

The Fair Taxation Act



Title: "Ohio Fair Taxation Act of 2012"

Purpose: To create a more fair and equitable taxation system to secure funds for future State programs

Be it enacted by the General Assembly of Ohio

Section 0: Short Title

This bill is to be cited as the "Ohio Fair Taxation Act of 2012" or "OFTA"

Section 1: Sales Tax Reform

1.1 this bill hereby sets a state wide limit on sales tax to 2.5%

Section 2: Tax Bracket Adjustments and Creation

2.1 this bill hereby increases the state income tax highest brackets percentage of income paid from 3.75% to 6%

2.2 this bill hereby increases the state income tax second highest brackets percentage of income paid from 3.6% to 4.5%

2.3 this bill hereby expands the second highest tax bracket to include all nonbusiness income from 100,000\$ to 200,000\$

2.4 this bill hereby expands the highest tax bracket to include all income 200,001\$+

2.5 this bill hereby creates a new tax bracket at a rate of 3%, that effects nonbusiness incomes from 60,000\$ to 100,000\$ dollars. The current tax bracket it applies to will be adjusted to apply to nonbusiness incomes that are between 26,000\$ to 59,000\$

Section 3: Capital Goods Tax

2.1 this bill hereby creates a "Capital Goods Tax" of 0.5%

2.1A this legislation will tax 0.5% of the value of all capital goods a person owns

2.1B "Capital Goods" are defined as stocks, private bonds, and Index funds

2.1C 401Ks or other retirement funds under 1000000\$ are exempt from this tax

Section 4: Severability

4.1 If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby

Section 5: Effective Date

Effective immediately

Signed, *Harrison King*

Governor of Ohio