

Are You Still Subject to Ohio's CAT?

January 12, 2024



Recent changes to Ohio's Commercial Activities Tax (CAT) may mean that you are no longer subject to the tax. Starting in 2024, Ohio has implemented the following modifications to the CAT:

- The \$150 annual minimum tax is eliminated.
- The Ohio-sourced threshold amount for the CAT to apply is increased from \$1 million to \$3 million.
- Annual filing is no longer applicable; instead, all filers must submit returns on a quarterly basis.
- Filers with taxable gross receipts of \$3 million or less will no longer be subject to the tax.

If you anticipate having \$3 million or less in taxable gross receipts in tax year 2024, you can cancel your CAT account now using an effective date of December 31, 2023. Failing to close out your CAT account will result in a continued requirement to file returns, even if you are under the receipts threshold.

Taxpayers seeking to cancel their CAT account should proceed to the Ohio Business Gateway at gateway.ohio.gov. Note, for quarterly filers, the last quarterly return for tax year 2023 is due February 12, 2024, after which a return may no longer be necessary.

For more information on the Ohio CAT and how these recent changes will impact your tax compliance responsibilities, please contact [Alan Goldenberg](#), Principal and Leader of the State and Local Tax and Tax Controversy groups, or your Anchin Relationship Partner.