PRESS RELEASE

October 21, 2026
Ben Stein
bstein@policymattersohio.org
304-685-8354

A Fair Share Tax could generate $4B by raising taxes on less than 4% of Ohioans

Policy would restore some balance after 20+ years of tax cuts primarily for the wealthiest

A Fair Share Tax could generate roughly $4 billion a year for Ohio while leaving more than 96% of tax filers unaffected, according to a new Policy Matters Ohio report. The Institute on Taxation and Economic Policy analyzed three separate proposals, finding that each would raise taxes only on income above $250,000 and affect just 3.6% of Ohio tax filers, while generating billions in revenue that could support schools, healthcare, childcare, public services, and targeted tax relief.

The report also examines fair share tax policies recently adopted or pursued in states including Massachusetts, Maine, Washington, Minnesota, Rhode Island, Hawai'i, Illinois, Michigan, and Colorado.

“A fair share tax would begin to reverse decades of tax policies that have shifted the cost of funding public services away from the wealthiest Ohioans and onto everyone else,” said Aditi Srivastava, Tax Policy Researcher at Policy Matters Ohio and co-author of the report. “At a time when lawmakers are underfunding schools, facing pressure on Medicaid and other public services, and looking for ways to help families afford childcare and housing, policymakers should consider requiring those with the greatest resources to contribute a little more.”

The report finds that Ohio's recent shift to a flat income tax reduced one of the few progressive elements of the state's tax code. It also examines evidence from other states, finding that fair share taxes have generated significant new revenue — often exceeding expectations — while helping fund education, transportation, healthcare, childcare, and other public priorities. The analysis also reviews research on tax migration, finding little evidence that state tax policy plays a major role in high-income households’ decisions to relocate.

“Other states are proving that fair share taxes can generate substantial revenue, make tax systems more equitable, and fund the investments communities need,” Srivastava said. “The larger question is what kind of tax system Ohio wants. Policymakers can continue asking teachers, nurses, and working families to pay the same income tax rate as millionaires, or they can rebalance the tax code and generate the resources needed to strengthen schools, support families, and build a more prosperous future for everyone.”

Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.