As Introduced

122nd General Assembly
Regular Session **H. B. No. 323**
1997-1998

Representatives Jordan, Buchy, Cates, Garcia, Hodges, Hood, Hottinger, Jacobson, Miller, Pringle, Schuler, Tiberi, Van Vyven, Wise

A B I L L

To amend section 5747.025 of the Revised Code to cause the amount of the personal income tax exemption to be indexed to increases in consumer price inflation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 5747.025 of the Revised Code be amended to read as follows:

Sec. 5747.025. (A)(1) The personal exemption for the taxpayer and the taxpayer's spouse shall be seven hundred fifty dollars each for the taxable year beginning in 1996, eight hundred fifty dollars each for the taxable year beginning in 1997, nine hundred fifty dollars each for the taxable year beginning in 1998, and one thousand fifty dollars each for the taxable year beginning in 1999 and taxable years beginning after 1999. the personal exemption amount prescribed in this division for taxable years beginning after 1999 shall be adjusted each year in the manner prescribed in division (A)(2) of this section.

(2) not later than the fifteenth day of december each year beginning in 1999, the tax commissioner shall determine the percentage increase in the average consumer price index (all urban

consumers, all items) prepared by the bureau of labor statistics of the united states department of labor from October 1, 1998, to the last day of september of the current year, and adjust the exemption amount by multiplying that amount by the percentage increase in the average consumer price index for that period; adding the resulting product to the exemption amount; and rounding the resulting sum upward to the nearest multiple of fifty dollars. The tax commissioner shall not make such an adjustment in any year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment from the preceding year.

(B)(1) The personal exemption for each dependent shall be eight hundred fifty dollars for the taxable year beginning in 1996, and one thousand fifty dollars for the taxable year beginning in 1997 and taxable years beginning after 1997. the personal exemption amount prescribed in this division for taxable years beginning after 1997 shall be adjusted each year in the manner prescribed in division (B)(2) of this section.

(2) not later than the fifteenth day of december each year beginning in 1997, the tax commissioner shall determine the percentage increase in the average consumer price index (all urban consumers, all items) prepared by the bureau of labor statistics of the united states department of labor from october 1, 1996, to the last day of september of the current year, and adjust the exemption amount by multiplying that amount by the percentage increase in the average consumer price index for that period; adding the resulting product to the exemption amount; and rounding the resulting sum upward to the nearest multiple of fifty dollars. The tax commissioner shall not make such an adjustment in any year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment from the preceding year.

Section 2. That existing section 5747.025 of the Revised Code is hereby repealed.