

Economic Situation and Outlook

The panic that engulfed financial markets late in the summer of 2008 gave way to relative calm by year end, but not before values of financial assets decreased significantly further. Decreases in employment, incomes, and production intensified during the fourth quarter of 2008, and forecasters expect large additional declines through at least mid-2009.

The economy entered the eleventh business cycle recession since World War II in December 2007, according to the National Bureau of Economic Research. The previous ten recessions ranged in length from six months in 1980 to sixteen months in 1973-75 and 1981-82. Many expect the current downturn to be at least as long and as severe as any in the post-war period.

Economic policy makers have taken sweeping actions and are planning more in an effort to revive the economy and stabilize markets. The Federal Reserve cut its short-term interest rate to essentially zero at its meeting in December 2008. In addition, the Fed has purchased large quantities of short-term paper and longer-term bonds from investors in an effort to provide financial liquidity and reduce longer-term interest rates.

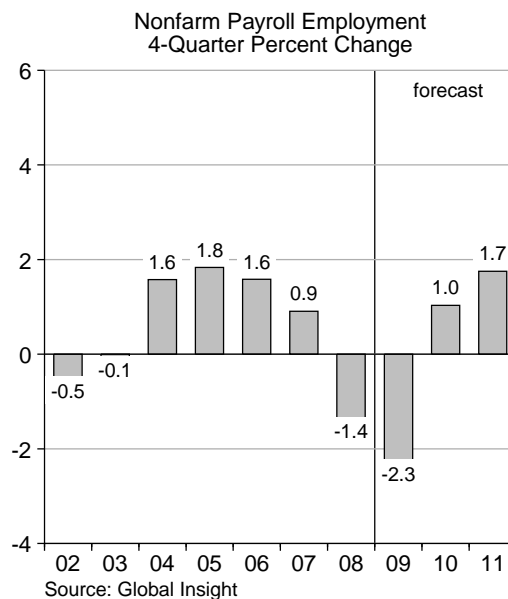
The aggressive monetary policy actions are beginning to positively affect markets. Money market yields declined substantially; spreads between yields on risky short-term debt instruments, such as commercial paper, and Treasury bills narrowed considerably. Corporate bond yields fell by more than a full percentage point from the peak in mid-October 2008, and fixed residential mortgage rates declined by more than 1.5 percentage points from the peak in July 2008 to an all-time low.

At the same time, Congress and the new Administration are preparing an economic stimulus package that is expected to add more than \$800 billion to aggregate demand during the next several years through additional government spending and adjustments to the federal tax code.

The policy responses at the federal and state levels are expected to augment the normal cyclical recovery process, but the consensus among forecasters is that the current recession will last through June 2009—a total of eighteen months—becoming the longest recession in the post-war period. Even if the major shocks to the economy in the form of commodity price increases and corporate bankruptcies are behind us, significant ripple effects in the form of additional decreases in employment, income, and production lie ahead.

As of December 2008, total U.S. non-farm employment had decreased by 2.6 million jobs, or 1.9 percent, from its peak, compared with an average decline during the 1973-75 and 1981-82 recessions of about 3.0 percent. The job loss so far in this recession is about 63 percent of the average during those two severe downturns. To reach a total decline of 3.0 percent this time, employment would have to fall by another 1.6 million jobs, which at the recent pace would occur before the end of April 2009.

Total U.S. non-farm employment is projected to decline by another 3.1 million jobs from the fourth quarter of 2008 to the fourth quarter of 2009, according to the January forecast by IHS Global Insight. Moderate growth of 1.2 million jobs is projected for 2010 and 2.4 million in 2011. Ohio employment is projected to decline by 113,000 jobs during the four quarters of 2009, followed by modest growth in 2010 and 2011.



The U.S. unemployment rate increased by 2.8 percentage points from its March 2007 low to 7.2 percent in December 2008 – about 72 percent of the average increase of 3.9 percentage points during the 1973-75 and 1981-82 recessions. To match that increase in this recession, unemployment would have to rise by another 1.1 percentage points to 8.3 percent, which would be the highest level since 1983. The Ohio unemployment rate ended 2008 at 7.3 percent, up from 5.8 percent at the end of 2007.

The U.S. unemployment rate is projected by IHS Global Insight to peak at 9.2 percent in the first half of 2010 and remain above 8 percent throughout 2011. The Ohio unemployment rate is projected to rise to 10.4 percent by the fourth quarter of 2009.

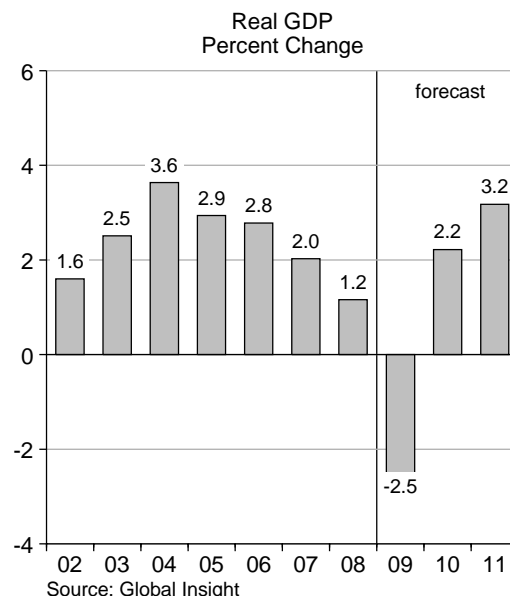
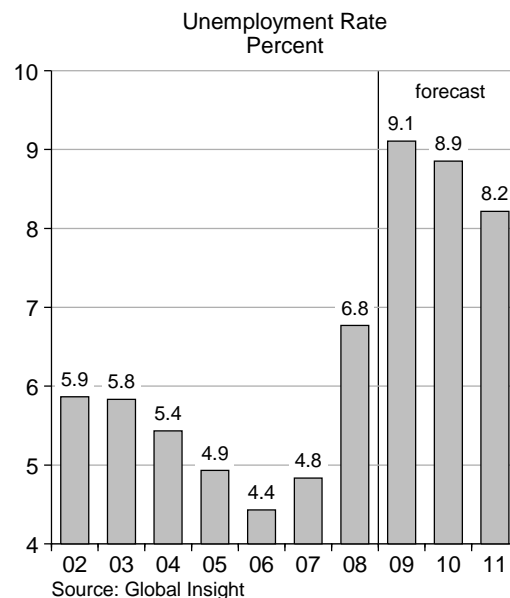
Real, or inflation-adjusted, gross domestic product (GDP) – the broadest measure of economic output – increased 1.3 percent in 2008, but decreased 0.5 percent in the third quarter and a preliminary 3.8 percent in the fourth quarter. Real consumption expenditures, which comprise more than two-thirds of real GDP, declined at a rate of approximately 3.5 percent in each of the last two quarters of the year, beginning what analysts expect will be a prolonged period of retrenchment by households.

IHS Global Insight projects that real GDP will contract by a total of 3.4 percent from the peak in the second quarter of 2008 to the trough in the second quarter of 2009. In comparison, the peak to trough decline in real GDP averaged 3.0 percent during the 1973-75 and 1981-82 recessions. Real GDP is projected to decrease by 1.3 percent for the four quarters of 2009, and increase by 3.3 percent in 2010 and 3.0 percent in 2011. IHS Global Insight projects Ohio real Gross State Product to decrease by 1.4 percent in 2009, followed by modest growth in 2010 and 2011.

Risks to the Outlook

Negative risks to the outlook include a renewed surge in commodity prices, which would undercut real incomes and depress profit margins when the economy is already in recession. A key element in the economic recovery effort is massive borrowing by the U.S. Treasury, which could result in a significant rise in interest rates and decline in the foreign exchange value of the dollar. An inability to stabilize the financial system could lead to more bankruptcies with negative ripple effects. Finally, continued declines in housing market values and property values could have prolonged impacts on Ohio's economy and state and local revenues.

Positive risks to the outlook include a faster than anticipated recovery by financial markets in response to the aggressive actions by the Federal Reserve, leading to a return of confidence to households and businesses. In addition, the large decline in the price of oil and other commodity prices could have a greater than anticipated positive effect on economic activity.



Revenue Estimates and Methodology

Overview

The economic recession that began in December 2007 has impacted Ohio's economic and financial health quite severely during 2008 and continues to cause concerns with regard to employment and income growth. The impact of what has become a lengthy national recession is expected to keep the tax revenue growth in negative territory over the coming biennium. Under current law, after the allocations from state tax receipts to local government funds are taken into account, General Revenue Fund tax receipts are estimated to decline by 7.1 percent in fiscal year 2009, 5.4 percent in fiscal year 2010, and 0.1 percent in fiscal year 2011 before returning to positive growth of 2.3 percent and 3.1 percent in fiscal years 2012 and 2013 respectively. The Executive Budget contains several tax policy options that attempt to diminish the effects of the challenging economy.

The Executive Budget proposal completes the implementation of the tax reforms enacted in Amended Substitute House Bill 66 of the 126th General Assembly (House Bill 66). Over time the reforms are expected to result in stable and predictable tax base for all taxpayers, annualized tax relief of over \$2 billion, and long term economic benefit. The baseline General Revenue Fund estimates reflect these tax changes as well as others enacted and implemented since that time. The major tax changes in House Bill 66 include:

- The permanent tax rate on the sales and use tax was increased from 5.0 percent to 5.5 percent, effective July 2005. (In fiscal years 2004-2005 the sales and use tax was levied at a temporary tax rate of 6.0 percent.)
- The personal income tax rates for all income brackets were cut by 21 percent and the cut is being phased in over five tax years (2005-2009) by 4.2 percent each year.
- The corporation franchise tax is being phased out for non-financial corporations over five years (tax years 2006-2010), with a 20 percent phase-out in each year.
- The tangible personal property tax is phased out over four tax years (2006-2009) for general businesses and over five tax years (2007-2011) for telephone and telecommunications companies.
- A business privilege tax, the commercial activity tax, is being phased in over 5 fiscal years (2006-2010).
- The tax rate on cigarettes increased from 55 cents per package of 20 cigarettes to \$1.25, effective July 2005.

Figure B-1 lists the estimated revenue impact of these tax law changes in fiscal years 2006-2010. The estimates by individual tax source indicate the impact on all state funds. The bottom of the table gives the total fiscal impact of House Bill 66 on all state funds and on the General Revenue Fund. In fiscal years 2008-2010, the General Revenue Fund will bear the majority of the impact as a result of the mechanism enacted by the 127th General Assembly in House Bill 119 that allocates state tax receipts between the General Revenue Fund and the local government funds.

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Figure B-1: Estimated Fiscal Impacts of Major Tax Law Changes
House Bill 66, 126th General Assembly (a)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Sales and Use Tax					
Increase permanent tax rate from 5% to 5.5%	\$697.0	\$706.0	\$726.0	\$749.0	\$772.0
Personal Income Tax					
Phase in 21% rate cut over five years; credits adjusted so filers with Ohio taxable income below \$10,000 pay no tax.	-350.5	-761.0	-1,212.2	-1,712.1	-2,272.6
Corporate Franchise Tax					
Phase out over five years for non-financial corporations	-228.6	-587.8	-971.3	-1,326.4	-1,642.2
Commercial Activity Tax (b)					
Phase in over five years	273.4	580.0	975.5	1,340.1	1,600.1
Tangible Personal Property Tax					
Phase out, with commensurate increase in state payments to local entities	-88.3	-571.3	-931.6	-1,275.0	-1,621.0
Cigarette Tax					
Increase tax rate	505.0	425.0	416.0	407.0	398.0
Local Property Tax					
Eliminate 10% rollback on commercial and industrial property thus decrease state expenditure	166.0	314.0	329.0	348.0	365.0
Subtotal of Listed Impacts	974.0	104.9	-668.7	-1,469.4	-2,400.7
Total Impact on All State Funds	1,080.9	185.8	-594.2	-1,402.8	-2,268.0
Total Impact on General Revenue Fund	1,080.9	185.8	-502.4	-1,296.6	-2,110.9

(a) These estimates differ, in some cases substantially, from the estimates that were published at the time that HB 66 passed. In the earlier years (fiscal years 2006-2007), the estimated losses from the income tax rate cuts and corporate franchise tax reductions are larger than originally expected. On the other hand, the estimated losses for fiscal years 2008-2010 may eventually need to be revised downward so that they are closer to the original estimates, since the recession has shrunk the tax base for the income tax. New revenues from the CAT are substantially above the original estimates.

(b) Assumes full impact being felt beginning fiscal year 2011.

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The Executive Budget for fiscal years 2010 and 2011 includes changes to several existing tax credits and proposes new tax credits targeted at emerging industries in the state. Figure B-2 lists the proposed tax changes in the Executive Budget and the estimated impact on state tax revenues.

- Technology Tax Credit: This tax credit increases the existing Technology Investment Tax Credit cap from \$30 million to \$45 million. This will allow Ohio investors to continue to receive a tax credit by investing in qualified technology-based Ohio companies. The current cap of \$30 million is likely to be reached by March 2009. OBM estimates that this tax credit would cost the state revenues around \$15 million; however, its impact will be delayed three to five years.
- Job Creation Tax Credit: This existing tax credit is proposed to be reformed to encourage companies to locate in the state with a focus on higher paying jobs. The proposed reform aims to make the program competitive with other states' tax incentive programs by introducing flexibility in eligibility conditions and terms. OBM estimates that there will not be any additional costs due to this change with currently eligible companies being ineligible for the revised credit. However, this program could attract new investments to the state, and hence increase in future tax revenue.
- Job Retention Tax Credit: This existing tax credit allows companies to retain up to 75 percent of the state income taxes withheld from eligible fulltime employees for a period of up to 15 years. The proposed changes align this program with the new provisions of the Job Creation Tax credit to ensure the state's larger employers continue to invest in Ohio workers and the economy. The proposal has an annual cap of \$13 million for new awards, to mitigate the impact of inflation on eligible tax credit claims.
- New markets investment tax credit: This tax credit is proposed to encourage corporate investments in low-income areas and communities, through a new non-refundable tax credit for purchasers of qualified low-income community equity and long term debt investments. Qualified investments made on or after January 1, 2010 will be eligible for this tax credit which may be claimed against either the domestic insurance or foreign insurance taxes, or the corporate franchise tax for participating financial companies. The first year that the tax credit can be claimed is expected to be FY 2013, at which time OBM tentatively estimates it will reduce General Revenue Fund tax revenue by \$12 million.
- Film Tax Credit: A refundable tax credit of 25 percent is proposed on qualified production expenditures of film production companies producing eligible films in the state. This tax credit is proposed to encourage and develop a strong cinematic production industry in the state of Ohio and to compete with neighboring states in attracting new film production to Ohio.
- Extension of health insurance tax deduction for employer-provided plans: The Executive Budget proposes extending the tax deduction for employer coverage of children and dependents up to age twenty nine as opposed to the current age limit of twenty five in order to make health care coverage more affordable for many Ohioans.
- Proposed changes in Medicaid managed care plans fee: Under current federal law, Medicaid managed care organizations are identified as a separate class of providers, and are therefore not subject to the provisions of the Social Security Act that require provider-based taxes to be broad based in nature. Effective October 1, 2009, the Deficit Reduction Act of 2005 (DRA), removes this distinction for Medicaid managed care organizations. As such, Ohio's Medicaid managed care franchise fee, as well as similar fees in six other states, will no longer be in compliance with federal regulations after that date. Collection of that fee will therefore cease, resulting in an annual loss of approximately \$194 million dollars in revenue to the state, as well as the resulting federal match received when these funds would be applied to Ohio's Medicaid program.

To replace this lost revenue, Ohio will move Medicaid managed care companies within the existing sales tax and health insuring corporation (HIC) tax bases, which meets the broad based requirement that will be applied to these providers beginning in October of 2009. These provisions will be repealed should this replacement strategy not be approved by the Center for Medicare and Medicaid Services (CMS).

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Figure B-2: Proposed Tax Changes in FYs 2010-2011 Executive Budget and the Impact on State Revenues
(\$ in millions)

	FY 2010	FY 2011
Technology Investment Tax Credit- Decrease in personal income tax or corporate franchise tax	-	-
Job Creation Tax Credit – Decrease in corporate franchise tax	-	-
Job Retention Tax Credit – Decrease in corporate franchise tax	-	-
New Markets Investment Tax Credit – Decrease in insurance taxes or corporate franchise tax	-	-
Tax credit on film production expenditures - Decrease in personal income tax or corporate franchise tax	(\$10.0)	(\$10.0)
Extension of health insurance tax deduction for employer-provided plans – Decrease in personal income tax	-	(\$6.0)
Medicaid managed care plans moved to sales and use tax base and HIC tax base	\$163.1	\$253.1
Total impacts	\$153.1	\$237.1

When compared to the baseline estimates, the proposed tax changes in the Executive Budget for fiscal years 2010 and 2011 are estimated to result in an increase in tax revenue of \$390.2 million over the biennium. Incorporating the new tax proposals and the current formula for local government fund allocation, the General Revenue Fund tax receipts are expected to decline by 4.5 percent in fiscal year 2010 and marginally rise by 0.3 percent in fiscal year 2011.

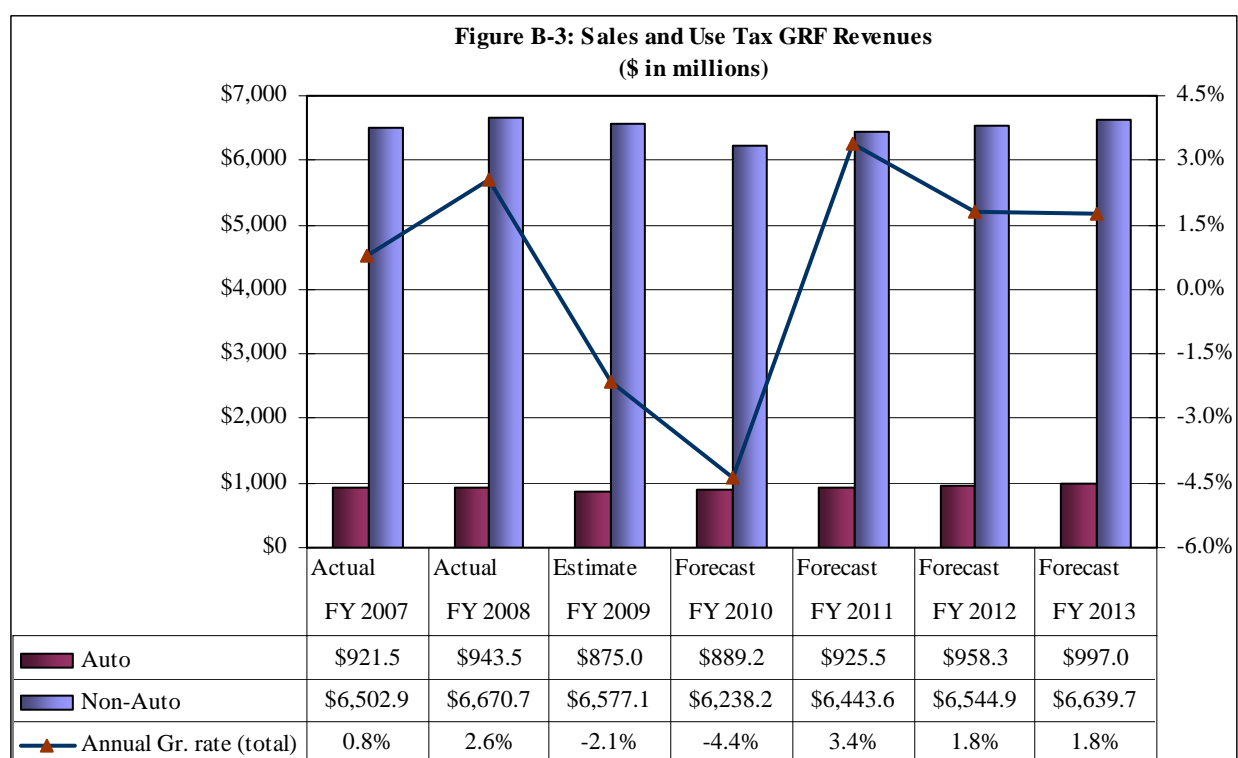
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Tax Sources

Sales and Use Tax

The state sales and use tax on retail sales and selected services is currently levied at a rate of 5.5 percent. From 1981 through 2003 the sales and use tax was levied at 5.0 percent. In fiscal years 2004 and 2005, the sales and use tax rate was temporarily increased from 5.0 percent to 6.0 percent. House Bill 66 set the sales and use tax rate at 5.5 percent permanently.

For revenue projection purposes, the sales and use tax is separated into two components: auto and non-auto sales tax revenue. The auto component consists of the tax collected from the sale or use of automobiles and trucks. The non-auto component includes all other sales and use tax collections, including the sales and use tax on motor vehicle leases.



Due to the recessionary trends in employment, and income generation, and severe declines in household wealth due to falling home prices and equity markets, sales tax revenues for the fiscal year 2009 are expected to decline at a rate of 2.1 percent, followed by further decline of 4.4 percent in FY 2010. A rebounding national economy is expected to lead to a growth of 3.4 percent in the fiscal year 2011.

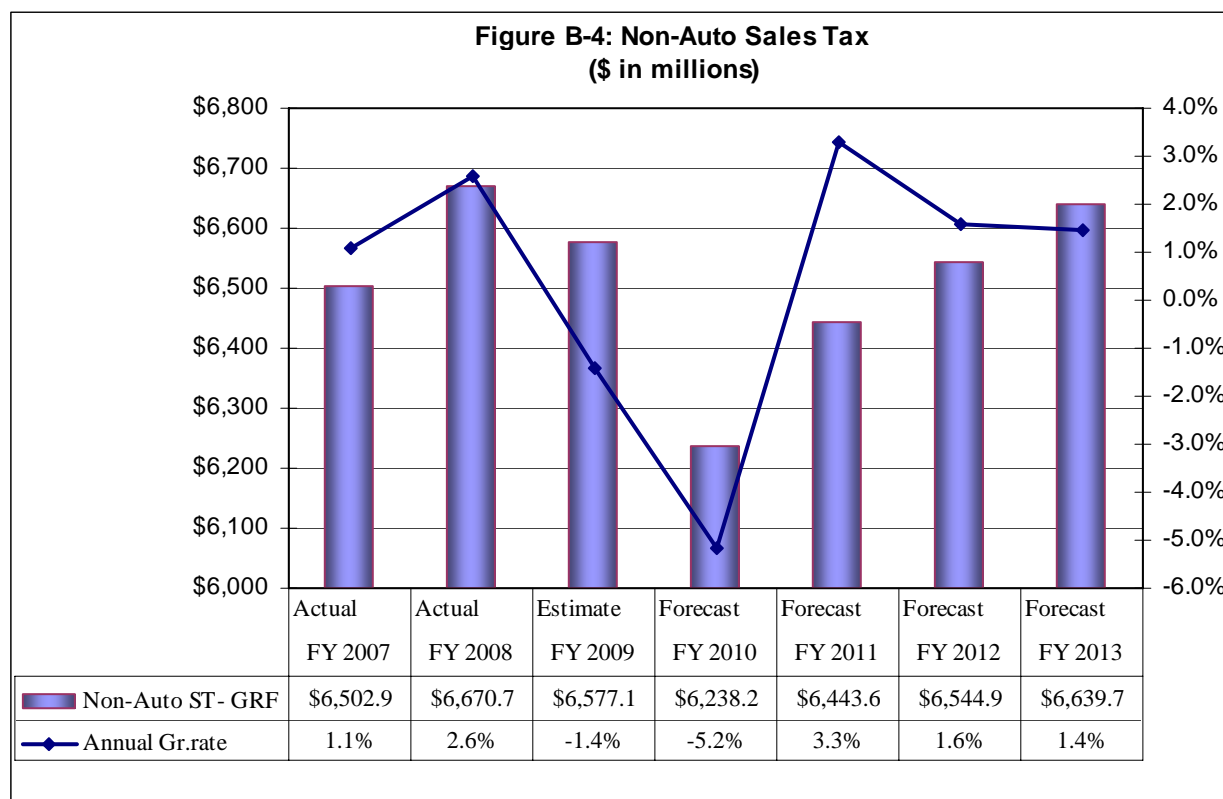
Fiscal year 2008 marked the start of the change enacted by the House Bill 119 in the local government funds' financing method. Beginning in January 2008 deposits into the Local Government Fund and the Library and Local Government Support Fund were based on a designated percentage of total General Revenue Fund tax receipts. The auto sales tax no longer credits money to the local funds, but the non-auto sales tax credits one-half of the money to be deposited in the Library and Local Government Support Fund. None of the money to be deposited in the Local Government Fund is credited against the non-auto sales tax. This change inflated the fiscal year 2008 growth rate (2.6 percent) because less money was credited from the sales tax as a whole to the local funds.

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All vendors who remit sales and use tax to the state receive a discount equal to a specific percentage of the remitted tax as consideration for helping to administer the tax (as long as filing and payment are made timely). Under current law, the vendor discount is 0.75 percent of remittances.

Non-Auto Sales and Use Tax

The baseline estimate for the non-auto sales and use tax revenues is drawn from a regression of non-auto sales and use tax receipts against Ohio employment, retail sales and median home price.



Non-auto sales tax receipts are expected to decrease by 1.4 percent in fiscal year 2009 compared to FY 2008, and to then decrease by an additional 5.2 percent in fiscal year 2010, before returning to positive growth in fiscal year 2011. The Executive Budget for fiscal years 2010 and 2011 proposes to replace the fee on Medicaid managed care plans with a collection under sales and uses tax. This proposal is expected to increase non-auto sales tax revenue by \$138.0 million and \$214.0 million in fiscal years 2010 and 2011, respectively. Going forward, this impact is projected to increase by three percent per year. Figure B-4a reflects the expected General Revenue Fund revenues incorporating the proposed changes, as well as the baseline projections of General Revenue Fund receipts under current statutes for fiscal years 2009 through 2013, which are graphed in Figure B-4.

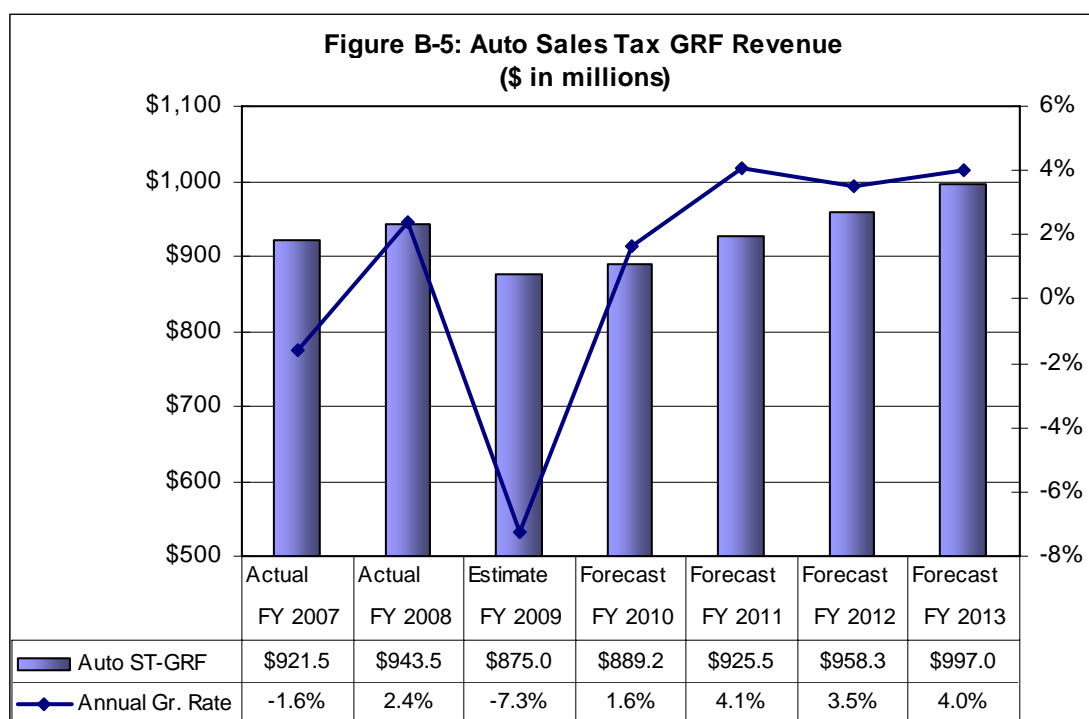
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Figure B-4a: Non-Auto Sales and Use Tax GRF Revenues
(\$ in millions)

	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast
Actual/Estimated GRF Baseline Revenue	\$6,502.9	\$6,670.7	\$6,577.1	\$6,238.2	\$6,443.6	\$6,544.9	\$6,639.7
Medicaid managed Care plans replacement	-	-	-	\$138.0	\$214.0	\$220.4	\$227.0
Total GRF Estimate				\$6,376.2	\$6,657.6	\$6,765.3	\$6,866.7

Auto Sales and Use Tax

The estimate for the auto sales and use tax is based on a regression model where auto sales and use tax receipts were regressed against Ohio new light vehicle registration, Ohio disposable income, and Ohio median existing home price.



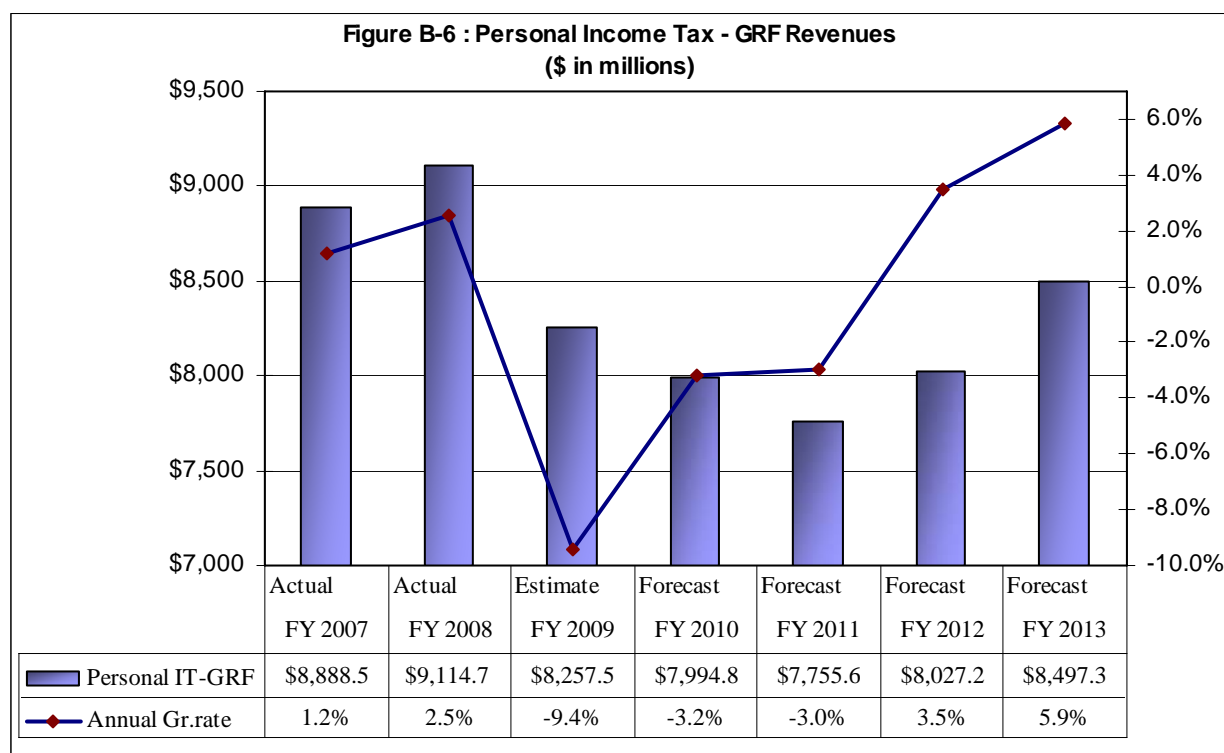
While growth in this tax source has most recently occurred in fiscal year 2008, a portion of this growth can be attributed to the change in the local government funds' financing method and the elimination of the exemption for vehicles purchased by residents of other states. In fiscal 2009 and going forward, auto sales are expected to decline as a result of weak employment, as well as a loss of household wealth and sluggish credit availability. In fiscal year 2010 the tax is projected to grow by a marginally positive 1.6 percent, followed by normal growth of around 4.0 percent in subsequent years. According to the Governor's Council of Economic Advisors, national vehicle sales over the next two years will grow approximately by 10.3 percent and 8.6 percent in fiscal years 2010 and 2011 respectively, rebounding from the expected dismal performance of the last two years. Figure B-5a provides the baseline projections of General Revenue Fund receipts from the auto sales and use tax for fiscal years 2009 through 2013, with a graphical representation of those receipts provided in Figure B-5.

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Personal Income Tax

The Ohio income tax on individuals and estates took effect in 1972, with an income tax on trusts enacted in 2002. There are currently nine income brackets with progressive tax rates. Ohio taxable income is based on federal adjusted gross income for individuals or taxable income for estates and trusts, with certain adjustments. Graduated tax rates are applied to this income base to arrive at tax liability before credits. Final tax liability is obtained after certain credits are subtracted.

The estimates of the personal income tax revenues listed in Figure B-6 were derived by breaking down this tax source into its different components: employer withholdings, quarterly estimated payments, annual returns, refunds, tax on trusts, and other collections. The collections from each component in fiscal years 2010 through 2013 were estimated using regression analysis. Ohio wage and salary income and Ohio non-farm employment were employed in the regression equation to estimate the withholding revenues. The estimates for the non-wage components were predicted using Ohio wage and salary income and non-wage income items, such as capital gains in regression equations.



The baseline estimates also reflect recent law changes. House Bill 66 of the 126th General Assembly made several changes to the personal income tax as rates were reduced by 21 percent from tax year 2004 rates, with the reductions phased-in over five years beginning in tax year 2005. The final year of tax reductions is tax year 2009, which will primarily impact fiscal year 2010 receipts. To implement the enacted tax rate cut, the withholding rates were reduced and these reductions are built into the estimation models.

Among the legislation enacted by the 127th General Assembly are two bills that are estimated to have some impact on income tax revenue: Senate Bill 20 which increased the income tax credit for qualified adoption related expenses from \$500 to \$1,500 and House Bill 372 which exempted military retirement pay from Ohio income tax. These two bills are estimated to have an impact of \$3 million and between \$14 million and \$22 million respectively. As discussed above, the estimated impact of these two bills are already incorporated in the baseline estimates.

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As previously discussed, the Executive Budget for fiscal years 2010 and 2011 proposes an expansion of the Ohio deduction for employer-provided health insurance that would make additional individuals eligible for the deduction. Additionally, it also contains a 25 percent refundable film tax credit for Ohio taxpayers investing in film production companies making films in Ohio. The cost of this proposal is capped at \$10 million per year in beginning fiscal year 2010. These two proposals are estimated to reduce annual income tax revenue by approximately \$16 million beginning fiscal year 2011. The estimates of General Revenue Fund receipts from personal income tax for fiscal years 2009-2013 incorporating the proposed changes are listed in Figure B-6a. These baseline estimates are also graphically presented in Figure B-6.

Figure B-6a: Personal Income Tax GRF Revenues
(\$ in millions)

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
	Actual	Actual	Estimate	Forecast	Forecast	Forecast	Forecast
Actual/Estimated GRF							
Baseline Revenue	\$8,888.5	\$9,114.7	\$8,257.5	\$7,994.8	\$7,755.6	\$8,027.2	\$8,497.3
Impact of State							
Coverage Initiative	-	-	-	-	(\$6.0)	(\$6.0)	(\$6.0)
Impact of Film tax credit	-	-	-	(\$10.0)	(\$10.0)	(\$10.0)	(\$10.0)
Total GRF Estimate			\$8,257.5	\$7,984.8	\$7,739.6	\$8,011.2	\$8,481.3

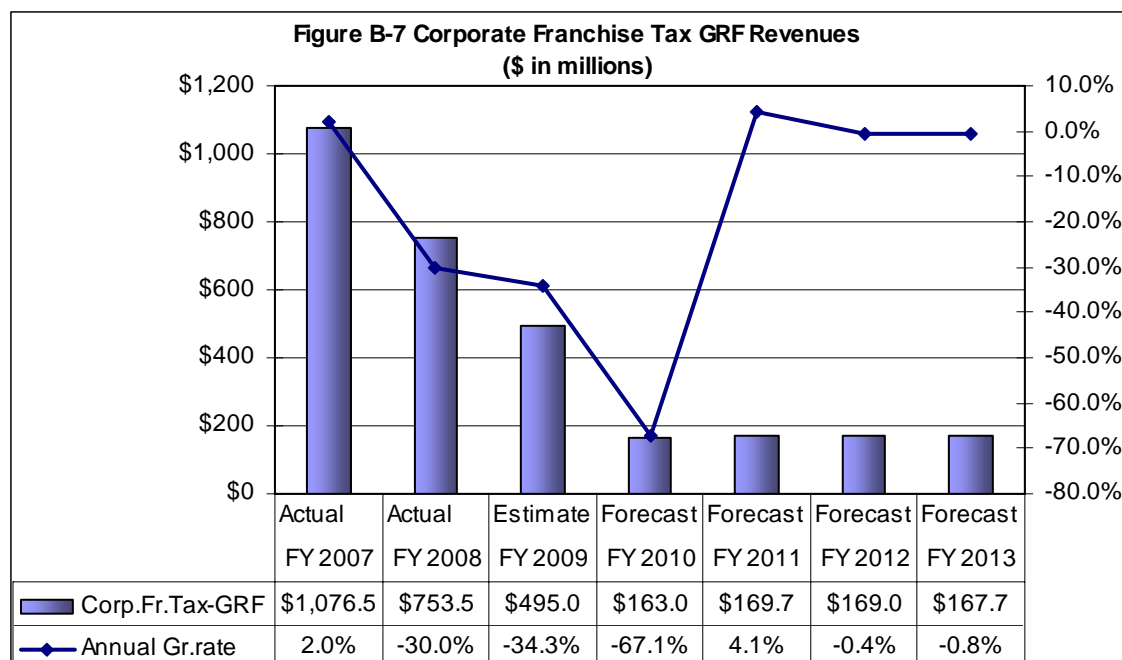
Note: Due to how distribution of local government funds are calculated, the impact of tax changes in other tax sources, as well as in the Personal Income Tax, the estimates as reflected in table B-6a will differ from the bottom line estimate for this tax source.

Corporate Franchise Tax

The Ohio corporate franchise tax is assessed on all corporations organized for profit that conduct business in Ohio, except for those that are specifically exempted. This tax was first imposed in 1902. Corporations are taxed on the basis of either net worth or net income, depending on which produces the greater tax liability.

The estimates of corporate franchise tax revenues for fiscal years 2009 and 2013, as listed in Figure B-7, were constructed using a combination of regression analysis and trend analysis. The regression analysis linked the tax payments with U.S. corporate profits before tax. After growing steadily since 2002, corporate profits have slowed down in the second half of the decade. Both the Governor's Council of Economic Advisers and Moody's predict that the corporate profit would show negative growth in fiscal years 2008 and 2009. The baseline estimates also reflect the recent law changes. House Bill 66 of the 126th General Assembly enacted a five year phase-out schedule for this tax starting in tax year 2006. The tax is phased out by 20 percent per year in tax years 2006-2010. The phase-out does not apply to financial institutions, financial institution affiliates, insurance company affiliates, and securitization companies. Therefore, for most corporations, there will be no franchise tax liabilities after tax year 2009. Figure B-7 displays graphically the actual and estimated General Revenue Fund receipts from the corporation franchise tax. Revenues are expected to drop sharply in fiscal year 2010, reflecting the final step in the elimination of the tax on most taxpayers. As enacted in House Bill 119 of the 127th General Assembly, all revenues from this tax source are to be allocated to the General Revenue Fund, effective January 2008.

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Commercial Activity Tax (CAT)

The commercial activity tax, a tax imposed for the privilege of doing business in Ohio, is levied upon taxable gross receipts sourced to Ohio from most business activities. The tax was enacted by the 126th General Assembly in House Bill 66. It is phased in over five years beginning in July 2005. The CAT applies to businesses with at least \$150,000 in annual taxable gross receipts. Those companies subject to the CAT are taxed at \$150 on their first \$1 million in annual taxable gross receipts, plus the CAT rate multiplied by their remaining taxable gross receipts above \$1 million. In fiscal year 2008, the tax rate of 0.156 percent, which is 60 percent of the fully phased-in tax rate, was applied. The tax rate in fiscal year 2009 is 0.208 percent, which is 80 percent of the full tax rate. In fiscal year 2010, when the commercial activity tax is fully implemented, a tax rate of 0.26 percent will apply to all non-financial businesses, unless the rate is adjusted based on the triggering mechanism in the Ohio Revised Code. OBM and Department of Taxation estimate that revenues will not be high enough in FY 2009 for the trigger to be activated and hence the tax rate will remain 0.26 percent. This failure to trigger a reset of rates is based on the inclusion of multiple tax credits migrating from Corporation Franchise Tax to Commercial Activity Tax. These credits are estimated to total \$70.9 million in fiscal year 2009, \$120.0 million in fiscal year 2010, and \$139.0 million in fiscal year 2011.

As the commercial activity tax is phased in, the law enacted in House Bill 66 phases out the tangible personal property tax. The tax on general business and railroad property is phased-out over four tax years (2006-2009), and the tax on telephone and telecommunications property is phased out over five tax years (2007-2011). To provide transitional relief for the local tax losses caused by the phase-out of the tangible personal property tax, revenues from the commercial activity tax are deposited into two separate tangible personal property tax replacement funds that provide guaranteed payments to school districts and local governments.

The commercial activity tax receipts as presented in Figure B-8 are estimated using trend analysis based on the actual receipts for fiscal years 2006 through 2009 to this point. These tax receipts are estimated to be \$1,600.1 million in fiscal year 2010 and \$1,628.5 million in fiscal year 2011. The total payments to local entities for replacement of the tangible personal property tax are estimated to be \$1,515.4 million in fiscal year 2010 and \$1,386.0 million in fiscal year 2011. After the "hold harmless" obligations to local entities are met, the OBM

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director is authorized to transfer the balances in the tangible personal property tax replacement funds to the General Revenue Fund. These transfers are reflected as transfers-in and are discussed later.

Figure B-8: Commercial Activity Tax Revenues for All Funds

(\$ in millions)

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
	Actual	Actual	Estimate	Forecast	Forecast	Forecast	Forecast
Total Revenues ¹	\$592.5	\$963.7	\$1,274.1	\$1,600.1	\$1,628.5	\$1,657.4	\$1,687.0
GRF Revenues ²	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$89.5	\$178.8
Required Tangible Property Tax Reimbursements	\$571.3	\$931.6	\$1,275.0	\$1,621.0	\$1,640.0	\$1,416.0	\$1,165.0
Surplus to GRF	\$29.8	\$32.1	-\$0.9	-\$19.9	-\$11.5	\$10.6	\$9.1
Amount remaining in School Fund ³						\$141.3	\$334.1

¹ Net of credits

² The GRF does not directly receive CAT revenues in FY 2007-2011. Any excess revenues over the required TPP reimbursements may be transferred by the OBM director to the GRF. Beginning in FY 2012, the GRF begins to receive a statutory percentage of receipts that had previously been allocated to local government reimbursements.

³ Beginning in FY 2012, surplus revenue in the school replacement fund remains in that fund to be used for school purposes.

Public Utility Excise Tax

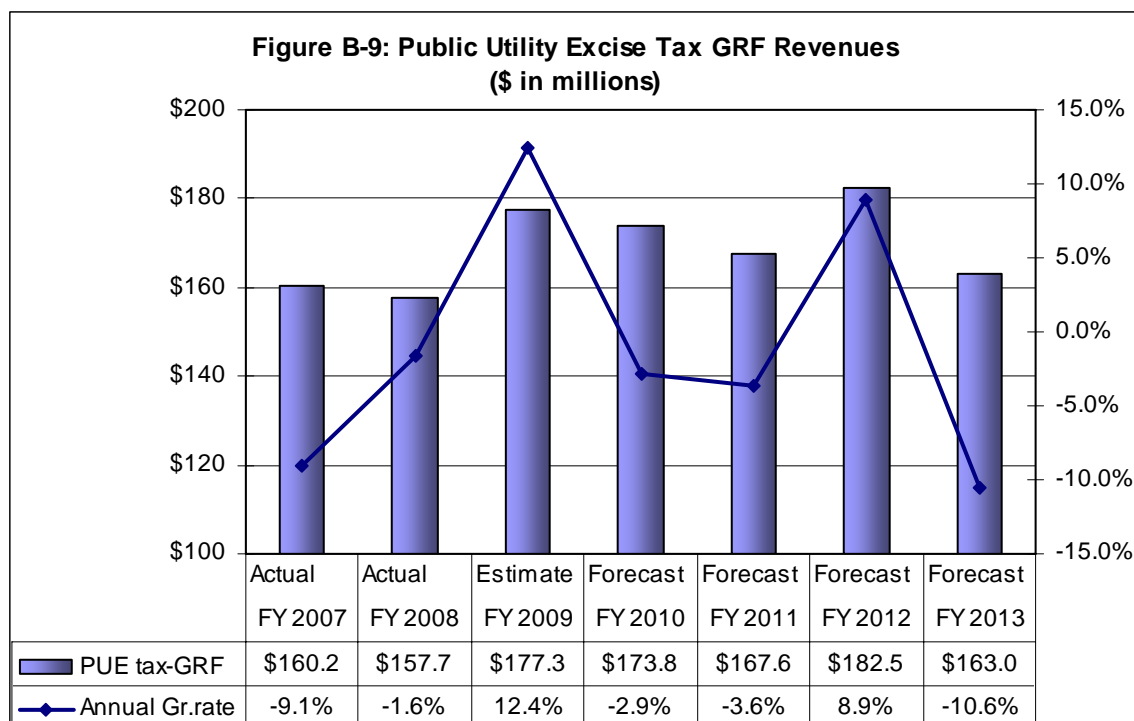
The public utility excise tax has been levied on most public utility companies since 1894. It is based on the gross receipts of public utility companies. Companies liable for this tax are not subject to the corporation franchise tax and their services are not subject to the sales and use tax.

There have been two major changes to this tax since 2001. Amended Substitute Senate Bill 3 of the 123rd Ohio General Assembly replaced the excise tax on electric and rural electric companies with the kilowatt-hour tax, which became effective May 1, 2001. Amended Substitute House Bill 95 of the 125th General Assembly removed the telephone companies from the public utility excise tax, beginning in tax year 2005.

The majority of the public utility excise tax is collected from the natural gas utilities. Minor contributors to this tax are pipeline, heating, waterworks, and water transportation companies. The baseline estimates of the public utility excise tax revenues were derived for two categories, natural gas and non-natural gas utilities. The estimation methods are a combination of regression analysis and trend analysis.

The public utility excise tax is a tax based on gross receipts. To predict the growth rate of natural gas gross receipts for fiscal years 2009 through 2013, the monthly data on price and residential consumption for the Midwest region provided by the Energy Information Administration was employed. These data were extrapolated to cover the forecast period considering the impact of weather and budget payment plans available to the natural gas residential users and used in regression against gas tax receipts. The excise tax receipts from pipeline, heating, waterworks, and water transportation companies are relatively small and they have been historically stable. The revenue estimate is based on the assumption that the receipts from these companies in fiscal years 2009 through 2013 are close to the historical average. Beginning in January 2008 all receipts from this tax source are credited to the General Revenue Fund. Figure B-9 displays the forecasted baseline numbers.

Revenue Estimates and Methodology

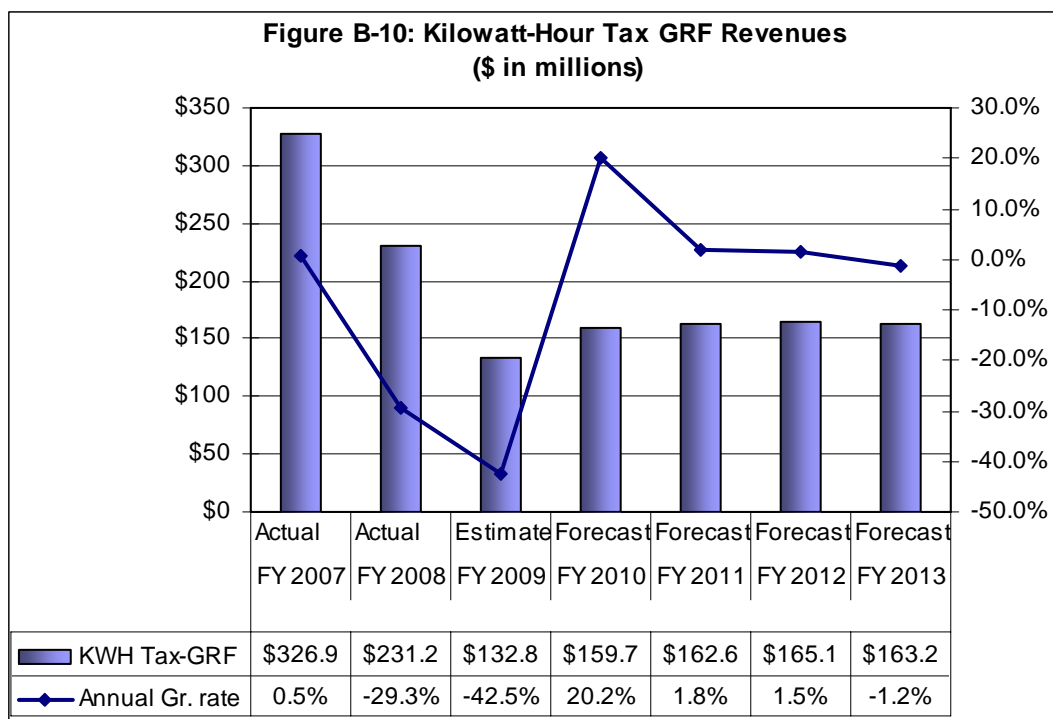


Kilowatt-Hour Tax

The kilowatt-hour tax was introduced in Amended Substitute Senate Bill 3 of the 123rd Ohio General Assembly as part of electric utility deregulation. The tax is levied on the electric distribution companies with end-users in Ohio. Effective May 2001, this tax replaced the public utility excise tax on electric and rural electric companies. Thirty-seven percent of the revenues from this tax source are deposited in the school district and local government property tax replacement funds to compensate for local tax revenue losses due to the reduced tangible personal property tax assessment rates for electric companies. This part of the tax revenue is not reflected in the tables of this section but in the tables under Department of Education and Revenue Redistribution Funds.

The kilowatt-hour tax collection is based on the end-user's consumption of electricity, as measured in kilowatt-hours. Three marginal tax rates are applied: 0.465 cents per kilowatt-hour for the first 2,000 kilowatt-hours consumed in a month, 0.419 cents per kilowatt-hour for the next 13,000 kilowatt-hours, and 0.363 cents for all consumption over 15,000 kilowatt-hours. For certain large consumers of electricity (called "self-assessors"), the tax is based partially on consumption (volume) and partially on sales (dollar amount).

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The national electricity sales to ultimate consumers projected by Global Insight were used to produce the baseline estimate of the kilowatt-hour tax revenues. The electricity sale in Ohio was projected to grow at a slower rate than national electricity sales due to slower population growth in Ohio, and a considerable slowing of Ohio's economy after 2007. Figure B-10 displays historic and projected baseline General Revenue Fund receipts from the kilowatt-hour tax. The sharp drops in the General Revenue Fund actual in fiscal year 2008, the estimate for fiscal year 2009 and in the forecasts for subsequent year are caused by the enacted changes in the depositing of tax receipts to the local government funds.

Insurance Tax

Under Ohio law, insurance companies fall into two categories: domestic and foreign. Domestic insurance companies are organized under Ohio law; foreign insurance companies are not. Ohio has two separate insurance taxes: one levied against domestic insurers and one levied against foreign insurers. In 1997 both taxes underwent extensive restructuring. This restructuring gradually took effect from fiscal year 1999 through fiscal year 2002, finally reaching a stable rate and base in fiscal year 2003. The tax base for both taxes consists of all premiums written for Ohio consumers. Premiums are taxed at a rate of 1.4 percent, with the exception of health insurance premiums, which are taxed at a rate of 1.0 percent. Additionally, foreign insurance companies are subject to a retaliatory tax, which is explained in more detail below.

Revenue Estimates and Methodology

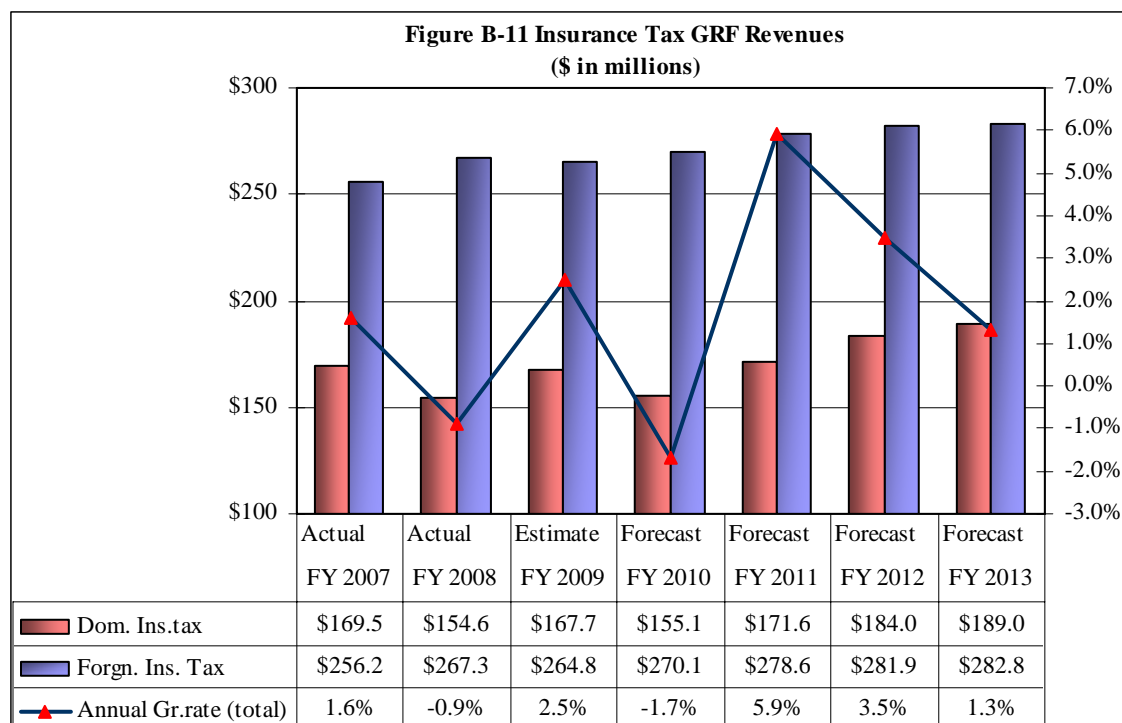
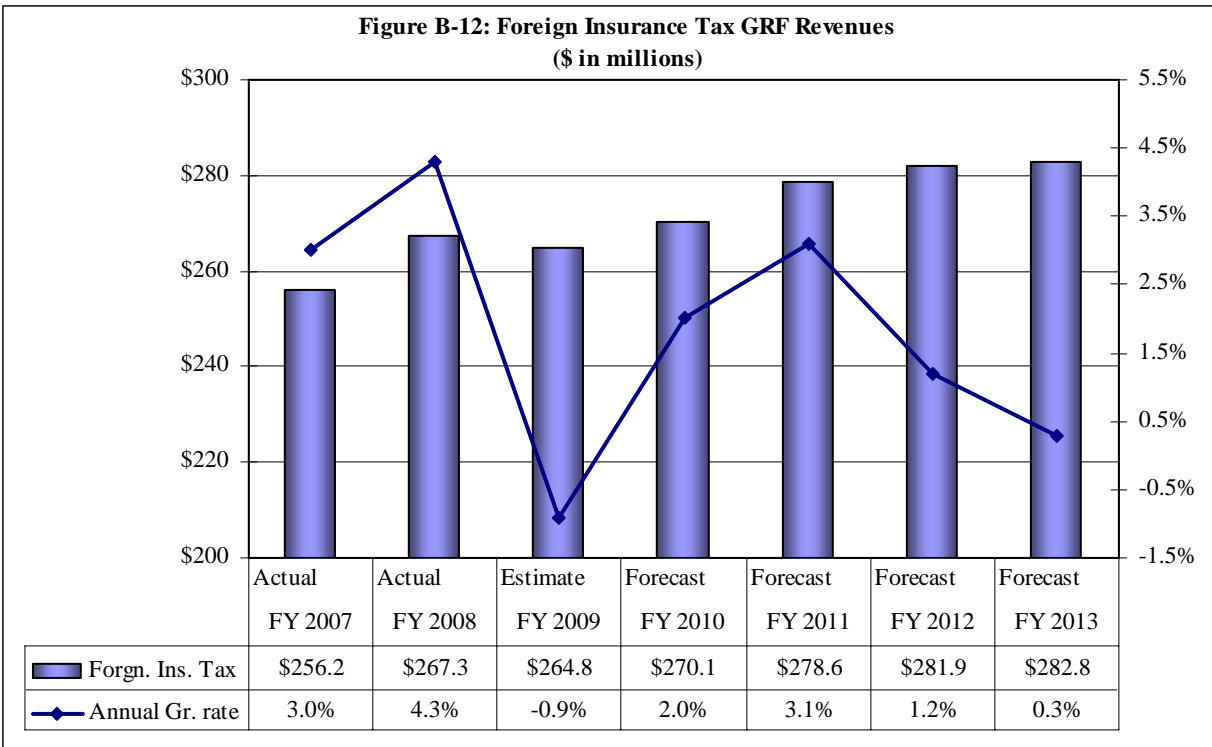


Figure B-11 shows estimated revenue from the foreign and domestic insurance taxes. These estimates are derived from a regression analysis of Ohio insurance taxes. Independent variables used in the regression model analysis include treasury yields, Ohio household formation data, and Ohio Gross Domestic Product, as forecast by Moody's. The model has also factored in the softening in insurance markets through 2010 due to the significant economic slow down in 2008 and subsequent years.

Foreign Insurance Tax

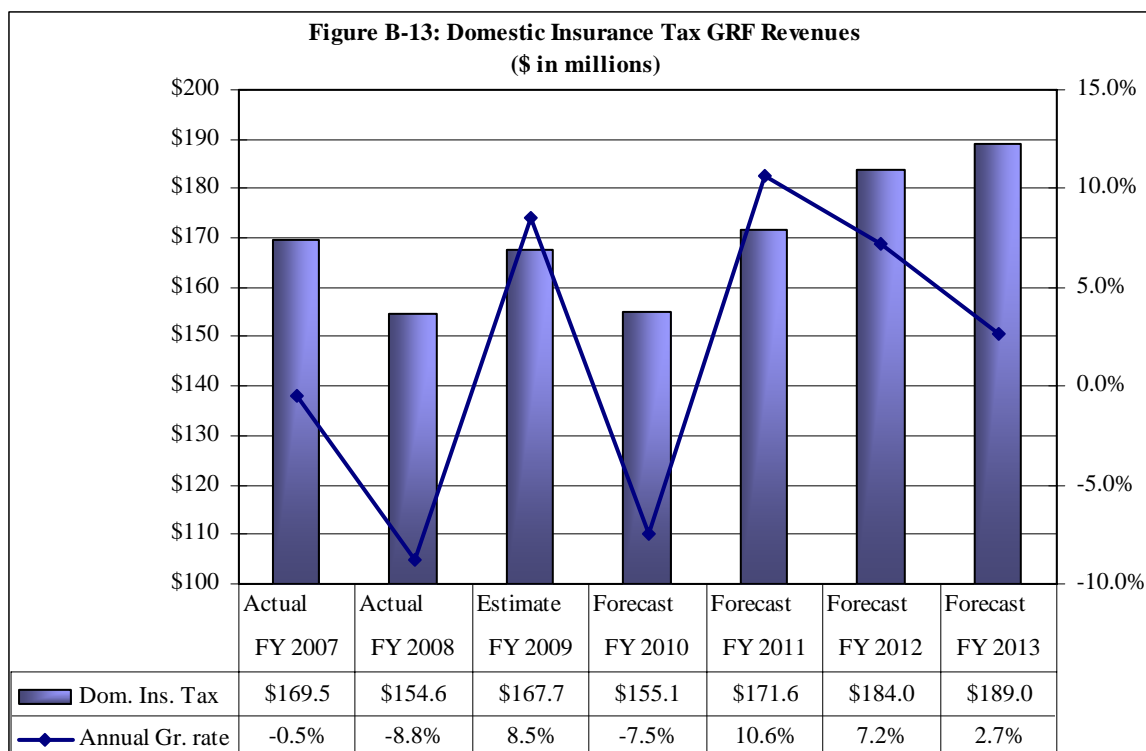
The foreign insurance tax applies to the insurance companies that are not organized under Ohio law, but sell insurance policies in Ohio. The tax is based on the gross amount of premiums written for Ohio risks during the preceding calendar year, less specified deductions. Additionally, if the state in which the insurance company is organized imposes a higher tax on premiums than Ohio, the company must also pay a retaliatory tax equal to the difference between total tax under Ohio law and total tax under law in its state of origin. When a company is subject to the retaliatory tax the entire tax liability is shown as a retaliatory tax payment, not just the extra tax due from the higher home state tax rate. The estimates for fiscal year 2009 and beyond are presented in Figure B-12.

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**Domestic Insurance Tax**

The domestic insurance tax applies to insurance companies that are organized under Ohio law. The tax is levied on the gross amount of premiums written to cover risks in Ohio less specific deductions.

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Receipts from the domestic insurance tax are driven primarily by property and casualty insurance premiums which made up over 50 percent of the taxable base in tax year 2008. After a fairly stable growth between 2003 and 2007, domestic insurance tax has declined in 2008. The forecast numbers reflect instability until fiscal year 2011 due to the national economic slowdown. The Executive Budget for fiscal years 2010 and 2011 proposes to include the Medicaid managed care plans in the Health Insuring Corporation (HIC) pool. The estimated impact of this proposal is an increase in domestic insurance tax receipts by \$25.1 million in fiscal year 2010, and \$39.1 million in fiscal year 2011. Going forward after fiscal year 2011, the impact is estimated to increase at three percent per year. Figure B-13a contains estimated receipts in General Revenue Fund from this source after incorporating the proposed changes. Figure B-13 details the baseline estimates of the revenue expected from this source.

Figure B-13a: Domestic Insurance Tax GRF Revenues
(\$ in millions)

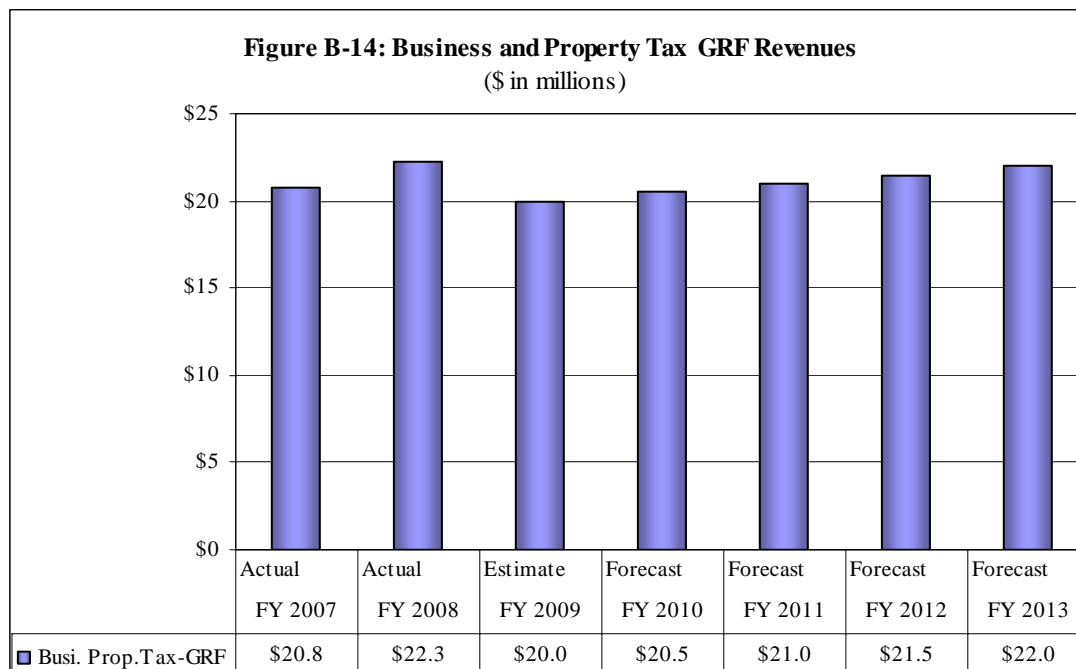
	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast
Actual/Estimated GRF							
Baseline Revenue	\$169.5	\$154.6	\$167.7	\$155.1	\$171.6	\$184.0	\$189.0
Medicaid managed care plans replacement	-	-	-	\$25.1	\$39.1	\$40.3	\$41.5
Total GRF Estimate				\$180.2	\$210.7	\$224.3	\$230.5

Business and Property Tax

This revenue category primarily includes the dealers in intangibles tax. The dealers in intangibles tax is imposed on firms engaged in lending money or in buying, selling, or discounting intangibles such as mortgages, stocks, and

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bonds. Dealers in intangibles are not subject to the corporation franchise tax, the tangible personal property tax, or the commercial activities tax.

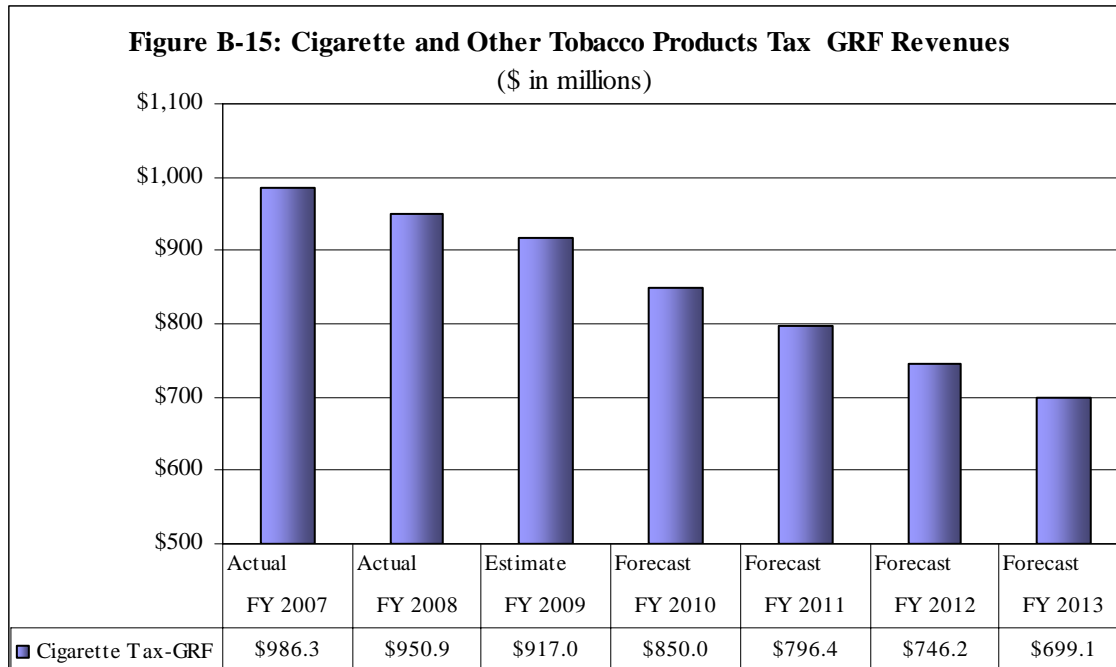


As revenues from this tax source have been stable recently, tax receipts in fiscal years 2010-2011 are estimated to change little from the recent history. The baseline estimates for the General Revenue Fund receipts from this tax are displayed in Figure B-14.

Cigarette and Other Tobacco Products Tax

A tax is levied upon the sale, use, consumption, or storage for consumption of cigarettes in Ohio and on the receipt or import of other tobacco products for resale in Ohio. The excise tax on cigarettes has been levied since 1931. There have been two recent tax rate increases. Amended Substitute Senate Bill 261 of the 124th General Assembly increased the tax rate from 24 cents to 55 cents per package of 20 cigarettes, effective July 2002. House Bill 66 raised the tax rate per package of 20 cigarettes to \$1.25, effective July 2005. The excise tax on other tobacco products was enacted effective February 1993 and applies to cigars, chewing tobacco, snuff, smoking tobacco, and other tobacco products. Other tobacco products are currently taxed at 17 percent of their wholesale price.

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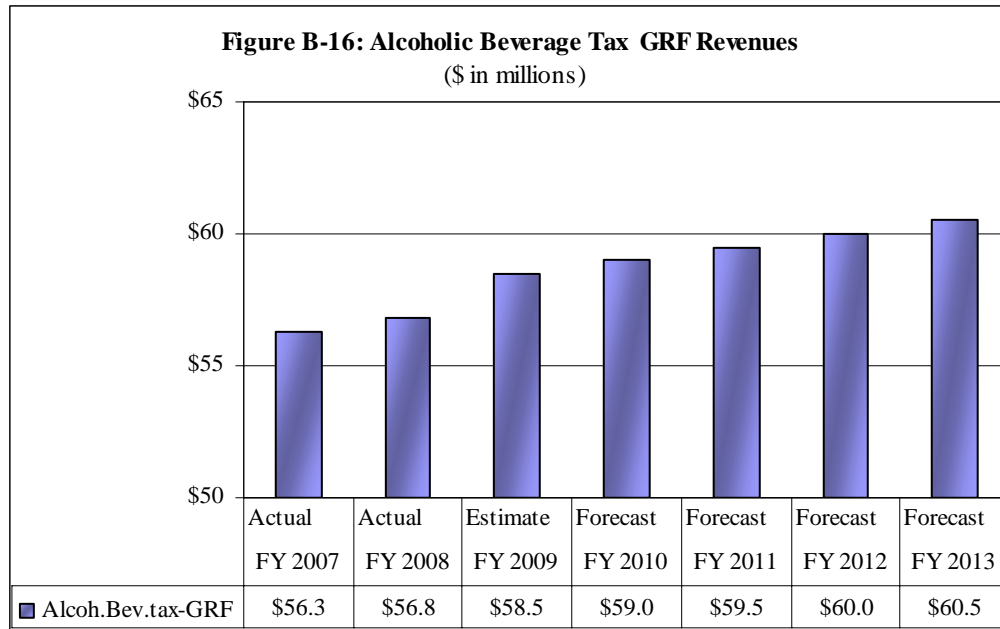


The baseline revenue estimates for the cigarette and other tobacco products taxes were developed based on a trend analysis. Revenues are estimated to decline in the long term due to anti-smoking campaigns and the indoor smoking ban that was passed in November 2006 by Ohio voters. The historical and projected General Revenue Fund receipts from the cigarette and other tobacco products tax are depicted in Figure B-15.

Alcoholic Beverage Tax

The alcoholic beverage tax applies to sales of beer and malt beverages, wine, and mixed alcoholic beverages. The tax is based on a per-container rate depending on the type of beverage sold. All of the receipts are deposited in the General Revenue Fund except for five cents per gallon of wine sold, which is deposited in the Ohio Grape Industries Special Revenue Fund, and 1 percent of the tax, which is deposited in the Beverage Tax Administration Fund.

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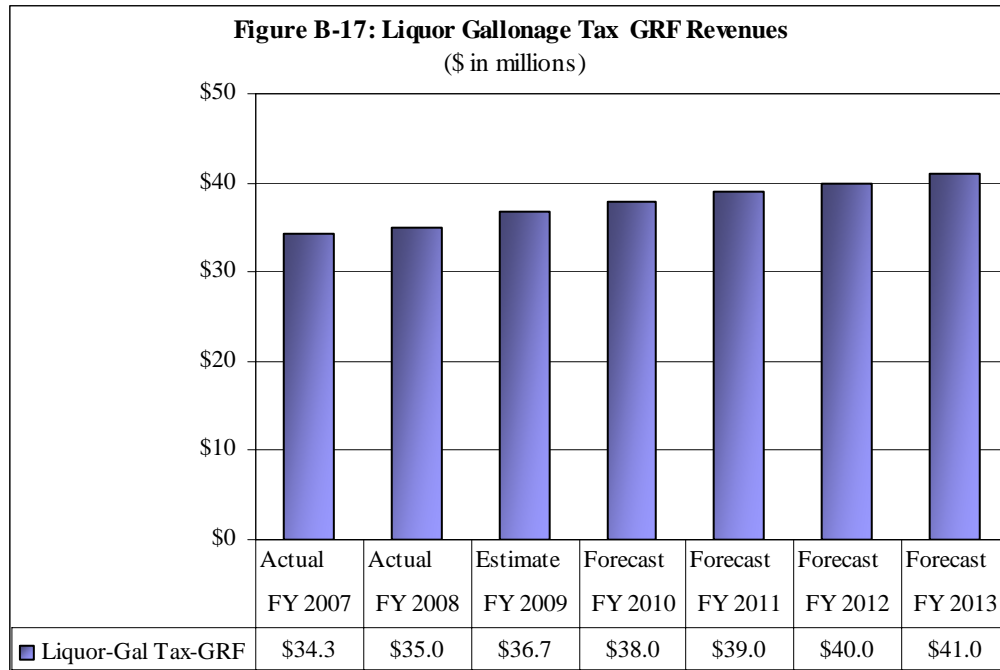


As Figure B-16 illustrates, the alcoholic beverage tax has experienced a flattening trend over time with annual growth rates of less than 2.0 percent over the past three years. The baseline estimate projects this flat to low growth trend will continue. Figure B-16 also gives a detailed look at estimated receipts by the General Revenue Fund from the alcoholic beverage tax.

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Liquor Gallonage Tax

The liquor gallonage tax is currently levied at the rate of \$3.38 per gallon of spirituous liquor sold by the Department of Commerce. The entire tax is deposited in the General Revenue Fund.

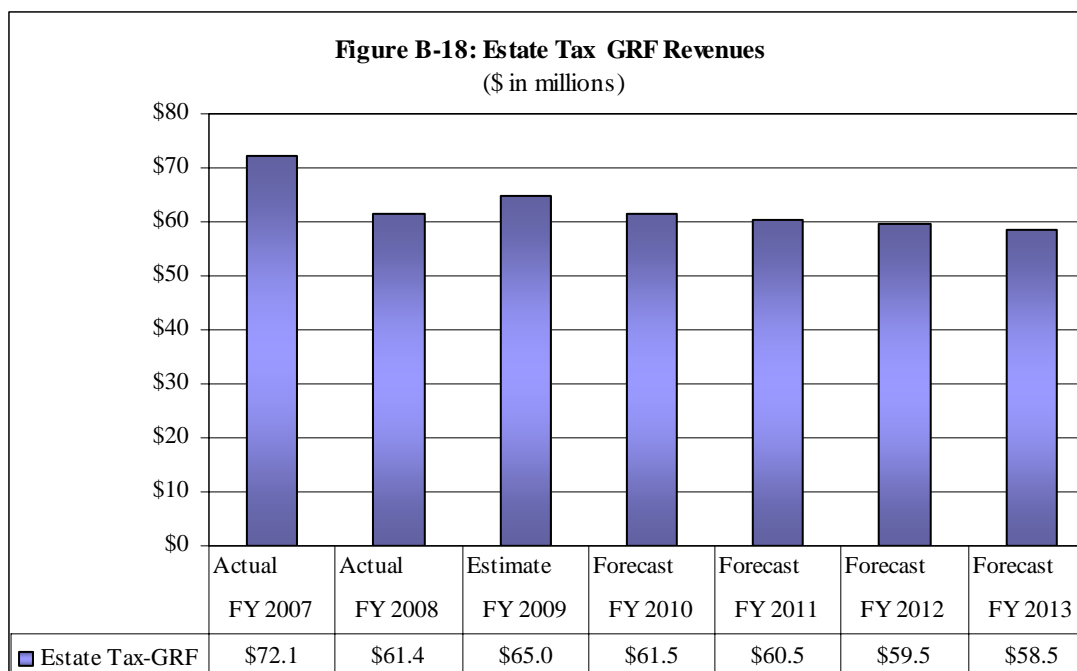


The dollar value of liquor sales has been on the rise the last three fiscal years and this trend is expected to continue in the future. However, gains in liquor sales do not immediately transfer to gains in the liquor gallonage tax since the tax is volume based, not dollar sales based. As detailed in Figure B-17, the baseline estimate assumes moderate growth throughout the biennium and beyond.

Estate Tax

The estate tax is a progressive tax levied on the gross value of the decedent's estate, less deductions and other exemptions, with a maximum \$13,900 credit available to each estate since 2002. Currently, 20 percent of receipts are deposited in the General Revenue Fund while the remaining 80 percent is distributed to the municipal corporation or township of origin.

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Historically the estate tax has been volatile in nature and difficult to predict. The estate of one particularly wealthy individual can greatly influence receipts for the year, at times making up 10 percent of total receipts. For example the revenue in fiscal year 2007 increased to \$72.1 million from the previous year's \$54.1 million, a 33.3 percent increase. However, as Figure B-18 shows, beyond fiscal year 2009, the receipts are projected to decline steadily. This is a function of several factors, including a general erosion of wealth due to recent stock market decline, and home price declines. The baseline forecast employs an adjusted trend analysis that takes into consideration fiscal year 2008 results as well as fiscal year 2009 receipts thus far.

Non-Tax Sources

Federal Grants and Aid

Historically, federal receipts deposited in the General Revenue Fund have been limited to federal reimbursements for programs administered by the Department of Job and Family Services. These reimbursements are primarily for Medicaid services, but also include reimbursement to the state for Medicaid administration, Food Stamp administration, and Title IV-E administration.

The Executive Budget for fiscal years 2010-2011 also contains estimated federal funds that Ohio anticipates receiving from the forthcoming stimulus package, the American Recovery and Reinvestment Act of 2009. The federal bill contains three major categories of grants to states:

- 1) Those that extend existing federal grants and may be applied for in order to extend state programming. These include miscellaneous operating and infrastructure grants and are not included in the fiscal year 2010-2011 Executive Budget recommendations. As more details become available regarding specific opportunities, OBM will be working with the Governor's Office and state agencies to assess grant availability and Ohio's plan to move forward with applications. These resources will be budgeted through existing OBM and Controlling Board authority, as is the case today for federal grants that are received during an operating budget cycle.

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- 2) Those that may be budgeted and enhance programming. This category includes additional federal resources for major ongoing state programs that are funded outside of the General Revenue Fund. Examples include unemployment insurance, TANF and child care. These resources are included in the Executive Budget recommendations.
- 3) Those that may be used to provide budget relief. This category includes additional federal resources for major ongoing state programs that are funded wholly or in large part through the state's General Revenue Fund. Examples include enhanced reimbursement for Medicaid services and specific education grants. Additionally, a State Fiscal Stabilization Fund is described in Title XIII of the legislation; this provides flexible resources for states to provide budget relief to other areas of government services. These resources total and include an estimated \$1,522.1 million in fiscal year 2010 and \$1,855.9 million in fiscal year 2011. Specific amounts are identified in Figure B-19. These resources are included in the Executive Budget recommendations.

Figure B-19: OBM Estimates – Federal Stimulus Revenue Deposited to GRF
(\$ in millions)

Category	FY 2010 Estimate	FY 2011 Estimate
Enhanced Reimbursement for Medicaid Services	\$135.0	\$148.6
Federal Revenue – Special Education and Poverty Assistance	\$410.3	\$410.3
Title XIII – Education and Higher Education Services	\$516.5	\$836.7
Title XIII – Support Other Government Services	\$460.3	\$460.3
Total	\$1,522.1	\$1,855.9

Medicaid Reimbursement

The federal reimbursement percentage for Medicaid is determined by the federal government prior to each federal fiscal year and is called the Federal Medical Assistance Percentage (FMAP). FMAP is the federal government's share of a state's Medicaid expenditures. In general, each state's FMAP rate is based on the ratio of the state's per capita income to the U.S. per capita income. The FMAP rate varies by service and ranges from 50 percent to 90 percent. Notwithstanding the impact of the forthcoming federal stimulus, Ohio's weighted average FMAP rate is projected to be 62.7 percent in fiscal year 2010 and 63.0 percent in fiscal year 2011.

To provide some context, it is important to note that not all federal reimbursement for Medicaid is drawn into the General Revenue Fund. The federal Medicaid reimbursement that is deposited to the General Revenue Fund is related only to the ODJFS portion of General Revenue Fund Medicaid spending. Other reimbursements include:

- Reimbursements for other state agencies that administer portions of the Medicaid program (such as the Department of Aging) are drawn through a federal special revenue fund in the state treasury and used to fund additional Medicaid services through discrete agency-specific funds rather than through the General Revenue Fund.
- Additionally, federal reimbursement for ODJFS spending from non- General Revenue Fund rotary accounts is reimbursed through a federal special revenue fund rather than through the General Revenue Fund. As an example, when ODJFS receives rebates from drug manufacturers, those resources are deposited into a state special revenue fund and ultimately matched with federal reimbursement that is drawn into a federal special revenue account.

Spending estimates for all aspects of the Medicaid program are determined by caseload projections, utilization levels, and rates for services. Any changes in state spending on Medicaid or reimbursable operating expenditures will change receipts from federal grants.

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The Executive Budget includes an enhanced Federal reimbursement rate for the Medicaid program based on information in the pending economic stimulus bill, the American Recovery and Reinvestment Plan of 2009. This enhancement is allocated in two parts:

- A general 4.9 percent increase in the federal reimbursement rate to all states, which begins October 1, 2008 and continues through December 31, 2010.
- A reduction to the state share of Medicaid expenses based upon each state's unemployment experience. The bill provides a reduction to the state share of Medicaid expenses across three tiers depending on growth in unemployment. The reduction factor is based on the state's current average level of growth in unemployment for a consecutive three month period compared to its lowest rate of growth in a consecutive three month period since January 1, 2006. The Executive Budget assumes that the unemployment reduction factor will be effective between January 1, 2009 and June 30, 2010.

In order to be eligible for the enhancement, states cannot employ more restrictive eligibility standards, methodologies or procedures than those that were in effect on July 1, 2008, although eligibility expansions are permitted. Further, states are not allowed to deposit any funds into any reserve or rainy day fund that is attributable, directly or indirectly, to the FMAP increase. Finally, states may not increase the amount of state share payments required from any political subdivision than what was required as of September 30, 2008.

The availability of enhanced FMAP during the fiscal year 2010-2011 biennium will impact the General Revenue Fund in two ways. First, it will draw additional federal revenue into the General Revenue Fund for every state General Revenue Fund dollar that is spent by ODJFS (effectively increasing the state's buying power.) Second, the fact that the federal rotaries described above will be drawing enhanced FMAP rates will enable Ohio to defray a greater portion of estimated Medicaid expenditures to these funds, thereby helping to compress the overall need for General Revenue Fund to support Medicaid. This in turn helps the state to balance the overall General Revenue Fund balance.

In the aggregate, enhanced FMAP will benefit the Executive Budget by a total of \$2.5 billion. Of this amount, \$279.9 million is expected to be drawn into the General Revenue Fund later in fiscal year 2009 and will be used to fund Medicaid expenses in lieu of using a portion of the rotary accounts as previously planned. This will enable the resources in the rotary accounts to be used to further defray Medicaid expenses in fiscal year 2010 instead of requiring additional General Revenue Fund. In fiscal year 2010, an additional \$135.0 million is expected to be drawn into the General Revenue Fund and \$148.6 million is expected to be drawn into the General Revenue Fund in fiscal year 2011. The remainder will be drawn into federal special revenue accounts that are described earlier in this section and will be used to fund Medicaid services from those accounts.

To the extent that county boards of MR/DD and local behavioral health authorities provide local resources to be used as Medicaid state share, those entities will be reimbursed at the enhanced FMAP rate during the enhancement period.

Total Federal Reimbursement for ODJFS Expenditures Estimated for General Revenue Fund Deposit

Figure B-20 shows the growth of total General Revenue Fund receipts from federal grants over the past three fiscal years and the estimated receipts for the next three fiscal years. In addition to Medicaid reimbursement, other federal revenue deposited to General Revenue Fund for ODJFS non-Medicaid services (such as adoption assistance and administrative reimbursement) is listed in Figure B-20.

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Figure B-20: Federal Reimbursement to GRF for ODJFS Expenditures

(\$ in millions)

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Forecast	FY 2011 Forecast
Medicaid FMAP (non-enhanced)	\$5,495.6	\$5,233.8	\$5,552.6	\$6,666.5	\$6,172.4	\$6,962.8
Enhanced FMAP	\$0	\$0	\$0	\$279.9	\$135.0	\$148.6
Other ODJFS reimbursement	\$99.6	\$96.0	\$91.3	\$98.1	\$79.0	\$76.0
Total Actual/Estimated GRF Revenue	\$5,595.2	\$5,329.8	\$5,643.9	\$7,044.5	\$6,386.4	\$7,187.4

Federal Stimulus for Special Education & Poverty Assistance

The pending Congressional legislation includes support for states in some specific areas of primary and secondary education. The Executive Budget includes appropriations for two of these areas in an amount of \$410.3 million per year:

- Aid Targeted for Education of Children with Special Needs - \$186.6 million in each fiscal year
- Aid Targeted for Education of Children in Poverty - \$223.7 million in each fiscal year

These resources are appropriated within the Department of Education's budget recommendations and will be used for the purposes designated in the forthcoming federal legislation.

Title XIII – State Fiscal Stabilization Fund

Title XIII of the House bill describes the State Fiscal Stabilization Fund, which may be used by states to provide budget relief. The title provides \$79 billion in order to provide fiscal relief to the states to prevent tax increases and cutbacks in critical education and other high priority services over the next two years. Half of this amount will be available on July 1, 2009 and remain available through September 30, 2010, while the other half will be available on July 1, 2010 and remain available through September 30, 2011. There are two major components of this title:

- Sixty-one percent of these resources must be spent on primary & secondary and/or higher education – OBM estimates that Ohio's share will be \$516.5 million in fiscal year 2010 and \$836.7 million in fiscal year 2011. The portion of these amounts that are being recommended to support Ohio's primary and secondary education reform initiatives will be appropriated to a new appropriation line item within the Department of Education's budget. The portion of these amounts that are being recommended to support higher education will be appropriated to a new line item within the Board of Regents budget. The availability of these resources enables the redirection of GRF that would have been otherwise used for this purpose ("typical" GRF generated through tax receipts) to other areas of state government which have a critical need for services and would have otherwise been funded at or below 80 percent of agency planning levels for the fiscal year 2010-2011 biennium. As a result of this approach, traditional General Revenue Fund line items for Education and Regents have been modified for this biennium in order to reflect the additional one-time funding available via the stimulus in a new, companion GRF line item in each agency's budget recommendation.
- The remainder of these resources may be spent on education or other government services – OBM estimates that Ohio's share will be \$460.3 million in each fiscal year. These resources will be deposited to General Revenue Fund and used to augment funding in various areas of government where significant reductions would have otherwise occurred. Table B-21 contains a summary of the uses of these funds.

Earnings on Investments

Earnings on investments are determined by the amount of cash in the state's portfolio and the level of interest rates at which the funds are invested. The General Revenue Fund's share of total earnings on investments is determined by the average daily cash balance in the General Revenue Fund and all the non-interest-earning funds, including the Budget Stabilization Fund. The Treasurer of State is responsible for managing the state's portfolio and investing the

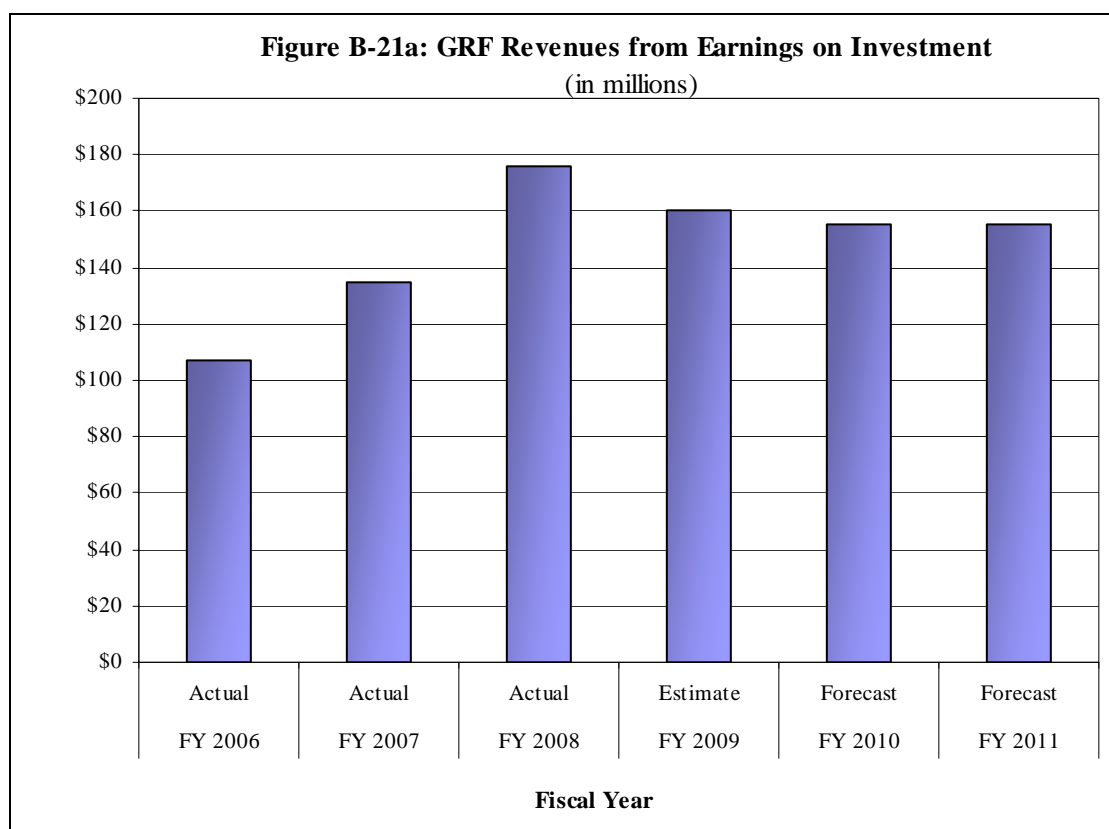
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state funds. State funds are invested in a diversified portfolio concentrated in short-term to medium term securities issued by the Federal government and its agencies.

Figure B-21: GRF Revenues from Earnings on Investment

(\$ in millions)

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Forecast	FY 2011 Forecast
Actual/Estimated GRF Revenue	\$107.3	\$135.0	\$176.2	\$160.0	\$155.0	\$155.0



Trend analysis was employed to estimate the average daily cash balance in the state funds. As the economy is expected to struggle through fiscal year 2009 and early fiscal year 2010 and then begin a recovery in fiscal years 2010 and 2011, OBM estimates that the average daily cash balance will drop initially in fiscal year 2010 and then grow gradually in fiscal years 2010 and 2011 at the historical trend. The interest rates on investment were estimated by regression analysis against current or lagged discount rates on short-term treasury bills and yields on treasury notes with maturity of no more than five years. It was estimated to increase conservatively from current levels beginning in fiscal year 2010 and continuing and then stabilizing in fiscal year 2011. The baseline estimate of investment earnings is the product of the estimated cash balance and interest rates.

House Bill 119 distributed interest earnings from certain non-General Revenue Fund resources into the General Revenue Fund. The non-General Revenue Fund resources that are excluded from this provision are mostly debt related funds or funds that are constitutionally restricted. The Executive Budget proposes to extend this diversion in fiscal years 2010 and 2011. The General Revenue Fund estimates of receipts from earnings on investments are displayed in Figure B-21 and Figure B-21a. The historical data are shown as well.

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Licenses and Fees

This source includes licenses and fees collected from businesses, occupations, and motor vehicles. The licenses and fees category also includes insurance agent fees, factory building fees, motor carrier fees, and fees from occupations and businesses not elsewhere classified.

Figure B-22: License and Fee GRF Revenues

(\$ in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
	Actual	Actual	Actual	Estimate	Forecast	Forecast
Actual/Estimated GRF Revenue	\$73.9	\$77.7	\$67.7	\$63.0	\$61.8	\$62.0

Other Income

Other income consists of various miscellaneous revenues from refunds, fines and forfeitures, sales of goods and services, receipts from local governments, and other revenue not elsewhere classified. In addition, these revenues include repayments of various loans made from the General Revenue Fund, canceled warrants, and refunds of prior-year expenditures.

In order to make greater use of available state resources in the current economic environment, the Executive Budget proposes a transfer of unclaimed funds from the Department of Commerce of \$200 million in fiscal year 2010 and \$85.0 million in fiscal year 2011. Figure B-23 reflects this transfer below.

Figure B-23: Other Income GRF Revenues

(\$ in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
	Actual	Actual	Actual	Estimate	Forecast	Forecast
Actual/Estimated GRF Revenue	\$38.3	\$90.4	\$51.2	\$52.0	\$53.0	\$53.0
Unclaimed Funds Transfer	\$0	\$0	\$29.3	\$29.3	\$200.0	\$85.0
Total GRF Estimate	\$38.3	\$90.4	\$80.5	\$81.3	\$253.0	\$138.0

Intrastate Transfer Vouchers (ISTV)

Intrastate transfer vouchers consist mainly of appropriation reimbursements from other funds for services rendered by state agencies that receive General Revenue Fund appropriations. As of fiscal year 2009, the transfer of lottery funds to pay part of the debt service of elementary and secondary education bonds ceased as special obligations issued by the Treasurer of State prior to 2000 were retired.

Figure B-24: Intrastate Transfer Vouchers GRF Revenues

(\$ in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
	Actual	Actual	Actual	Estimate	Forecast	Forecast
Actual/Estimated GRF Revenue	\$38.9	\$72.8	\$52.7	\$20.0	\$20.0	\$20.0

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Liquor Profit Transfer

Liquor profits are generated by the sale of spirituous liquor by the Division of Liquor Control within the Department of Commerce. As required by the Ohio Revised Code, transfers are net of all operating costs and the payment of debt service on industrial development bonds.

In House Bill 66 of the 126th General Assembly the discount on liquor sales to wholesale merchants was reduced from 12.5 percent to 6.0 percent. This generated at least an additional \$15.0 million each year in funds available for transfers and drove the growth rate in the transfer amount, which was 20 percent in fiscal year 2006.

After growing 8.3 percent in fiscal year 2006, sales of spirituous liquor moved back towards a trend of 3.0 percent to 5.0 percent growth in fiscal years 2007, 2008, and 2009, a trend that is expected to continue through fiscal years 2010 and 2011. Total liquor profit transfers are affected by both the debt service costs for the sale of development bonds and cash management decisions made by the Director of the Office of Budget and Management. Debt service payments from liquor profit funds are expected to increase by \$2.0 million and \$18.5 million in fiscal years 2010 and 2011 respectively as a result of the authorization of additional bonds for conservation and revitalization in House Bill 554 of the 127th General Assembly. Figure B-25 shows the historical and expected liquor profit transfers to the General Revenue Fund.

Figure B-25: Liquor Profit Transfer to the GRF

(\$ in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
	Actual	Actual	Actual	Estimate	Forecast	Forecast
Actual/Estimated GRF Revenue	\$138.0	\$135.0	\$174.3	\$144.0	\$143.0	\$136.3

Transfers In

Transfers-In include various transfers to the General Revenue Fund from other state funds. The baseline estimates for fiscal years 2010 and 2011 for this category include a transfer of \$75.0 million in each fiscal year from the school district public utility property tax replacement fund. This payment is to reimburse the General Revenue Fund for increases in payments to school districts because of lower charge-offs in the school foundation program due to the reductions in taxable valuation caused by the changes in the taxation of electric and natural gas utilities that occurred in 2001.

As stated earlier, the receipts from the commercial activity tax will be distributed to tangible personal property tax replacement funds to reimburse schools and local governments for their revenue losses due to the phase-out of the tangible personal property tax. The reimbursement laws provide for two ways for part of the replacement fund money to come back to the General Revenue Fund. First, similar to what is described above for the public utility replacement fund, a transfer is made to reimburse the General Revenue Fund for increases in foundation payments caused by the reduction in taxable property values due to the changes in House Bill 66. Second, after all obligations to schools and local governments are met, the OBM director is authorized to transfer any balances in the replacement funds to the General Revenue Fund. The combination of these two items is listed in Figure B-26 as "Commercial Activities Tax Transfers In." OBM estimates that after all reimbursements have occurred from the school district and local government CAT funds, that \$84.7 million and \$242.5 million will be transferred into the General Revenue Fund.

In addition, the Executive Budget proposes transferring \$948.0 million in fiscal year 2011 from the Budget Stabilization Fund (BSF) to the General Revenue Fund. As of January 2009, the BSF has a balance of \$1.012 billion, with the anticipation that \$63.3 million of that amount will be used in fiscal year 2009 to support the state share of Medicaid costs incurred by the General Revenue Fund. Furthermore, the Executive Budget also draws on \$200 million in cash currently held in funds of the Ohio School Facilities Commission (OSFC). As a result of

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substantial cash balances remaining from tobacco securitization, OSFC does not require this cash in order to meet its obligations to school district projects that it has entered into agreements to fund.

Remaining cash balances from tobacco securitization will also provide investment earnings in fiscal years 2010 and 2011 to help offset the increased costs of the homestead exemption expansion authorized in House Bill 119 of the 127th General Assembly. OBM in conjunction with the Treasurer of State estimates that these funds will generate \$40.0 million in earnings in fiscal year 2010 and \$25 million in fiscal year 2011.

Lastly, the Executive Budget proposes a series of non-General Revenue Fund transfers that will amount to an additional \$116.8 million in General Revenue Funds in fiscal year 2010 and \$151.8 million in fiscal year 2011. These moneys are estimated to come from numerous non-General Revenue Funds in the state accounting system that are not constitutionally protected.

Figure B-26: Transfers-In to GRF
(\$ in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
	Actual	Actual	Actual	Estimate	Forecast	Forecast
Actual/Estimated GRF Revenue	\$164.3	\$137.1	\$478.9	\$796.4	\$104.9	\$104.9
Budget Stabilization Fund						
Transfer	\$0	\$0	\$0	\$0	\$0.0	\$948.0
Tobacco Interest Earnings	\$0	\$0	\$0	\$0	\$40.0	\$25.0
School Facilities Commission						
Transfer	\$0	\$0	\$0	\$0	\$0.0	\$200.0
Rotary Transfers	\$0	\$0	\$0	\$0	\$116.8	\$151.8
Commercial Activities Tax						
Transfers In	\$0	\$0	\$0	\$0	\$84.7	\$242.5
Total GRF Estimate	\$164.3	\$137.1	\$478.9	\$796.4	\$346.4	\$1,672.2

Temporary Transfers-In/Out

Temporary transfers-in and out of the General Revenue Fund are authorized to permit the temporary transfer-out of moneys to other funds and to then replenish the General Revenue Fund over the course of the fiscal year. Temporary transfers in and out as presented in the Executive Budget are entirely related to the cash flow of the Commercial Activities Tax and current law that requires payments to be made to school districts and local governments from the tangible personal property tax replacement funds. Because of the timing of these payments as well as the timing of payments of the Commercial Activities Tax, cash flow to the tangible personal property tax replacement funds is not sufficient to support the full amount of the required payments. As a result, when the balance in the replacement funds is not sufficient to cover the amount due to local entities, money is transferred temporarily from General Revenue Fund. These temporary transfers out of the General Revenue Fund usually occur in September or October and are then replenished over a period of several months as sufficient receipts flow in through the Commercial Activities Tax. Thus, the estimated temporary transfers-in and out for fiscal years 2009-2011 reflect the amount of money transferred out of and later transferred back into the General Revenue Fund for this purpose.

Figure B-27: Temporary Transfers-In to GRF
(\$ in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
	Actual	Actual	Actual	Estimate	Forecast	Forecast
Actual/Estimated GRF Revenue	\$12.9	\$287.4	\$472.8	\$620.7	\$911.4	\$942.2

Actual and Estimated Revenues

The table beginning on the next page, Figure B-28, shows; by budget fund group, revenue history for fiscal years 2006, 2007, and 2008 and revenue estimates for fiscal years 2009, 2010 and 2011. The first page of the table shows total revenue for all funds and, beginning on the table's second page are the revenues for each budget fund group. The revenues are presented by income source and the amounts displayed are in millions of dollars. Except for the Department of Transportation, whose capital funding is historically appropriated on the same cycle as the main operating budget, no capital fund revenue has been assumed for fiscal year 2011.

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
<u>ALL FUNDS</u>						
Taxes						
NON-AUTO SALES AND USE	6,713.2	6,819.1	7,000.7	7,439.8	7,242.2	7,528.7
AUTO SALES AND USE	977.2	962.4	942.8	875.0	889.2	925.5
PERSONAL INCOME TAX	10,898.9	10,940.7	11,089.9	10,030.0	9,756.6	9,508.3
CORPORATE FRANCHISE TAX	1,309.5	1,302.6	963.3	696.7	364.0	370.7
COMMERCIAL ACTIVITY TAX	273.9	599.5	964.7	863.3	1,173.3	1,173.8
PUBLIC UTILITY EXCISE TAX	187.2	172.1	160.9	192.3	178.8	172.6
KILOWATT HOURS EXCISE TAX	626.4	629.0	640.4	548.8	575.9	581.6
FOREIGN INSUR COMPANIES TAX	272.5	279.8	287.6	281.4	286.7	294.6
DOMESTICE INSUR FRANCHISE TAX	170.4	169.9	159.4	171.7	184.0	214.5
SEVERENCE TAX	7.7	7.0	9.4	10.9	17.0	17.4
MOTOR FUEL USE TAX	100.6	98.9	91.8	41.4	41.8	41.8
MOTOR VEHICLE FUEL TAX	1,816.1	1,743.4	1,869.3	935.9	921.4	928.8
HORSE RACING WAGER TAX	12.8	12.0	10.7	12.4	11.8	11.3
MOTOR TRANSPORT TAX	3.2	2.6	2.3	2.3	2.3	2.3
INTANGIBLE TAXES	34.6	34.3	34.7	20.3	20.8	21.3
CIGARETTE TAX	1,086.7	996.6	953.2	922.0	855.0	801.4
ALCOHOLIC BEVERAGES TAX	58.5	57.4	57.9	59.6	60.1	60.6
LIQUOR GALLONAGE TAX	33.4	34.3	35.0	36.7	38.0	39.0
ESTATE TAXES	54.1	72.1	61.4	65.0	61.5	60.5
PERMISSIVE SALES/USE TAX	1,589.1	1,681.8	1,733.9	1,867.0	1,866.0	1,866.0
PERMISSIVE TAXES NEC	251.3	312.5	372.0	380.8	380.8	380.8
MUNICIPAL INCOME TAX	36.7	36.6	46.7	21.6	21.6	21.6
Total Tax Receipts	26,514.0	26,964.5	27,487.7	25,474.9	24,948.8	25,023.1
Non-Taxes						
EARNINGS ON INVESTMENTS	64.2	286.6	54.7	64.3	65.1	65.7
FEDERAL GRANTS	14,077.7	14,134.5	14,473.2	18,027.3	18,625.0	18,620.6
FEDERAL REVENUE STIMULUS	0.0	0.0	0.0	0.0	1,387.1	1,707.3
ISTV	5,315.8	5,600.8	4,502.2	4,982.3	5,256.4	5,395.8
LICENSES AND FEES	2,258.7	2,405.0	2,522.2	2,704.4	3,058.6	3,038.3
OTHER GRANTS AND CONTRIBUTIONS	495.2	554.1	608.9	727.7	691.6	692.6
OTHER INCOME - SALES	1,993.5	1,664.0	1,775.1	1,766.3	1,820.1	1,847.2
OTHER SOURCES OF FINANCING	1,503.6	1,468.5	5,948.5	487.7	633.2	294.6
P/R DEDUCTIONS			9.8			
RECOVERIES AND REIMBURSEMENTS	1,971.9	1,665.5	1,411.7	3,077.7	3,719.4	3,733.1
Total Non-Tax Receipts	27,680.5	27,779.0	31,306.2	31,837.7	35,256.5	35,395.2
Total Revenue	54,194.5	54,743.6	58,793.9	57,312.6	60,205.3	60,418.3
Transfers						
OPER TRANSFER IN-LIQUOR	138.0	135.0	174.3	144.0	143.0	136.3
OPER TRANSFER IN-LOTTERY	646.3	669.3	672.2	692.9	705.0	711.0
OPER TRANSFER IN-LOTTERY ANUTY	12.6	12.4	11.8	15.0	15.0	15.0
OPER TRANSFER IN-OTHER	1,907.5	2,121.8	1,681.8	1,728.3	1,299.3	2,484.3
OPER TRANSFER IN-PUB SAFETY	57.2	38.5	0.0	0.0	0.0	0.0
OPER TRANSFER IN-STATE SHARE	747.1	750.9	734.8	569.1	667.0	672.1
TEMPORARY TRANSFER IN	25.7	575.6	946.6	620.7	911.4	942.2
Total Transfers	3,534.4	4,303.5	4,221.4	3,770.0	3,740.7	4,960.9
Total Sources	57,728.9	59,047.0	63,015.3	61,082.5	63,946.0	65,379.2

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Accrued Leave Liability						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	25.8	61.8	83.7	80.5	85.6	87.4
P/R DEDUCTIONS			0.0			
RECOVERIES AND REIMBURSEMENTS		0.0				
Total Non-Tax Receipts	25.8	61.9	83.7	80.5	85.6	87.4
Total Revenue	25.8	61.9	83.7	80.5	85.6	87.4
Transfers						
OPER TRANSFER IN-OTHER			0.4			
Total Transfers	0.0	0.0	0.4	0.0	0.0	0.0
Total Sources	25.8	61.9	84.0	80.5	85.6	87.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Administrative Building						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	1.9	1.5		0.4	0.6	0.4
OTHER SOURCES OF FINANCING		41.3	25.7			
Total Non-Tax Receipts	1.9	42.8	25.7	0.4	0.6	0.4
Total Revenue	1.9	42.8	25.7	0.4	0.6	0.4
Transfers						
OPER TRANSFER IN-OTHER		0.0	0.1	60.0	40.0	40.0
Total Transfers	0.0	0.0	0.1	60.0	40.0	40.0
Total Sources	1.9	42.8	25.8	60.4	40.6	40.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Adult Correctional Building						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	2.3	1.6		0.6	0.5	0.5
OTHER SOURCES OF FINANCING			25.5			
Total Non-Tax Receipts	2.3	1.6	25.5	0.6	0.5	0.5
Total Revenue	2.3	1.6	25.5	0.6	0.5	0.5
Transfers						
Total Transfers	0.0	0.0	0.0	40.0	40.0	50.0
Total Sources	2.3	1.6	25.5	40.6	40.5	50.5

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Agency						
Taxes						
NON-AUTO SALES AND USE	60.1	50.7	69.0	70.0	75.0	80.0
PERSONAL INCOME TAX	1,275.7	1,217.8	1,242.0	1,300.0	1,300.0	1,300.0
CORPORATE FRANCHISE TAX	203.7	176.9	208.6	200.0	200.0	200.0
COMMERCIAL ACTIVITY TAX	0.5	4.5	3.3	100.0	10.0	10.0
PUBLIC UTILITY EXCISE TAX	0.0	0.9	0.2	15.0	5.0	5.0
KILOWATT HOURS EXCISE TAX	0.2		0.1	0.5	0.5	0.5
FOREIGN INSUR COMPANIES TAX	3.5	1.8	3.0			
DOMESTICE INSUR FRANCHISE TAX		0.4	0.1			
SEVERENCE TAX			0.0	0.0	0.0	0.0
MOTOR FUEL USE TAX	1.5	1.3	0.8	0.4	0.8	0.8
MOTOR VEHICLE FUEL TAX	23.6	23.6	20.9	20.0	21.0	22.0
HORSE RACING WAGER TAX				0.0	0.0	0.0
INTANGIBLE TAXES	1.0	0.4	0.2	0.3	0.3	0.3
CIGARETTE TAX	2.6	10.3	2.2	5.0	5.0	5.0
ALCOHOLIC BEVERAGES TAX	0.1	0.2	0.1	0.2	0.2	0.2
ESTATE TAXES			0.0			
PERMISSIVE SALES/USE TAX	1,573.1	1,665.0	1,716.5	1,850.0	1,849.0	1,849.0
PERMISSIVE TAXES NEC	247.5	307.8	366.3	376.0	376.0	376.0
MUNICIPAL INCOME TAX	36.2	36.1	46.0	21.0	21.0	21.0
Total Tax Receipts	3,429.1	3,497.5	3,679.4	3,958.4	3,863.8	3,869.8
Non-Taxes						
EARNINGS ON INVESTMENTS		0.0				
ISTV	2,514.8	2,574.1	1,219.0	1,331.5	1,450.2	1,552.6
LICENSES AND FEES	6.6	1.8	0.2	0.1	0.1	0.1
OTHER INCOME - SALES	1.0	3.1	2.3	4.9	1.5	1.5
P/R DEDUCTIONS			9.7			
RECOVERIES AND REIMBURSEMENTS	90.8	92.7	131.9	389.5	390.9	391.1
Total Non-Tax Receipts	2,613.2	2,671.7	1,363.1	1,726.1	1,842.7	1,945.3
Total Revenue	6,042.3	6,169.2	5,042.5	5,684.4	5,706.5	5,815.0
Transfers						
OPER TRANSFER IN-OTHER	0.1		102.9			
Total Transfers	0.1	0.0	102.9	0.0	0.0	0.0
Total Sources	6,042.4	6,169.2	5,145.4	5,684.4	5,706.5	5,815.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Budget Stabilization						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
Total Non-Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Transfers						
OPER TRANSFER IN-OTHER	436.0	395.6				
Total Transfers	436.0	395.6	0.0	0.0	0.0	0.0
Total Sources	436.0	395.6	0.0	0.0	0.0	0.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
COAL RESEARCH & DEVELOPMENT						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.3	0.2	0.2			
OTHER SOURCES OF FINANCING			8.0			
RECOVERIES AND REIMBURSEMENTS		0.1	0.0	40.0	32.0	10.0
Total Non-Tax Receipts	0.3	0.4	8.2	40.0	32.0	10.0
Total Revenue	0.3	0.4	8.2	40.0	32.0	10.0
Transfers						
OPER TRANSFER IN-OTHER			8.1			
Total Transfers	0.0	0.0	8.1	0.0	0.0	0.0
Total Sources	0.3	0.4	16.2	40.0	32.0	10.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Clean Ohio Conservation Prgm						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS				0.0	0.0	0.0
ISTV	2.3	4.0	2.6	1.4	2.1	3.0
OTHER SOURCES OF FINANCING	100.0	51.1	50.0	0.0	50.0	50.0
RECOVERIES AND REIMBURSEMENTS	0.1	0.0	0.0	0.1	0.1	0.1
Total Non-Tax Receipts	102.4	55.1	52.6	1.5	52.2	53.1
Total Revenue	102.4	55.1	52.6	1.5	52.2	53.1
Transfers						
OPER TRANSFER IN-OTHER	102.1	3.6	102.0	0.0	50.3	50.0
Total Transfers	102.1	3.6	102.0	0.2	50.3	50.0
Total Sources	204.5	58.8	154.6	1.7	102.5	103.1

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Cultural & Sports Fac Building						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.8	0.6	0.1	0.4	0.6	0.7
OTHER SOURCES OF FINANCING	30.9			30.0	30.0	30.0
Total Non-Tax Receipts	31.7	0.6	0.1	30.4	30.6	30.7
Total Revenue	31.7	0.6	0.1	30.4	30.6	30.7
Transfers						
OPER TRANSFER IN-OTHER		6.8				
Total Transfers	0.0	6.8	0.0	0.0	0.0	0.0
Total Sources	31.7	7.3	0.1	30.4	30.6	30.7

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Debt Service						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS			0.0			
ISTV	485.6	586.2	708.2	863.2	711.9	724.7
OTHER SOURCES OF FINANCING	36.7	46.0	124.1			
RECOVERIES AND REIMBURSEMENTS	0.1	0.0	1.3			
Total Non-Tax Receipts	522.3	632.2	833.6	863.2	711.9	724.7
Total Revenue	522.3	632.2	833.6	863.2	711.9	724.7
Transfers						
OPER TRANSFER IN-OTHER	0.9		1.6			
OPER TRANSFER IN-STATE SHARE	169.6	191.1	195.6			
Total Transfers	170.5	191.1	197.3	0.0	0.0	0.0
Total Sources	692.8	823.3	1,030.8	863.2	711.9	724.7

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Facilities Establishment						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	9.2	13.1	8.8	7.4	6.2	6.6
LICENSES AND FEES	0.1	0.1	0.2	0.1	0.1	0.1
OTHER SOURCES OF FINANCING	52.1	6.0	9.9	6.4	9.1	8.5
RECOVERIES AND REIMBURSEMENTS	45.7	42.6	35.6	41.5	70.3	69.4
Total Non-Tax Receipts	107.1	61.9	54.6	55.4	85.7	84.6
Total Revenue	107.1	61.9	54.6	55.4	85.7	84.6
Transfers						
OPER TRANSFER IN-OTHER	24.8	19.2	11.0	55.1	109.0	87.5
Total Transfers	24.8	19.2	11.0	55.1	109.0	87.5
Total Sources	131.8	81.0	65.5	110.5	194.7	172.1

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Federal Special Revenue						
Taxes						
DOMESTICE INSUR FRANCHISE TAX			0.0			
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS	0.2	0.0	0.0	0.0	0.3	0.4
FEDERAL GRANTS	7,060.4	7,373.7	7,578.7	9,555.7	10,809.8	10,002.8
ISTV	1,302.6	1,239.9	1,420.2	1,524.0	1,740.0	1,726.5
LICENSES AND FEES	2.3	2.8	0.8	2.1	1.0	1.0
OTHER GRANTS AND CONTRIBUTIONS			0.3			
OTHER INCOME - SALES	0.0	0.8	0.7			
OTHER SOURCES OF FINANCING	0.9	0.1	0.1			
RECOVERIES AND REIMBURSEMENTS	167.3	463.5	413.8	195.0	215.1	208.7
Total Non-Tax Receipts	8,533.4	9,080.8	9,414.6	11,276.8	12,766.3	11,939.3
Total Revenue	8,533.4	9,080.8	9,414.6	11,276.8	12,766.3	11,939.3
Transfers						
OPER TRANSFER IN-OTHER	7.1	66.5	9.6			
Total Transfers	7.1	66.5	9.6	0.0	0.0	0.0
Total Sources	8,540.5	9,147.3	9,424.2	11,276.8	12,766.3	11,939.3

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
General Revenue						
Taxes						
NON-AUTO SALES AND USE	6,431.9	6,502.9	6,689.0	6,577.2	6,374.6	6,656.0
AUTO SALES AND USE	936.4	921.5	925.1	875.0	889.2	925.5
PERSONAL INCOME TAX	8,786.4	8,885.3	9,114.7	8,257.5	7,979.1	7,730.8
CORPORATE FRANCHISE TAX	1,054.9	1,076.5	753.5	495.0	163.0	169.7
COMMERCIAL ACTIVITY TAX	185.1	0.0	0.0	0.0	0.0	0.0
PUBLIC UTILITY EXCISE TAX	176.2	160.2	157.7	177.3	173.8	167.6
KILOWATT HOURS EXCISE TAX	325.3	326.9	231.2	132.9	159.7	162.6
FOREIGN INSUR COMPANIES TAX	248.8	256.2	267.3	264.8	270.1	278.6
DOMESTIC INSUR FRANCHISE TAX	170.3	169.5	154.6	167.7	180.2	210.7
INTANGIBLE TAXES	19.1	20.8	22.3	20.0	20.5	21.0
CIGARETTE TAX	1,084.1	986.3	950.9	917.0	850.0	796.4
ALCOHOLIC BEVERAGES TAX	57.5	56.3	56.8	58.5	59.0	59.5
LIQUOR GALLONAGE TAX	33.4	34.3	35.0	36.7	38.0	39.0
ESTATE TAXES	54.1	72.1	61.4	65.0	61.5	60.5
PERMISSIVE TAXES NEC	0.0	0.0	0.0			
Total Tax Receipts	19,563.4	19,468.9	19,419.5	18,044.6	17,218.7	17,277.9
Non-Taxes						
EARNINGS ON INVESTMENTS	0.0	0.0	1.0	0.0	0.0	0.0
FEDERAL GRANTS	5,595.2	5,352.5	5,643.9	7,044.6	6,386.4	7,187.5
FEDERAL REVENUE STIMULUS	0.0	0.0	0.0	0.0	1,387.1	1,707.3
ISTV	160.0	229.4	185.4	180.0	175.0	175.0
LICENSES AND FEES	73.9	77.7	67.7	63.0	61.8	62.0
OTHER INCOME - SALES	0.8	0.4	0.4	0.0	0.0	0.0
OTHER SOURCES OF FINANCING	2.3	0.2	0.0	0.0	0.0	0.0
RECOVERIES AND REIMBURSEMENTS	135.2	89.8	48.4	81.3	253.0	138.0
Total Non-Tax Receipts	5,967.4	5,750.0	5,946.9	7,368.9	8,263.3	9,269.8
Total Revenue	25,530.8	25,218.8	25,366.4	25,413.5	25,482.0	26,547.7
Transfers						
OPER TRANSFER IN-LIQUOR	138.0	135.0	174.3	144.0	143.0	136.3
OPER TRANSFER IN-OTHER	164.3	137.1	588.0	796.4	346.4	1,672.2
TEMPORARY TRANSFER IN	12.9	287.4	472.8	620.7	911.4	942.2
Total Transfers	315.2	559.5	1,235.0	1,561.1	1,400.8	2,750.7
Total Sources	25,846.0	25,778.4	26,601.4	26,974.6	26,882.8	29,298.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
General Services						
Taxes						
NON-AUTO SALES AND USE	0.6	0.1	0.3	0.0	0.0	0.0
COMMERCIAL ACTIVITY TAX			0.0		13.6	13.6
MOTOR TRANSPORT TAX	1.7	2.6	2.3	2.3	2.3	2.3
MUNICIPAL INCOME TAX	0.6	0.5	0.7	0.6	0.6	0.6
Total Tax Receipts	1.7	3.2	3.3	2.9	16.5	16.5
Non-Taxes						
EARNINGS ON INVESTMENTS		0.0	2.2			
FEDERAL GRANTS	70.6	63.8	61.5	86.4	87.6	88.2
ISTV	535.6	525.2	588.0	707.0	714.8	747.2
LICENSES AND FEES	109.8	101.9	133.8	129.6	123.9	131.7
OTHER GRANTS AND CONTRIBUTIONS	0.0	0.0	0.1			
OTHER INCOME - SALES	16.5	16.9	17.2	22.1	20.7	21.4
OTHER SOURCES OF FINANCING	0.8	0.7	3.8	1.7	1.7	1.7
P/R DEDUCTIONS			0.0			
RECOVERIES AND REIMBURSEMENTS	1,003.6	461.5	537.0	430.6	432.1	579.7
Total Non-Tax Receipts	1,736.9	1,170.1	1,343.5	1,377.2	1,380.8	1,569.8
Total Revenue	1,738.6	1,173.2	1,346.8	1,380.1	1,397.3	1,586.3
Transfers						
OPER TRANSFER IN-OTHER	95.9	38.4	169.8	31.6	42.0	36.9
TEMPORARY TRANSFER IN	12.9	0.4	1.0			
Total Transfers	108.7	38.8	170.9	31.6	42.0	36.9
Total Sources	1,847.3	1,212.1	1,517.7	1,411.7	1,439.3	1,623.2

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Higher Education Improvement						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	5.2	7.3	8.5			
OTHER SOURCES OF FINANCING	300.0	150.0	959.3			
Total Non-Tax Receipts	305.2	157.3	967.8	0.0	0.0	0.0
Total Revenue	305.2	157.3	967.8	0.0	0.0	0.0
Transfers						
OPER TRANSFER IN-OTHER		0.1	0.1			
Total Transfers	0.0	0.1	0.1	0.0	0.0	0.0
Total Sources	305.2	157.4	967.9	0.0	0.0	0.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Highway Capital Improvement						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	3.1	4.8	3.8	1.5	2.5	3.4
OTHER SOURCES OF FINANCING	180.0	190.0	140.0	0.0	245.0	235.0
Total Non-Tax Receipts	183.1	194.8	143.8	1.5	247.5	238.4
Total Revenue	183.1	194.8	143.8	1.5	247.5	238.4
Transfers						
OPER TRANSFER IN-OTHER	183.1	194.8	0.2	0.0	0.0	62.0
Total Transfers	183.1	194.8	0.2	0.0	0.0	62.0
Total Sources	366.2	389.7	143.9	1.5	247.5	300.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Highway Operating						
Taxes						
MOTOR FUEL USE TAX	54.9	47.6	41.3	41.0	41.0	41.0
MOTOR VEHICLE FUEL TAX	612.6	591.2	628.8	630.0	633.7	640.2
Total Tax Receipts	667.6	638.7	670.0	671.0	674.7	681.2
Non-Taxes						
EARNINGS ON INVESTMENTS	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL GRANTS	1,306.9	1,296.3	1,147.0	1,278.8	1,277.1	1,277.3
ISTV	26.0	56.6	41.9	35.8	35.8	35.8
LICENSES AND FEES	70.7	67.7	67.9	68.1	71.1	71.1
OTHER GRANTS AND CONTRIBUTIONS	56.8	49.4	64.0	101.9	122.9	111.2
OTHER INCOME - SALES	2.2	1.9	2.5	3.0	20.0	20.0
OTHER SOURCES OF FINANCING	8.4	13.9	15.2	43.7	383.7	43.7
RECOVERIES AND REIMBURSEMENTS	10.3	9.5	35.7	8.3	8.3	8.3
Total Non-Tax Receipts	1,481.4	1,495.3	1,374.3	1,539.6	1,918.9	1,567.4
Total Revenue	2,148.9	2,134.0	2,044.3	2,210.6	2,593.7	2,248.6
Transfers						
OPER TRANSFER IN-OTHER	83.3	70.4	5.9	52.0		
OPER TRANSFER IN-STATE SHARE	513.7	495.9	481.6	500.0	502.9	508.0
Total Transfers	596.9	566.3	487.5	552.0	502.9	508.0
Total Sources	2,745.9	2,700.3	2,531.8	2,762.6	3,096.6	2,756.5

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Highway Safety						
Taxes						
MOTOR VEHICLE FUEL TAX			19.2	19.2		
MOTOR TRANSPORT TAX	1.5					
Total Tax Receipts	1.5	0.0	19.2	19.2	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS	0.1	0.1	0.2	0.1	0.1	0.1
FEDERAL GRANTS	12.4	13.6	12.3	21.0	22.5	22.4
ISTV	26.5	30.3	19.5	21.9	18.1	17.9
LICENSES AND FEES	308.2	306.8	304.0	314.0	385.1	410.6
OTHER INCOME - SALES	15.8	14.4	14.9	14.9	16.8	16.8
RECOVERIES AND REIMBURSEMENTS	32.9	32.1	34.0	34.2	50.5	56.5
Total Non-Tax Receipts	395.9	397.3	385.0	406.1	493.2	524.4
Total Revenue	397.4	397.3	404.2	425.3	493.2	524.4
Transfers						
OPER TRANSFER IN-OTHER	34.1	31.3	9.1	38.3	25.8	25.9
OPER TRANSFER IN-PUB SAFETY	57.2	38.5				
Total Transfers	91.3	69.8	9.1	38.3	25.8	25.9
Total Sources	488.7	467.1	413.2	463.6	519.0	550.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Highway Safety Building						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.1	0.1				
Total Non-Tax Receipts	0.1	0.1	0.0	0.0	0.0	0.0
Total Revenue	0.1	0.1	0.0	0.0	0.0	0.0
Transfers						
Total Transfers	0.0	0.0	0.0	1.7	0.0	0.0
Total Sources	0.1	0.1	0.0	1.7	0.0	0.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Holding Account Redistribution						
Taxes						
NON-AUTO SALES AND USE	42.1	0.1	8.2	1.7	1.7	1.7
PERSONAL INCOME TAX			0.2			
MOTOR FUEL USE TAX	44.2	50.0	49.7			
PERMISSIVE TAXES NEC			0.0			
Total Tax Receipts	2.1	50.2	57.6	1.7	1.7	1.7
Non-Taxes						
EARNINGS ON INVESTMENTS	0.0					
FEDERAL GRANTS			0.3			
ISTV	2.0	1.9	2.0	0.8	0.8	0.8
LICENSES AND FEES	0.0	0.0	0.0	0.0	0.0	0.0
OTHER INCOME - SALES	1.6	1.9	1.5	2.8	2.2	2.1
RECOVERIES AND REIMBURSEMENTS	7.9	2.4	3.9	56.8	56.8	56.8
Total Non-Tax Receipts	11.5	6.2	7.1	60.3	59.8	59.7
Total Revenue	13.6	56.4	64.7	62.0	61.5	61.4
Transfers						
OPER TRANSFER IN-OTHER	0.0		0.1			
Total Transfers	0.0	0.0	0.1	0.0	0.0	0.0
Total Sources	13.6	56.4	64.9	62.0	61.5	61.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Infrastructure Bank Obligation						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	1.3	6.6	3.6	3.0	2.5	2.0
OTHER SOURCES OF FINANCING		180.0	210.0			
RECOVERIES AND REIMBURSEMENTS			1.0			
Total Non-Tax Receipts	1.3	186.6	212.6	3.0	2.5	2.0
Total Revenue	1.3	186.6	212.6	3.0	2.5	2.0
Transfers						
OPER TRANSFER IN-OTHER	1.3	186.6	212.3	355.6	69.0	63.0
Total Transfers	1.3	186.6	212.3	355.6	69.0	63.0
Total Sources	2.5	373.2	424.8	357.6	71.0	65.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Job-Ready Site Dev						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS		0.6	0.7			
OTHER SOURCES OF FINANCING		30.0				
Total Non-Tax Receipts	0.0	30.5	0.7	0.0	0.0	0.0
Total Revenue	0.0	30.5	0.7	0.0	0.0	0.0
Transfers						
TEMPORARY TRANSFER IN		0.4				
Total Transfers	0.0	0.4	0.0	0.0	0.0	0.0
Total Sources	0.0	30.9	0.7	0.0	0.0	0.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Juvenile Correctional Building						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.3	0.2		0.2	0.4	0.4
OTHER SOURCES OF FINANCING	14.7					
Total Non-Tax Receipts	15.0	0.2	0.0	0.2	0.4	0.4
Total Revenue	15.0	0.2	0.0	0.2	0.4	0.4
Transfers						
Total Transfers	0.0	0.0	0.0	0.0	20.0	17.0
Total Sources	15.0	0.2	0.0	0.2	20.4	17.4

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Liquor Control						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.0	0.0	0.0			
LICENSES AND FEES	1.2	1.2	1.2	1.2	1.2	1.2
OTHER INCOME - SALES	599.9	632.5	657.8	679.2	701.1	723.7
RECOVERIES AND REIMBURSEMENTS	0.2	0.1	0.1	0.1	0.1	0.1
Total Non-Tax Receipts	601.3	633.8	659.2	680.5	702.4	725.1
Total Revenue	601.3	633.8	659.2	680.5	702.4	725.1
Transfers						
Total Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total Sources	601.3	633.8	659.2	680.5	702.4	725.1

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Local Infrastructure Improve						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS			0.7			
ISTV	4.8	4.5	3.2	6.9	8.0	8.2
OTHER SOURCES OF FINANCING	141.6	144.2	142.3	264.5	145.0	147.0
RECOVERIES AND REIMBURSEMENTS	0.0	0.2				
Total Non-Tax Receipts	146.4	148.9	146.2	271.4	153.0	155.2
Total Revenue	146.4	148.9	146.2	271.4	153.0	155.2
Transfers						
OPER TRANSFER IN-OTHER	120.1	120.0	125.9			
Total Transfers	120.1	120.0	125.9	0.0	0.0	0.0
Total Sources	266.6	268.9	272.1	271.4	153.0	155.2

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Local Transportation Improve						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	3.4	4.4	2.6	3.2	5.1	5.6
RECOVERIES AND REIMBURSEMENTS		0.0				
Total Non-Tax Receipts	3.4	4.4	2.6	3.2	5.1	5.6
Total Revenue	3.4	4.4	2.6	3.2	5.1	5.6
Transfers						
OPER TRANSFER IN-OTHER			0.3			
OPER TRANSFER IN-STATE SHARE	63.8	63.9	57.6	69.1	164.1	164.1
Total Transfers	63.8	63.9	58.0	69.1	164.1	164.1
Total Sources	67.2	68.4	60.6	72.3	169.2	169.7

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Lottery Profit Education						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	2.8	5.6	3.6			
OTHER SOURCES OF FINANCING	1.3	1.2	0.8			
Total Non-Tax Receipts	4.2	6.8	4.4	0.0	0.0	0.0
Total Revenue	4.2	6.8	4.4	0.0	0.0	0.0
Transfers						
OPER TRANSFER IN-LOTTERY	646.3	669.3	672.2	692.9	705.0	711.0
OPER TRANSFER IN-OTHER	8.2	9.6	0.8			
Total Transfers	654.5	678.9	673.0	692.9	705.0	711.0
Total Sources	658.6	685.7	677.4	692.9	705.0	711.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
MH Facilities Improvement						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.6	1.2	0.0	0.2	0.4	1.1
OTHER SOURCES OF FINANCING	30.0	29.8				
Total Non-Tax Receipts	30.6	31.0	0.0	0.2	0.4	1.1
Total Revenue	30.6	31.0	0.0	0.2	0.4	1.1
Transfers						
OPER TRANSFER IN-OTHER		0.0		30.0	40.0	65.0
Total Transfers	0.0	0.0	0.0	30.0	40.0	65.0
Total Sources	30.6	31.0	0.0	30.2	40.4	66.1

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
OH Parks & Natural Resources						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.8	0.5		0.4	0.6	0.7
OTHER SOURCES OF FINANCING				35.0	40.0	0.0
Total Non-Tax Receipts	0.8	0.5	0.0	35.4	40.6	0.7
Total Revenue	0.8	0.5	0.0	35.4	40.6	0.7
Transfers						
Total Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total Sources	0.8	0.5	0.0	35.4	40.6	0.7

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Office of Auditor of State						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	9.5	8.8	8.8	10.6	10.8	11.1
LICENSES AND FEES	3.7	3.9	4.1	3.2	3.2	3.2
OTHER INCOME - SALES	30.4	31.8	31.0	31.1	30.0	30.0
RECOVERIES AND REIMBURSEMENTS	0.2	0.2	0.2	0.2	0.2	0.2
Total Non-Tax Receipts	43.8	44.7	44.1	45.0	44.2	44.5
Total Revenue	43.8	44.7	44.1	45.0	44.2	44.5
Transfers						
OPER TRANSFER IN-OTHER			0.4			
Total Transfers	0.0	0.0	0.4	0.0	0.0	0.0
Total Sources	43.8	44.7	44.5	45.0	44.2	44.5

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Parks & Recreation Improvement						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.7	0.6	0.1	0.4	0.6	0.8
OTHER SOURCES OF FINANCING			30.0			
Total Non-Tax Receipts	0.7	0.6	30.1	0.4	0.6	0.8
Total Revenue	0.7	0.6	30.1	0.4	0.6	0.8
Transfers						
Total Transfers	0.0	0.0	0.0	35.0	40.0	0.0
Total Sources	0.7	0.6	30.1	35.4	40.6	0.8

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Revenue Distribution						
Taxes						
NON-AUTO SALES AND USE	260.4	260.4	228.3	785.0	785.0	785.0
AUTO SALES AND USE	40.9	40.9	17.7			
PERSONAL INCOME TAX	829.3	829.3	725.7	464.5	469.5	469.5
CORPORATE FRANCHISE TAX	47.5	47.5	0.3			
COMMERCIAL ACTIVITY TAX	88.3	594.9	961.4	763.3	1,149.7	1,150.2
PUBLIC UTILITY EXCISE TAX	11.0	11.0	3.1			
KILOWATT HOURS EXCISE TAX	300.9	302.1	409.1	415.4	415.7	418.5
MOTOR VEHICLE FUEL TAX	1,155.9	1,105.5	1,175.9	242.5	242.5	242.5
HORSE RACING WAGER TAX	2.0	1.8	1.7	2.4	2.4	2.4
INTANGIBLE TAXES	14.5	13.1	12.2			
Total Tax Receipts	2,750.6	3,206.5	3,534.6	2,673.1	3,064.8	3,068.2
Non-Taxes						
EARNINGS ON INVESTMENTS	0.1	0.3	0.3			
ISTV	1.8	2.5	1.6	1.3	1.3	1.3
LICENSES AND FEES	532.3	518.0	508.9	609.2	554.6	554.6
RECOVERIES AND REIMBURSEMENTS	0.1	0.1	0.1	1,542.6	1,542.6	1,542.6
Total Non-Tax Receipts	534.3	521.0	510.9	2,153.1	2,098.6	2,098.6
Total Revenue	3,284.9	3,727.4	4,045.5	4,826.3	5,163.4	5,166.8
Transfers						
OPER TRANSFER IN-OTHER	144.5	156.9	201.2			
TEMPORARY TRANSFER IN		287.4	472.8			
Total Transfers	144.5	444.3	674.0	0.0	0.0	0.0
Total Sources	3,429.5	4,171.7	4,719.5	4,826.3	5,163.4	5,166.8

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
School Building Assistance						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	8.8	17.1	7.4			
OTHER SOURCES OF FINANCING	599.8	501.0	4,202.4			
RECOVERIES AND REIMBURSEMENTS	1.0					
Total Non-Tax Receipts	609.6	518.1	4,209.8	0.0	0.0	0.0
Total Revenue	609.6	518.1	4,209.8	0.0	0.0	0.0
Transfers						
OPER TRANSFER IN-OTHER	80.3	50.4	5.6			
Total Transfers	80.3	50.4	5.6	0.0	0.0	0.0
Total Sources	689.9	568.5	4,215.5	0.0	0.0	0.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
State Lottery						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS	46.6	259.7	19.5	35.5	35.5	35.5
ISTV	5.1	6.4	10.6	4.5	4.4	4.4
LICENSES AND FEES	0.0	0.0	0.1	0.1	0.1	0.1
OTHER INCOME - SALES	1,308.7	943.7	1,031.7	990.5	1,007.0	1,010.7
RECOVERIES AND REIMBURSEMENTS	0.5	0.4	0.9	0.6	0.6	0.6
Total Non-Tax Receipts	1,360.9	1,210.1	1,062.7	1,031.1	1,047.6	1,051.3
Total Revenue	1,360.9	1,210.1	1,062.7	1,031.1	1,047.6	1,051.3
Transfers						
OPER TRANSFER IN-LOTTERY ANUTY	12.6	12.4	11.8	15.0	15.0	15.0
OPER TRANSFER IN-OTHER			2.0			
Total Transfers	12.6	12.4	13.8	15.0	15.0	15.0
Total Sources	1,373.6	1,222.5	1,076.5	1,046.1	1,062.6	1,066.3

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
State Special Revenue						
Taxes						
NON-AUTO SALES AND USE	3.6	4.9	5.9	5.8	5.8	5.9
PERSONAL INCOME TAX	7.5	8.3	7.8	8.0	8.0	8.0
CORPORATE FRANCHISE TAX	3.5	1.7	1.5	1.7	1.0	1.0
COMMERCIAL ACTIVITY TAX		0.0				
PUBLIC UTILITY EXCISE TAX	0.0					
FOREIGN INSUR COMPANIES TAX	20.2	21.9	17.3	16.6	16.6	16.0
DOMESTICE INSUR FRANCHISE TAX	0.1	0.1	4.7	4.0	3.8	3.8
SEVERENCE TAX	7.7	7.0	9.4	10.9	17.0	17.3
MOTOR FUEL USE TAX	0.0					
MOTOR VEHICLE FUEL TAX	6.1	5.9	6.2	5.9	5.9	5.9
HORSE RACING WAGER TAX	10.8	10.2	9.0	10.0	9.4	8.8
CIGARETTE TAX	0.0		0.0			
ALCOHOLIC BEVERAGES TAX	0.9	0.9	0.9	0.9	0.9	0.9
PERMISSIVE SALES/USE TAX	16.0	16.9	17.3	17.0	17.0	17.0
PERMISSIVE TAXES NEC	3.7	4.7	5.6	4.8	4.8	4.8
Total Tax Receipts	80.0	82.4	85.8	85.4	90.1	89.4
Non-Taxes						
EARNINGS ON INVESTMENTS	17.6	24.4	28.9	24.9	24.8	24.7
FEDERAL GRANTS	12.2	11.2	9.8	10.4	18.2	19.2
ISTV	147.6	177.8	151.2	157.3	171.9	175.9
LICENSES AND FEES	1,106.7	1,278.9	1,389.0	1,469.4	1,812.1	1,758.4
OTHER GRANTS AND CONTRIBUTIONS	85.7	149.7	192.6	188.7	196.5	208.5
OTHER INCOME - SALES	16.1	16.2	14.6	17.4	20.2	20.5
OTHER SOURCES OF FINANCING	4.0	2.6	1.3	4.5	4.3	4.3
RECOVERIES AND REIMBURSEMENTS	176.2	155.7	153.0	220.9	247.7	255.6
Total Non-Tax Receipts	1,566.1	1,816.5	1,940.4	2,093.4	2,495.6	2,467.3
Total Revenue	1,646.1	1,898.9	2,026.2	2,178.8	2,585.7	2,556.6
Transfers						
OPER TRANSFER IN-OTHER	130.4	208.4	77.4	65.1	66.2	58.0
Total Transfers	130.4	208.4	77.4	65.1	66.2	58.0
Total Sources	1,776.6	2,107.3	2,103.5	2,243.9	2,652.0	2,614.6

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Third Frontier Research & Dev						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
EARNINGS ON INVESTMENTS		1.5	1.1	1.7	2.4	3.1
ISTV		0.0	0.6			
OTHER SOURCES OF FINANCING		80.5		101.9	51.9	51.9
Total Non-Tax Receipts	0.0	82.0	1.7	103.6	54.3	55.0
Total Revenue	0.0	82.0	1.7	103.6	54.3	55.0
Transfers						
OPER TRANSFER IN-OTHER		80.5	0.0	88.0	66.0	71.0
Total Transfers	0.0	80.5	0.0	88.0	66.0	71.0
Total Sources	0.0	162.6	1.7	191.6	120.3	126.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Tobacco Settlement						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	15.5	16.5	9.1	32.0	3.3	2.3
LICENSES AND FEES			0.1			
RECOVERIES AND REIMBURSEMENTS	296.8	311.0	14.0	32.3	3.0	3.0
Total Non-Tax Receipts	312.3	327.5	23.2	64.3	6.3	5.3
Total Revenue	312.3	327.5	23.2	64.3	6.3	5.3
Transfers						
OPER TRANSFER IN-OTHER	288.1	344.5	45.7	60.0	60.0	30.0
Total Transfers	288.1	344.5	45.7	60.0	60.0	30.0
Total Sources	600.4	672.0	68.9	124.3	66.3	35.3

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Transportation Building						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
Total Non-Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Transfers						
Total Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total Sources	0.0	0.0	0.0	0.0	0.0	0.0

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Underground Parking						
Taxes						
NON-AUTO SALES AND USE			0.1	0.1	0.1	0.1
Total Tax Receipts	0.0	0.0	0.1	0.1	0.1	0.1
Non-Taxes						
ISTV	0.7	0.8	0.7	0.7	0.7	0.7
LICENSES AND FEES	2.0	2.0	2.2	2.4	2.4	2.4
RECOVERIES AND REIMBURSEMENTS	0.0					
Total Non-Tax Receipts	2.6	2.8	2.8	3.1	3.1	3.1
Total Revenue	2.6	2.8	2.9	3.2	3.2	3.2
Transfers						
OPER TRANSFER IN-OTHER			0.0		0.6	0.6
Total Transfers	0.0	0.0	0.0	0.0	0.6	0.6
Total Sources	2.6	2.8	2.9	3.2	3.8	3.8

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Volunteer Firefighter Depend						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	0.0					
OTHER GRANTS AND CONTRIBUTIONS	0.2	0.1	0.2	0.3	0.4	0.3
RECOVERIES AND REIMBURSEMENTS		0.0		0.3	0.3	0.3
Total Non-Tax Receipts	0.2	0.1	0.2	0.6	0.7	0.6
Total Revenue	0.2	0.1	0.2	0.6	0.7	0.6
Transfers						
Total Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total Sources	0.2	0.1	0.2	0.6	0.7	0.6

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Waterways Safety						
Taxes						
MOTOR VEHICLE FUEL TAX	15.7	15.0	16.0	16.0	16.0	16.0
Total Tax Receipts	15.7	15.0	16.0	16.0	16.0	16.0
Non-Taxes						
EARNINGS ON INVESTMENTS				1.0	0.9	0.9
FEDERAL GRANTS	3.3	3.8	5.1	5.3	5.3	5.2
ISTV	1.0	1.4	1.3	0.2	0.1	0.1
LICENSES AND FEES	5.5	5.2	5.2	5.0	4.9	4.7
OTHER INCOME - SALES			0.0	0.0	0.0	0.0
RECOVERIES AND REIMBURSEMENTS	0.1	0.1	0.1	0.2	0.2	0.2
Total Non-Tax Receipts	9.9	10.6	11.7	11.6	11.4	11.1
Total Revenue	25.6	25.6	27.7	27.6	27.4	27.1
Transfers						
OPER TRANSFER IN-OTHER	3.0	1.0	1.2			
Total Transfers	3.0	1.0	1.2	0.0	0.0	0.0
Total Sources	28.6	26.6	28.9	27.6	27.4	27.1

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Wildlife						
Taxes						
MOTOR VEHICLE FUEL TAX	2.2	2.2	2.3	2.3	2.2	2.2
Total Tax Receipts	2.2	2.2	2.3	2.3	2.2	2.2
Non-Taxes						
EARNINGS ON INVESTMENTS		0.0		1.0	1.0	1.0
FEDERAL GRANTS	16.6	19.6	15.1	25.2	18.0	18.0
ISTV	2.1	2.7	2.1	0.8	0.7	0.7
LICENSES AND FEES	35.6	36.8	36.9	37.1	37.1	37.1
OTHER INCOME - SALES	0.4	0.4	0.4	0.4	0.4	0.4
RECOVERIES AND REIMBURSEMENTS	2.9	3.5	2.6	3.1	2.5	2.4
Total Non-Tax Receipts	57.7	63.0	57.1	67.6	59.6	59.6
Total Revenue	60.0	65.1	59.4	69.9	61.8	61.8
Transfers						
OPER TRANSFER IN-OTHER			0.2			
Total Transfers	0.0	0.0	0.2	0.0	0.0	0.0
Total Sources	60.0	65.1	59.6	69.9	61.8	61.8

FIGURE B-28
INCOME SOURCES, FISCAL YEARS 2006-2011
(Dollars in Millions)

FUND GROUP / INCOME SOURCES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 ESTIMATE	FY 2011 ESTIMATE
Workers' Compensation						
Taxes						
Total Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Non-Taxes						
ISTV	4.6	4.6	4.0	4.6	4.4	4.2
OTHER GRANTS AND CONTRIBUTIONS	352.4	354.8	351.6	436.9	371.9	372.7
OTHER INCOME - SALES	0.0	0.0	0.0	0.0	0.0	0.0
RECOVERIES AND REIMBURSEMENTS	0.2	0.0	0.1	0.0	0.0	0.0
Total Non-Tax Receipts	357.2	359.5	355.7	441.5	376.3	376.9
Total Revenue	357.2	359.5	355.7	441.5	376.3	376.9
Transfers						
OPER TRANSFER IN-OTHER			0.0			
Total Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total Sources	357.2	359.5	355.7	441.5	376.3	376.9