Sales Tax Revenue - How the Money Flows

The Ohio Sales and Use Tax applies to retail sale, lease, and rental of tangible personal property as well as the sale of selected services in Ohio. In 2013, the state increased its sales and use tax rate to 5.75%. Montgomery County’s sales tax rate has been 1% since 1989. The Regional Transit Authority (RTA) sales tax is 0.5%. The total, combined sales tax rate in Montgomery County is 7.25%.

Annual loss: $9.0 Million

In 2018, the State of Ohio eliminated the managed care sales tax. This resulted in a permanent, annual loss of $9 million to Montgomery County.

Montgomery County consumer pays $1,000 for a TV
$1,000 x 7.25% = $72.50 (Sales Tax)

Efficiency & Investments
Cut $4.6 million + Increase Sales Tax

- Increasing the sales tax by one-quarter percent would generate an estimated $19 million annually to allow for investments in programs and services that will benefit our citizens and businesses. With an increase in the sales tax, Montgomery County would continue operating efficiency through almost $5 million in reductions.

Sales Tax Increase = Long-Term Investments:

- **Community**
  - ED/GE
  - Arts and Culture
  - MicroEnterprise Grants
  - Strategic Community Projects

- **People**
  - Adult Workforce
  - YouthWorks
  - PreSchool Promise

- **Criminal Justice**
  - Alternatives to Incarceration
  - Bail Reform
  - Security
  - County Jail

- **Government Infrastructure**
  - Building Improvements
  - Capital Equipment
  - Facility Depreciation