



PRESS RELEASE

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Senate passes cruel budget bill

Plan will cost Ohio nearly \$1 billion a year so the wealthiest can have another tax cut

The Ohio Senate today passed a budget that will cost the state nearly a billion dollars a year to pay for tax cuts that mostly benefit the wealthy. To give another tax cut to the wealthiest Ohioans and a handout to millionaires who are already sending their kids to private schools, the Senate takes away free school meals, food access, and much overdue increases in care worker and teacher pay. It also increases barriers to basic health and economic security supports, including kids' health insurance, and disregards infant and maternal mortality.

“Policymakers should ask themselves whether another tax cut is worth the sacrifices their constituents are being asked to make by this budget,” said Policy Matters Ohio’s Executive Director Hannah Halbert. “When the facts about cuts are set out, as this new report does, it is clear that this is not a budget for regular Ohioans, but one for the well-connected and well-to-do. The legislature has the opportunity in conference committee to restore the House version of the budget bill and avoid taking Ohio further away from being a state where all people can make a decent life for themselves and their loved ones.”

The new analysis finds that more than four fifths (86%) of the proposed income tax cut would go to the 20% of households with the highest incomes. Half of the households in the state — the half with less than \$62,000 in annual income — would see little or no change to their tax bill. Some middle-income households will in fact see a temporary net increase on their annual tax bill for the next two years due to technical elements described in the analysis.

As wealth is concentrated in a handful of counties across the state, so are the benefits of the Senate’s cuts. However, in 72 of Ohio’s 88 counties — including all of Southeast Ohio — a family of three with an annual income typical of their county would not see a reduction in their income tax.

“These are middle-income households — exactly the ones Senate leaders falsely claim would get a cut,” said Guillermo Bervejillo, PhD, Policy Matters’ State Policy Fellow.

“Ohio lawmakers have cut the income tax 12 times in the past 23 years,” said Bervejillo. “In that same time, Ohio’s economy has lagged the national average on any number of metrics, and our public services have been continually eroded. There is no reason to think this time will be any different — and ample reason to expect more of the same.”

Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.