



40-Year Sales Tax Extension Passed Without Voter Approval

SUMMARY

Cuyahoga County Sales Taxes collections were over \$400 Million in 2024 an 23% of Total Operating Revenue. Cuyahoga's rate of 8% is one of Ohio's highest, just below Franklin County's 8.25%. Cuyahoga County's sales tax rate is much higher than surrounding counties. Cuyahoga County passed a 40-year extension of 0,025% rate that was supposed to expire in 2027 without voter approval. In a 6-5 council vote, County Council Rep. Kelly provided the deciding vote for the a 40-year extension

Cuyahoga County Sales Taxes collections were over \$400 Million in 2024 and they represented 23% of the All Funds Total Operating Revenue.

Cuyahoga County's 8.0% sales tax is made up of Ohio's statewide base rate: 5.75% and a local "piggyback" sales tax added by the county. The combined rate is one of the highest in Ohio, just below Franklin County's 8.25% rate. It is substantially higher than nearby counties, which is a disincentive for shoppers and new homeowners.

In 2007, a 0.25% sales tax was approved for 20 years by the voters for the new convention center and medical mart. Rather than let the sales tax expire in 2027, County Executive, Chris Ronayne proposed that council approve extending the existing 0.25% sales tax for 40 years to fund a new jail and other county projects. Instead of submitting the tax to a public vote, County Council narrowly approved the extension with a 6-5 vote after defeating several amendments.

County Council Representative Kelly provided the deciding vote for a 40-year extension of a sales tax passed without voter approval. The council minutes document the drama:

Cuyahoga Sales Tax as % of Operating Revenue

	Sales Tax	Total Oper Rev	% Sales Tax
2024	\$417,600,000	\$1,787,500,000	23%
2025 Proj	\$423,000,000	\$1,816,500,000	23%
2026 Proj	\$423,000,000	\$1,834,000,000	23%
2027 Proj	\$423,000,000	\$1,858,800,000	23%
2028 Proj	\$423,000,000	\$1,875,000,000	23%
2029 Proj	\$423,000,000	\$1,899,700,000	22%

Source: Cuyahoga Co Audit, 2025Q3 Biennial Budget, All Funds

Cuyahoga & NE Ohio County Sales Tax Rates

County Name	OH Rank	Tax Rate
Ohio Median		7.25%
Cuyahoga County	2	8.00%
Portage County	22	7.50%
Ashtabula County	33	7.25%
Geauga County	33	7.25%
Lake County	33	7.25%
Medina County	85	7.00%
Summit County	85	7.00%
Lorain County	88	6.75%

Source: Sales Tax Handbook

<https://www.salestaxhandbook.com/ohio>

MINUTES CUYAHOGA COUNTY COUNCIL SPECIAL MEETING THURSDAY, DECEMBER 14, 2023

FOURTH READING ADOPTION

1) **O2023-0012**: An Ordinance amending and codifying Board of County Commissioners Resolution No. 2007-073101 dated July 26, 2007, and enacting new Chapter 727, Section 727.01 of the Cuyahoga County Code to change the period of time during which the County sales tax shall be levied at the aggregate rate of one and one-fourth percent; and declaring the necessity that this Ordinance become immediately effective.

Sponsors: Cuyahoga County Executive Ronayne/ Fiscal Office/Office of Budget and Management and Councilmember Miller.

[MOTION to DELAY] Ms. Simon introduced a proposed substitute on the floor to Ordinance No. R2023-O2023-0012. Discussion ensued. A motion was then made by Ms. Simon and seconded by Mr. Schron to accept the proposed substitute. The motion failed by a majority roll-call vote of 5 yeas and 6 nays with Councilmembers Gallagher, Schron, Conwell, Stephens and Simon voting in the affirmative and Councilmembers **Kelly**, Miller, Sweeney, Tuma, Turner, and Jones casting dissenting votes.

[MOTION TO EXTEND SALES TAX] On a motion by Mr. Miller, with a second by Ms. Turner, the original legislation for Ordinance No. O2023-0012 was considered and adopted by a majority roll-call vote of 6 yeas and 5 nays with Councilmembers **Kelly**, Miller, Sweeney, Tuma, Turner and Jones voting in the affirmative and Councilmembers Gallagher, Schron, Conwell, Stephens and Simon casting dissenting votes.