



JOHN R. KASICH
GOVERNOR
STATE OF OHIO

CUTTING TAXES AND IMPROVING OHIO'S TAX SYSTEM

By Making Tax Reform a Priority, Ohio Has Strengthened Its Ability to Grow the Economy and Jobs

Ohioans enjoyed one of the biggest tax cuts in the nation under the Kasich Administration with more than \$5 billion in tax relief. These tax cuts have helped spur Ohio's economic recovery and made the state one of the nation's top states for job creation. In his two terms, Gov. John R. Kasich reduced income tax rates 16 percent, eliminated state income taxes for many small businesses, killed the estate tax and provided targeted tax relief for low- and middle-income workers. These tax cuts helped spur Ohio's economic recovery, which has seen more than 550,000 new private sector jobs created since 2011.

- **Helping Small Businesses Grow:** Understanding that small businesses are the drivers of our economy, making up roughly 98 percent of all Ohio businesses and employing half of our state's private-sector workforce, Gov. Kasich worked with the Ohio legislature to improve the state's business climate by phasing out income taxes for virtually all small businesses. Ohio's small business tax cut came after Gov. Kasich eliminated the Estate Tax that was harmful to family small businesses. As a result, Ohio enjoyed record small business creation every year of the Kasich Administration.
- **Expanded Tax Relief for Low and Middle-Income Ohioans:** Gov. Kasich created Ohio's first Earned Income Tax Credit (EITC) in 2013 for low-income Ohioans and doubled it the next year. By 2016, the EITC was providing nearly \$100 million in tax relief to approximately 450,000 Ohio low-income households. Ohio also increased the state income tax personal exemption from \$1,700 to \$2,200 for families earning less than \$40,000 a year and raised the exemption from \$1,700 to \$1,950 for families with incomes between \$40,000 and \$80,000.
- **Lowering the Income Tax:** Personal income tax rates are now at their lowest rate since 1982 as Gov. Kasich cut the personal income tax rate by 16 percent. Ohio's top marginal income tax rate will have been cut from 5.925 percent when Gov. Kasich came into office in 2011 to 4.997 percent.
- **Simplifying Municipal Tax Filing for Businesses to Encourage More Economic Growth:** Working with the Ohio General Assembly, Gov. Kasich made significant progress to address long-standing problems in Ohio's municipal tax system and help bring common sense to an outdated system and help businesses that operate in multiple jurisdictions. This included giving businesses the option of filing just one form for their municipal taxes and making a single payment.
- **Streamlining Ohio's Tax System:** Gov. Kasich reduced the number of state income tax brackets from nine to seven.

