



May 18, 2007

The Honorable Ted Strickland  
Governor of Ohio  
Members of the Ohio General Assembly

Dear Governor, Senators and Representatives,

It is my responsibility under Ohio Revised Code 5703.42 as well as my personal privilege to provide you the **2006 Annual Report of the Ohio Department of Taxation (ODT)**.

This report highlights ODT activities in Fiscal Year 2006 (July 1, 2005 through June 30, 2006). It provides a complete description of the base, rates, and provisions of each of the 21 taxes and three local government funds administered by the department. It also presents detailed statistical data concerning each individual tax.

The **Year in Review** section of the report provides an overview of the first year of the Ohio tax reform measures that were enacted by the 126<sup>th</sup> General Assembly in House Bill 66. It also details other actions undertaken by ODT during the fiscal year to encourage voluntary compliance among taxpayers while improving the service provided to them by the department.

Significant legislation enacted during the year that affects the tax system is explained in a capsule summary of the appropriate bills. To aid in a general understanding of the report, included this year is a glossary of terms that are common across most taxes. This edition also contains an overview of the mission and functions of each of ODT's service divisions and how they support the department's overall mission.

ODT's annual report is designed to provide a greater understanding of the tax system in Ohio and how it functions to meet the needs of both citizens and government. I believe you will find this report to be both interesting and enlightening.

Above all, I hope that this report meets your requirements. I promise that this department will continue to strive each day to provide the revenue required by government to serve the citizens of Ohio.

Respectfully,

A handwritten signature in cursive script that reads "Richard A. Levin". The signature is written in black ink on a light-colored background.

Richard A. Levin  
Tax Commissioner