

Name _____

Cracking the Code: Understanding Ohio's Tax Structure

Short Answer Key

1. In Ohio's progressive income tax system, the tax rate increases as an individual's income rises. For example, if someone's income is \$30,000, they might pay a lower tax rate on the first \$20,000 of their income and a higher rate on the remaining \$10,000.
2. You would pay \$17.25 in sales tax on the \$500 laptop.
3. Property taxes in Ohio primarily fund local services like schools, public safety (police and fire departments), libraries, and infrastructure maintenance. These services are important for the well-being and development of local communities.
4. Two items subject to excise taxes in Ohio are gasoline and cigarettes. Gasoline taxes help maintain roads and fund transportation projects, while cigarette taxes contribute to public health initiatives and smoking cessation programs.

