

Commissioner reviews proposed state budget

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LAKE COUNTY - Commissioner Dan Troy said the County Commissioners Association of Ohio would be reviewing the governor's budget at its next meeting.

One item Gov. John Kasich asked for was the expansion of Medicaid, Troy said at the Feb. 5 commissioners meeting.

"I think the key thing is the changes in, first of all, in the Local Government Fund, he's basically left that the way it is and actually there's a slight increase over the new amount which is reduced 50 percent from what it was two years ago," Troy said.

Anticipated increases are 4.5 percent the first year of the budget and 3.5 percent the second year.

He noted the county only receives 11 percent of the amount allocated for Lake County, so the effect on the county budget would be minimal.

The changes in the sales tax rates are what might make the biggest difference. Troy said, if the budget passes the sales tax rate for the state would be reduced from 5.5 percent to 5.0 percent in September, but more services would be taxable, such as legal, lobbyists and some others.

"The state income tax is going to be reduced over a period of time; all business income taxes are proposed to be reduced by 50 percent; all personal income taxes set to be reduced by 20 percent over a three-year phase down," Troy said.

There is still the question of how that reduction would affect the Local Government Fund.

A severance tax on oil and gas has been proposed.

Funding for legal defense for the indigent has been increased to 40 percent, which is still not the 50 percent it once was.

The budget must be passed by July 1.

Troy said changes will be made to the budget in the Ohio House and Senate before it is passed.