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## State tax cuts will hurt Ohio's most vulnerable

More than \$106 million in proposed state budget cuts to local human service levies for children, seniors, emergency services and other programs will hurt the most vulnerable Ohioans, according to a new report by Policy Matters Ohio.

In the last decade, the legislature phased out local property taxes on tangible personal property (machinery, equipment, furniture, fixtures) of businesses and utilities. The state committed to reimburse schools, local levies and local governments for the loss of revenues during a transitional period; the theory was that the tax cuts would spur economic development. A decade later, the recovery has not happened. The taxable value of Ohio property has fallen, and recovery is not expected until 2017. But the Kasich administration proposed elimination of these reimbursements in the executive budget, and both the House and the Senate support the cuts.

“Lawmakers will phase out these reimbursements that pay for vital services,” said Wendy Patton, report author. “The state is taking away money needed to protect abused children, take care of developmentally disabled Ohioans and maintain sanitary inspections and other public health programs. At the same time, Ohio’s leaders propose more income tax cuts for the wealthy, at the expense of these important services.”—

Losses to local levies and special districts in fiscal years 2016-17, compared to the current two-year budget period, include:

- \$3.8 million loss to senior levies, which fund senior centers, meals on wheels, protective services and transportation in some counties;
- \$17.4 million to children’s service levies, which provide funding to protect children;
- \$9.5 million to local public health levies, which ensure safety against disease and other dangers to residents;
- \$53.6 million to mental health and developmental disabilities levies, and
- \$6.9 million loss to library district levies.

Eighty-four of the state’s 88 counties will have less state support in 2017 compared 2014. For example:

- Hamilton County will have \$9.3 million less in 2017 compared to to 2014.
- Franklin County will lose \$8.9 million.
- Cuyahoga County will lose \$7.8 million.
- Butler County will lose \$1.1 million.
- Lake County will lose \$1.5 million
- Portage County will lose \$1.2 million

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