Ohio - West Virginia

High-level comparison

	Ohio	West Virginia
Personal Property Tax	No	Yes
Corporate Income/Franchise Tax	No	Yes
Gross receipts tax	Yes - CAT	Local only
Sales tax mfg. exemption	Yes	Yes
Sales tax data center exemption	Yes	No

Specific Tax Comparisons

Tax Type	Advantage	Neutral	Disadvantage
Personal Property Tax	**Ohio** - Does not impose a personal property tax		**West Virginia** - Imposes a personal property tax with rates up to 1.944% [1]
Corporate Income/ Franchise Tax	**Ohio** - Does not impose a corporate income or franchise tax		**West Virginia** - Imposes corporate income tax at 6.5%.
Gross Receipts Tax	**West Virginia** - Currently 12 cities impose a tax based on gross receipts at an average rate of 1.4%, which is dependent on the business type		**Ohio** - Imposes a gross receipts tax at a rate of 0.26%. [2]
Apportionment	**Ohio** - Apportionment of its gross receipts tax is based entirely on destination of sales, hence no negative impact for having a location(s) in the state. If customer base is located outside of Ohio, tax could be near zero.		**West Virginia** - Apportionment of income is based on 3 factor formula whereby property and payroll account for 50% of the factor. Thus negative impact of having a location in the state.
Sourcing of Services	**Ohio** - Sources the services based on benefit received		**West Virginia** - Sourcing the services based on cost of performance
Throwback	**Ohio** - Does not have a throwback rule for sales of tangible personal property		**West Virginia** - Does have a throwback rule for sales of tangible personal property, but only for sales to the U.S. Government. The state also has a throwout rule whereby sales to non-taxed states are excluded from the numerator and denominator of the apportionment factor.
Local Income Tax	**West Virginia** - Municipalities do not impose a local income tax on corporations		**Ohio** - Imposes local income taxes in more than 600 municipalities with an average rate of 1.4%
Sales Tax	**Ohio** - Has a manufacturing exemption for items purchased to be used or consumed directly in the manufacturing process. Has a data center exemption [3]		**West Virginia** - Provides for a manufacturing exemption but tax must be paid to the vendor and a refund must be requested from the state.

Tick Marks

[1] Rates vary by type of property and location

[2] The Ohio gross receipts based tax only applies to receipts from customers in Ohio. Products shipped outside Ohio or services performed for customers outside of Ohio are not subject to this tax.

[3] Within Ohio, eligible projects for the data center exemption require $100 million in capital investment over 3 consecutive years and at least $1.5 million in payroll each year.