



Department of Taxation

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Tables CAT-1 & CAT-2
No. 76 & 77 (2018)
October 3, 2018

COMMERCIAL ACTIVITY TAX: Number of Taxpayers and Tax Return Data, Fiscal Year 2018

The commercial activity tax went into effect on July 1, 2005. It is a privilege tax measured by gross receipts from activities in this state. The tax was a key component of the 2005 tax reform package enacted by Am. Sub. House Bill 66 (126th General Assembly). Major business tax components of the act were the phase-out of both the tangible personal property tax and the corporate franchise tax, and the phase-in of the commercial activity tax.

The tax is levied and paid on a quarterly or annual basis. In general, persons with annual gross receipts of \$150,000 or less are not subject to the commercial activity tax, and filers with more than \$150,000 but less than or equal to \$1 million taxable gross receipts in the previous calendar year pay the \$150 annual minimum tax and file an annual return.

Filers with over \$1 million in taxable gross receipts are required to pay an annual minimum tax and additional tax at a rate of 0.26% of taxable gross receipts that have been reduced by a \$1 million exclusion to taxable gross receipts. The annual minimum tax is: (1) \$150 for filers with more than \$150,000 but less than or equal to \$1 million taxable gross receipts in the previous calendar year; (2) \$800 for filers with more than \$1 million but less than or equal to \$2 million taxable gross receipts in the previous calendar year; (3) \$2,100 for filers with more than \$2 million but less than or equal to \$4 million taxable gross receipts in the previous calendar year; and (4) \$2,600 for filers with more than \$4 million taxable gross receipts in the previous calendar year.

The attached CAT-1 and CAT-2 tables reflect information reported quarterly returns for the quarterly obligation periods July 1, 2017 to June 30, 2018, encompassing FY 2018. The quarterly CAT returns for these time periods were due in November 2017, February 2018, May 2018, and August 2018, respectively. Also included in this table are annual returns based on calendar year 2017, due in May 2018. The table includes tax returns received by the Department of Taxation on or after July 1, 2017 to on or before September 30, 2018, any original or amended returns filed after September 30, 2018 are not reflected in this table. Each combined taxpayer group and each consolidated elected taxpayer group is shown as a *single filer* in these tables.

As shown in these tables, the total reported commercial activity tax liability before credits for fiscal year 2018 was approximately \$1,990.9 million. Of this amount approximately \$105.3 million was attributable to the annual minimum tax and approximately \$1,885.6 million was attributable to the 0.26% tax rate. Taxable gross receipts amounted to approximately \$816.8 billion but the exclusion available on each return reduced taxable gross receipts to net taxable gross receipts, which amounted to approximately \$725.3 billion.

Table CAT-1 shows tax return information for 19 industrial sectors. The industrial sector data is based on each filer's reported primary business activity, using the North American Industry Classification System (NAICS). The combined taxpayer group or consolidated elected taxpayer group is reported under the primary filer's industry

code. In fiscal year 2018, the retail sector comprised the largest group of taxpayers, and accounted for 11.9% of all taxpayers. This was followed by taxpayers in the manufacturing and construction sectors (both at 10.6%), and professional, scientific and technical services sector (10.2%). In terms of net tax liability, manufacturers accounted for the largest share at 23.6% of the total. The retail (20.9%) and wholesale (12.6%) sectors accounted for the next largest shares of total liability.

Table CAT-2 provides tax return information based on the size of each filer's taxable gross receipts (prior to the exclusion). Each combined taxpayer group and each consolidated elected taxpayer group is shown as a single filer, and the filer's gross receipts determine the size category in which the group is placed. Filers whose fiscal year 2018 taxable gross receipts were less than \$1 million accounted for approximately 65.9% of all returns, but less than 1.0% of the net total tax due. Filers with taxable gross receipts of \$1 billion and above comprised less than 0.1% of all returns but accounted for approximately 20.3% of net total tax due.

Data contained in these tables was derived from commercial activity tax returns filed by taxpayers with the Ohio Department of Taxation.

Fiscal Year 2018 Commercial Activity Tax Returns:

Number of Returns and Reported Financial Data, by Industrial Classification ¹

Dollar amounts are in thousands

Industrial Sector	NAICS Code Ranges	Number of Filers	Taxable Gross Receipts	Exclusion ^{2,3}	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Tax at 0.26% rate plus		Non-refundable Tax Credits ⁵	Refundable Tax Credits ⁵	Net Total Tax Due: 0.26% Tax and Minimum Tax, after all credits
							Minimum Tax ⁴	Minimum Tax, before all credits ³			
Agriculture, Forestry, and Fishing	111100-115310	7,400	\$ 7,671,784	\$ 3,603,127	\$ 4,068,657	\$ 10,580	\$ 2,627	\$ 13,208	\$ 15	\$ -	\$ 13,172
Mining	211110-213110	808	\$ 11,349,168	\$ 434,832	\$ 10,914,336	\$ 28,374	\$ 649	\$ 29,024	\$ 257	\$ 182	\$ 28,578
Utilities (excluding telecommunications)	221100-221300	202	\$ 16,915,576	\$ 151,970	\$ 16,763,606	\$ 43,585	\$ 249	\$ 43,834	\$ 161	\$ -	\$ 43,672
Construction	236110-238900	16,569	\$ 48,454,431	\$ 9,821,272	\$ 38,633,159	\$ 100,438	\$ 12,044	\$ 112,482	\$ 648	\$ 244	\$ 111,642
Manufacturing	311110-339900	16,652	\$ 213,276,111	\$ 11,607,885	\$ 201,668,225	\$ 524,340	\$ 17,590	\$ 541,930	\$ 79,680	\$ 52,219	\$ 422,630
Wholesale Trade	423100-425120	9,238	\$ 95,151,379	\$ 6,396,572	\$ 88,754,807	\$ 230,732	\$ 9,920	\$ 240,652	\$ 3,521	\$ 12,385	\$ 225,941
Retail Trade	441110-454390	18,606	\$ 155,002,453	\$ 11,424,574	\$ 143,577,878	\$ 373,302	\$ 12,996	\$ 386,298	\$ 1,346	\$ 9,821	\$ 375,060
Transportation and Warehousing	481000-493100	4,853	\$ 22,310,776	\$ 2,951,954	\$ 19,358,822	\$ 50,348	\$ 3,600	\$ 53,948	\$ 541	\$ 391	\$ 53,301
Information (including telecommunications)	511110-519100	1,704	\$ 34,238,808	\$ 1,047,149	\$ 33,191,659	\$ 86,272	\$ 1,442	\$ 87,714	\$ 6,787	\$ 5,812	\$ 75,275
Finance and Insurance	522110-525990	5,692	\$ 17,335,511	\$ 2,650,196	\$ 14,685,315	\$ 38,270	\$ 2,789	\$ 41,060	\$ 4,606	\$ 4,751	\$ 35,470
Real Estate, and Rental & Leasing of Property	531110-533110	15,411	\$ 24,922,541	\$ 7,830,659	\$ 17,091,882	\$ 44,431	\$ 7,114	\$ 51,545	\$ 43	\$ 408	\$ 51,043
Professional, Scientific and Technical Services	541110-541990	15,950	\$ 42,842,289	\$ 8,570,022	\$ 34,272,267	\$ 89,038	\$ 9,520	\$ 98,558	\$ 3,205	\$ 4,477	\$ 92,085
Management of Companies (Holding Companies)	551111-551112	900	\$ 42,051,455	\$ 690,551	\$ 41,360,904	\$ 107,442	\$ 1,424	\$ 108,866	\$ 4,922	\$ 10,481	\$ 94,408
Administrative & Support Services, and Waste Management & Remediation Services	561110-562000	4,414	\$ 13,619,431	\$ 2,514,923	\$ 11,104,509	\$ 28,872	\$ 2,859	\$ 31,731	\$ 551	\$ 1,366	\$ 29,833
Education, Health Care and Social Assistance	611000-624410	11,554	\$ 28,305,108	\$ 7,319,008	\$ 20,986,101	\$ 54,562	\$ 7,644	\$ 62,206	\$ 14	\$ 1,521	\$ 60,644
Arts, Entertainment, and Recreation	711100-713900	1,904	\$ 5,330,630	\$ 1,008,843	\$ 4,321,787	\$ 11,233	\$ 903	\$ 12,136	\$ -	\$ 5,396	\$ 6,733
Accommodation and Food Services	721110-722515	10,401	\$ 22,109,449	\$ 6,337,917	\$ 15,771,532	\$ 41,013	\$ 5,996	\$ 47,009	\$ 871	\$ 248	\$ 46,662
Other Services	811110-812990	8,862	\$ 10,021,690	\$ 4,518,953	\$ 5,502,737	\$ 14,306	\$ 3,629	\$ 17,935	\$ 39	\$ 2,051	\$ 15,818
Unclassified	n/a	5,755	\$ 5,894,613	\$ 2,644,463	\$ 3,250,150	\$ 8,453	\$ 2,329	\$ 10,782	\$ -	\$ -	\$ 10,744
TOTAL		156,875	\$ 816,803,203	\$ 91,524,871	\$ 725,278,332	\$ 1,885,591	\$ 105,326	\$ 1,990,917	\$ 107,208	\$ 111,754	\$ 1,792,711

¹ The total tax liability shown in this table does not match actual commercial activity tax revenues in fiscal year 2018. The table reflects reported tax liability, not actual payments made. The table reflects information from quarterly returns for the quarterly obligation periods July 1, 2017 to June 30, 2018, encompassing fiscal year 2018. The quarterly CAT returns for these time periods are due in November 2017, February 2018, May 2018, and August 2018, respectively. Also included in this table are annual returns based on calendar year 2017, due in May 2018. The table includes tax returns received by the Department of Taxation on or after July 1, 2017 to on or before September 30, 2018, any original or amended returns filed after September 30, 2018 are not reflected in this table.

² For each filer, the entire annual exclusion of \$1,000,000 may be taken on the first quarter return, up to the amount of total gross receipts. Any unused exclusion is carried forward to subsequent quarters.

³ Two fields, "Exclusion", and "Tax at 0.26% rate plus Minimum Tax, before all credits", do not exist as lines on CAT returns. Each of these fields was, therefore, calculated. The "Exclusion" field was calculated by subtracting "Net Taxable Gross Receipts" from "Taxable Gross Receipts" for each filer. The "Tax at 0.26% rate plus Minimum Tax, before all credits", field was calculated by summing "Tax at 0.26% Rate", and "Annual Minimum Tax" for each filer.

⁴ The annual minimum tax is \$150 for filers with more than \$150,000 but less than or equal to \$1 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$800 for filers with more than \$1 million but less than or equal to \$2 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$2,100 for filers with more than \$2 million but less than or equal to \$4 million taxable gross receipts in the previous calendar year. The annual minimum tax is \$2,600 for filers with more than \$4 million taxable gross receipts in the previous calendar year. All taxpayers (annual taxpayers and quarterly taxpayers alike) are required to pay the annual minimum tax. In general, persons with annual gross receipts of \$150,000 or less are not subject to the commercial activity tax.

⁵ Nonrefundable credits and refundable credits listed on this table were filed according to the time schedule described in Footnote 1, and were reviewed and verified by the Department of Taxation, Commercial Activities Tax Division, as of September 30, 2018. Any credits filed, reviewed, or verified after September 30, 2018 are not reflected in this table.

Fiscal Year 2018 Commercial Activity Tax Returns:

Number of Returns and Reported Financial Data, by Size of Taxable Gross Receipts ¹

Dollar amounts are in thousands

Size Range of Taxable Gross Receipts ²	Number of Filers	Taxable Gross Receipts	Exclusion ^{3,4}	Net Taxable Gross Receipts	Tax at 0.26% Rate	Annual Minimum Tax ⁵	Tax at 0.26% rate plus Minimum Tax, before all credits ⁴	Non-refundable Tax Credits ⁶	Refundable Tax Credits ⁶	Net Total Tax Due: 0.26% Tax and Minimum Tax, after all credits
Less than \$1,000,000	103,419	\$ 40,274,044	\$ 39,032,392	\$ 1,241,652	\$ 3,222	\$ 16,437	\$ 19,659	\$ 1,242	\$ 10,502	\$ 8,681
\$1,000,000 - \$1,999,999	21,019	\$ 30,189,736	\$ 20,401,969	\$ 9,787,767	\$ 25,433	\$ 17,148	\$ 42,580	\$ 674	\$ 2,041	\$ 40,420
\$2,000,000 - \$2,999,999	8,925	\$ 21,758,615	\$ 9,006,161	\$ 12,752,454	\$ 33,156	\$ 15,812	\$ 48,968	\$ 312	\$ 565	\$ 48,198
\$3,000,000 - \$3,999,999	4,849	\$ 16,823,761	\$ 4,811,053	\$ 12,012,708	\$ 31,223	\$ 9,963	\$ 41,186	\$ 672	\$ 815	\$ 40,084
\$4,000,000 - \$4,999,999	3,090	\$ 13,791,483	\$ 3,020,251	\$ 10,771,232	\$ 28,006	\$ 7,235	\$ 35,240	\$ 414	\$ 935	\$ 34,080
\$5,000,000 - \$9,999,999	6,772	\$ 47,092,954	\$ 6,652,326	\$ 40,440,628	\$ 105,135	\$ 16,723	\$ 121,858	\$ 4,054	\$ 1,528	\$ 119,123
\$10,000,000 - \$24,999,999	4,754	\$ 73,371,806	\$ 4,681,880	\$ 68,689,926	\$ 178,525	\$ 11,881	\$ 190,406	\$ 5,101	\$ 6,150	\$ 182,363
\$25,000,000 - \$49,999,999	1,913	\$ 66,527,546	\$ 1,861,676	\$ 64,665,869	\$ 168,113	\$ 4,747	\$ 172,860	\$ 13,540	\$ 8,486	\$ 162,073
\$50,000,000 - \$99,999,999	1,034	\$ 71,573,279	\$ 1,018,000	\$ 70,555,279	\$ 183,379	\$ 2,601	\$ 185,980	\$ 2,981	\$ 15,994	\$ 167,214
\$100,000,000 - \$499,999,999	931	\$ 189,619,472	\$ 870,162	\$ 188,749,309	\$ 490,664	\$ 2,343	\$ 493,007	\$ 16,849	\$ 18,402	\$ 459,005
\$500,000,000 - \$999,999,999	102	\$ 71,907,758	\$ 103,000	\$ 71,804,758	\$ 186,905	\$ 265	\$ 187,171	\$ 11,572	\$ 8,595	\$ 167,003
\$1 billion and above	67	\$ 173,872,749	\$ 66,000	\$ 173,806,749	\$ 451,830	\$ 172	\$ 452,002	\$ 49,796	\$ 37,741	\$ 364,466
TOTAL	156,875	\$ 816,803,203	\$ 91,524,871	\$ 725,278,332	\$ 1,885,591	\$ 105,326	\$ 1,990,917	\$ 107,208	\$ 111,754	\$ 1,792,711

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² These categories reflect aggregate taxable gross receipts (before exclusion) as reported by taxpayers on returns that were filed according to the time schedule described in Footnote 1. For example, a taxpayer whose taxable gross receipts for the four quarterly obligation periods in fiscal year 2018 were \$5 million, \$6 million, \$4 million, and \$7 million, would have total fiscal year 2018 taxable gross receipts of \$22 million, and thereby would be included in the \$10 - \$25 million Size Range of Taxable Gross Receipts.

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