

Information about the Ohio Estate Tax and the Initiative Campaign to End It

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Information about the Ohio estate tax:

- The Ohio estate tax is levied at rates of 5%-7% on taxable estates that exceed \$338,333. This is by far the **lowest** asset exemption level of any estate tax in the United States.
- Annual revenue from the estate tax is about \$350 million, which is **less than 1%** of total state & local revenues collected in Ohio.
- The net revenue from the estate tax, taking into consideration lost income/sales/property tax revenue from those who have left Ohio because of the estate tax, may well be **negative**.
- 20% of the revenue goes to the Ohio general fund, 80% to municipalities/townships. Wealthy jurisdictions receive a **disproportionate** share of the revenue.

The Ohio estate tax damages Ohio's economy:

- Hits the middle class: homeowners, small business owners, farmers.
- Drives jobs and capital investment out of Ohio. **30 states** have no estate/inheritance taxes.
- Drives retirees out of Ohio. **30 states** have no estate/inheritance taxes.
- Represents double taxation of previously taxed income.
- Imposes a burden on the heirs of the deceased.

Purpose of proposed statutory amendment:

- The proposed **statutory** amendment to the Ohio Revised Code ends the Ohio estate tax as of **12/31/2012**.
- Due to the lag time of the filing of estate tax returns, most jurisdictions will not experience a significant decline in estate tax revenue until **2014**.
- Casino gambling tax revenue, which starts in 2012/2013 is projected to **exceed** the lost estate tax revenue for most local jurisdictions.

About Citizens United to End Ohio's Estate Tax:

- This initiative campaign is a volunteer grass roots effort that seeks to promote a more prosperous Ohio by ending the Ohio estate tax.
- The initiative campaign is conducted under the auspices of a ballot-issue political action committee: Citizens United to End Ohio's Estate Tax.

About the Initiative Process for a Proposed Statutory Amendment:

- **General Assembly Petition: the current phase** requires 120,683 verified signatures of Ohio registered voters. After certification, the proposed statutory amendment is submitted on the first Monday in January to the General Assembly for its consideration. *Target date for submittal to Secretary of State for certification: 9/30/2010.*
- **Supplemental Petition:** This petition, which also requires 120,683 verified signatures, is only circulated if the General Assembly does not pass the proposed law. After certification, the proposed statutory amendment appears on the statewide ballot.
- **Key dates:** 1/3/2011—submission to General Assembly; 11/8/2011—on ballot.