OHIO LEGISLATIVE SERVICE COMMISSION

Bill Rowland, Director

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Office of Research and Drafting

Legislative Budget Office

R-136-3262-1

To:

From:

Date: April 10, 2026

Subject: H.B. 617 estimate by income category

You recently requested Legislative Budget Office (LBO) staff to include additional income brackets to the estimates of the effects of H.B. 617 of the 136th General Assembly. The inclusion provides a further level of income stratification than what we sent you on March 31, 2026. As mentioned before, the bill exempts all capital gains from both the state personal income tax (PIT) and municipal income taxes. LBO staff estimates that the PIT revenue loss would be between $615.0 million and $645.6 million in tax year (TY) 2027 and $647.8 million and $679.8 million in TY 2028. The table below provides a summary of the estimated effects of H.B. 617 by income category.

Estimated State Tax Revenue Loss from Exempting Capital Gains by Income Bracket, TY 2027 and TY 2028 ($ in millions)		
Income Bracket	**TY 2027**	**TY 2028**
$0-$50,000	$12.5-$13.1	$13.1-$13.8
$50,001-$75,000	$14.2-$14.9	$14.9-$15.7
$75,001-$100,000	$17.9-$18.8	$18.9-$19.8
$100,001-$150,000	$27.6-$29.0	$29.1-$30.5
$150,001-$200,000	$41.5-$43.5	$43.7-$45.8
$200,001-$500,000	$98.2-$103.4	$103.4-$108.5
$500,001-$1,000,000	$65.2-$68.4	$68.6-$72.0
$1,000,001+	$338.0-$354.8	$356.0-$373.6

Total	**$615.0-$645.6**	**$647.8-$679.8**

The income bracket revenue estimates are based on the latest available data from the Statistics of Income Division of the Internal Revenue Service. The methodology builds on the total fiscal analysis presented in H.B. 617 fiscal note (PDF) and constructs estimates based on the income distribution of taxpayers from the state. For each TY from TY 2019 to TY 2022, LBO staff calculated the share of total capital gains (net of losses) attributable to each income bracket by dividing the amount reported in that bracket by the statewide total for that year. These shares were then averaged across the four years and applied to the total estimated value reported in the fiscal note.

I hope you find this information helpful. If you have any questions, please contact me at

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