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Kasich says businesses ‘ripped off’ by CAT overpayments; begins sending refunds

By Jeff Bell, Staff reporter

Halting years of what Gov. John Kasich called rip-offs of Ohio businesses, the state has started returning more than \$13 million to companies that overpaid their commercial activity tax and were never notified about it.

“This is a remarkable, remarkable situation,” Kasich said at press conference Tuesday. “We never made an effort to tell businesses when they overpaid their taxes. ... Instead of covering up and hiding the money, we are making an aggressive effort to determine who gets the refunds.”

He credited state Tax Commissioner Joe Testa for bringing his attention to the problem and reversing a longstanding policy of keeping quiet when companies overpaid the tax that is imposed on their gross receipts. The tax generated \$1.65 billion in fiscal 2012.

Testa, a former Franklin County auditor who has been tax commissioner for nearly two years, said businesses had to discover the CAT overpayment themselves. The state kept the money if businesses failed to report the overage within four years of filing their tax return.

The state Department of Taxation has begun sending refunds ranging from \$150 to \$66,000 to about 3,500 businesses, Testa said. More refunds may be made as the department continues to review tax filings in search of overpayments.

Article continued here: <http://www.bizjournals.com/columbus/blog/2012/12/kasich-says-businesses-ripped-off-by.html?ana=e du pub&s=article du&ed=2012-12-18>

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