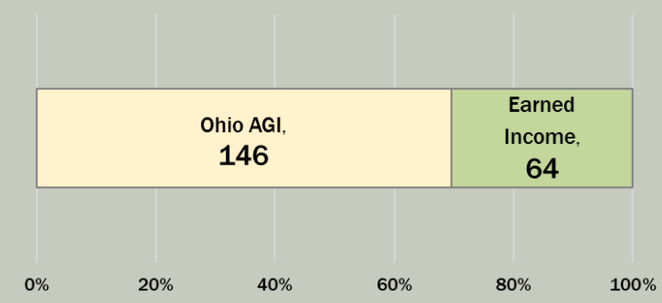
Equivalent millage = income tax revenue / taxable property value x 1,000

Income tax levies are not included in the 20-mill floor calculation. Income tax districts tend to be on the floor, supplementing property tax revenues with income tax revenues.

70% of income tax districts tax residents' Ohio adjusted gross income (AGI)

30% of income tax districts tax residents' earned income

Share of Districts by Income Tax Basis, FY 2025



Earned income includes only wages, salaries, and self-employment income. Ohio AGI adds tips, interest, dividends, and several other categories, making for a larger tax base.

Sources: Department of Taxation, Department of Education