



Ohio Legislative Service Commission

Bill Analysis

Sam Benham

H.B. 99

131st General Assembly
(As Introduced)

Reps. Curtin, Leland, Lepore-Hagan, Phillips

BILL SUMMARY

- Requires an amount equal to state income tax collections credited to the General Revenue Fund to be distributed for the support of elementary, secondary, vocational, and special education programs.

CONTENT AND OPERATION

Income tax collections

The bill requires state income tax collections credited to the General Revenue Fund (GRF) to be spent for the sole purpose of supporting elementary, secondary, vocational, and special education programs. Under current law, the purpose of the income tax is to support schools and local governments, provide relief to property taxpayers, fund the GRF, and pay the expenses of administering the tax. Under continuing law, all revenue from income tax collections, less amounts contributed to the Ohio Political Party Fund via continuing law's corresponding income tax checkoff, is credited to the GRF. Current law authorizes such revenue to be used for any lawful purpose.

The bill changes the formal purpose for which the income tax is levied to be solely for the support of elementary, secondary, vocational, and special education programs and requires all income tax collections deposited to the GRF to be distributed for that purpose. However, the bill does not prescribe or limit how such revenue may be spent to achieve that purpose; how the money would be spent would be determined by the General Assembly's appropriation acts.¹

¹ R.C. 5747.02 and 5747.03.

Under the bill, all income tax revenue would continue to be credited to the GRF. The bill affects only the amount that would have to be spent for the specified educational purposes. The amount credited to the Local Government Fund and the Public Library Fund would not be affected because those amounts are based on the amount of the revenue credited to the GRF from all GRF revenue sources (including the income tax); each of those funds currently receives 1.66% of GRF revenue.²

HISTORY

| ACTION | DATE |
|------------|----------|
| Introduced | 03-10-15 |

H0099-I-131.docx/emr

² R.C. 131.51, not in the bill.

