

I_133_0103-10

133rd General Assembly
Regular Session
2019-2020

Sub. H. B. No. 194

A BILL

To amend sections 109.572, 718.031, 3770.01, 1
3770.02, 3770.99, 3772.03, 5703.21, 5747.02, 2
5747.063, 5747.064, 5747.08, 5747.20, 5751.01, 3
5753.01, 5753.03, 5753.04, 5753.05, 5753.06, 4
5753.061, 5753.07, 5753.08, and 5753.10 and to 5
enact sections 3770.30, 3770.31, 3770.32, 6
3770.33, 3770.331, 3770.34, 3770.35, 3770.36, 7
3770.37, 3770.38, 3770.39, 3770.40, 5753.021, 8
and 5753.031 of the Revised Code to legalize and 9
regulate sports gaming in this state, to levy a 10
tax on businesses that provide sports gaming, 11
and to create a Sports Gaming Advisory Board. 12

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 109.572, 718.031, 3770.01, 13
3770.02, 3770.99, 3772.03, 5703.21, 5747.02, 5747.063, 5747.064, 14
5747.08, 5747.20, 5751.01, 5753.01, 5753.03, 5753.04, 5753.05, 15
5753.06, 5753.061, 5753.07, 5753.08, and 5753.10 be amended and 16
sections 3770.30, 3770.31, 3770.32, 3770.33, 3770.331, 3770.34, 17
3770.35, 3770.36, 3770.37, 3770.38, 3770.39, 3770.40, 5753.021, 18



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and 5753.031 of the Revised Code be enacted to read as follows: 19

Sec. 109.572. (A) (1) Upon receipt of a request pursuant to 20
section 121.08, 3301.32, 3301.541, or 3319.39 of the Revised 21
Code, a completed form prescribed pursuant to division (C) (1) of 22
this section, and a set of fingerprint impressions obtained in 23
the manner described in division (C) (2) of this section, the 24
superintendent of the bureau of criminal identification and 25
investigation shall conduct a criminal records check in the 26
manner described in division (B) of this section to determine 27
whether any information exists that indicates that the person 28
who is the subject of the request previously has been convicted 29
of or pleaded guilty to any of the following: 30

(a) A violation of section 2903.01, 2903.02, 2903.03, 31
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 32
2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 33
2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 34
2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 35
2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 36
2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 37
2925.05, 2925.06, or 3716.11 of the Revised Code, felonious 38
sexual penetration in violation of former section 2907.12 of the 39
Revised Code, a violation of section 2905.04 of the Revised Code 40
as it existed prior to July 1, 1996, a violation of section 41
2919.23 of the Revised Code that would have been a violation of 42
section 2905.04 of the Revised Code as it existed prior to July 43
1, 1996, had the violation been committed prior to that date, or 44
a violation of section 2925.11 of the Revised Code that is not a 45
minor drug possession offense; 46

(b) A violation of an existing or former law of this 47
state, any other state, or the United States that is 48

substantially equivalent to any of the offenses listed in 49
division (A) (1) (a) of this section; 50

(c) If the request is made pursuant to section 3319.39 of 51
the Revised Code for an applicant who is a teacher, any offense 52
specified in section 3319.31 of the Revised Code. 53

(2) On receipt of a request pursuant to section 3712.09 or 54
3721.121 of the Revised Code, a completed form prescribed 55
pursuant to division (C) (1) of this section, and a set of 56
fingerprint impressions obtained in the manner described in 57
division (C) (2) of this section, the superintendent of the 58
bureau of criminal identification and investigation shall 59
conduct a criminal records check with respect to any person who 60
has applied for employment in a position for which a criminal 61
records check is required by those sections. The superintendent 62
shall conduct the criminal records check in the manner described 63
in division (B) of this section to determine whether any 64
information exists that indicates that the person who is the 65
subject of the request previously has been convicted of or 66
pleaded guilty to any of the following: 67

(a) A violation of section 2903.01, 2903.02, 2903.03, 68
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 69
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 70
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 71
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 72
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 73
2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 74
2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 75
2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code; 76

(b) An existing or former law of this state, any other 77
state, or the United States that is substantially equivalent to 78

any of the offenses listed in division (A) (2) (a) of this 79
section. 80

(3) On receipt of a request pursuant to section 173.27, 81
173.38, 173.381, 3701.881, 5164.34, 5164.341, 5164.342, 82
5123.081, or 5123.169 of the Revised Code, a completed form 83
prescribed pursuant to division (C) (1) of this section, and a 84
set of fingerprint impressions obtained in the manner described 85
in division (C) (2) of this section, the superintendent of the 86
bureau of criminal identification and investigation shall 87
conduct a criminal records check of the person for whom the 88
request is made. The superintendent shall conduct the criminal 89
records check in the manner described in division (B) of this 90
section to determine whether any information exists that 91
indicates that the person who is the subject of the request 92
previously has been convicted of, has pleaded guilty to, or 93
(except in the case of a request pursuant to section 5164.34, 94
5164.341, or 5164.342 of the Revised Code) has been found 95
eligible for intervention in lieu of conviction for any of the 96
following, regardless of the date of the conviction, the date of 97
entry of the guilty plea, or (except in the case of a request 98
pursuant to section 5164.34, 5164.341, or 5164.342 of the 99
Revised Code) the date the person was found eligible for 100
intervention in lieu of conviction: 101

(a) A violation of section 959.13, 959.131, 2903.01, 102
2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 103
2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2903.341, 104
2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2905.32, 2905.33, 105
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 106
2907.09, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 107
2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2909.02, 108
2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 109

2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.05, 110
2913.11, 2913.21, 2913.31, 2913.32, 2913.40, 2913.41, 2913.42, 111
2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 112
2913.49, 2913.51, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 113
2919.121, 2919.123, 2919.22, 2919.23, 2919.24, 2919.25, 2921.03, 114
2921.11, 2921.12, 2921.13, 2921.21, 2921.24, 2921.32, 2921.321, 115
2921.34, 2921.35, 2921.36, 2921.51, 2923.12, 2923.122, 2923.123, 116
2923.13, 2923.161, 2923.162, 2923.21, 2923.32, 2923.42, 2925.02, 117
2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, 2925.11, 118
2925.13, 2925.14, 2925.141, 2925.22, 2925.23, 2925.24, 2925.36, 119
2925.55, 2925.56, 2927.12, or 3716.11 of the Revised Code; 120

(b) Felonious sexual penetration in violation of former 121
section 2907.12 of the Revised Code; 122

(c) A violation of section 2905.04 of the Revised Code as 123
it existed prior to July 1, 1996; 124

(d) A violation of section 2923.01, 2923.02, or 2923.03 of 125
the Revised Code when the underlying offense that is the object 126
of the conspiracy, attempt, or complicity is one of the offenses 127
listed in divisions (A) (3) (a) to (c) of this section; 128

(e) A violation of an existing or former municipal 129
ordinance or law of this state, any other state, or the United 130
States that is substantially equivalent to any of the offenses 131
listed in divisions (A) (3) (a) to (d) of this section. 132

(4) On receipt of a request pursuant to section 2151.86 of 133
the Revised Code, a completed form prescribed pursuant to 134
division (C) (1) of this section, and a set of fingerprint 135
impressions obtained in the manner described in division (C) (2) 136
of this section, the superintendent of the bureau of criminal 137
identification and investigation shall conduct a criminal 138

records check in the manner described in division (B) of this 139
section to determine whether any information exists that 140
indicates that the person who is the subject of the request 141
previously has been convicted of or pleaded guilty to any of the 142
following: 143

(a) A violation of section 959.13, 2903.01, 2903.02, 144
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 145
2903.21, 2903.211, 2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 146
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 147
2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 148
2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.22, 149
2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2913.49, 150
2917.01, 2917.02, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 151
2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, 152
2927.12, or 3716.11 of the Revised Code, a violation of section 153
2905.04 of the Revised Code as it existed prior to July 1, 1996, 154
a violation of section 2919.23 of the Revised Code that would 155
have been a violation of section 2905.04 of the Revised Code as 156
it existed prior to July 1, 1996, had the violation been 157
committed prior to that date, a violation of section 2925.11 of 158
the Revised Code that is not a minor drug possession offense, 159
two or more OVI or OVUAC violations committed within the three 160
years immediately preceding the submission of the application or 161
petition that is the basis of the request, or felonious sexual 162
penetration in violation of former section 2907.12 of the 163
Revised Code; 164

(b) A violation of an existing or former law of this 165
state, any other state, or the United States that is 166
substantially equivalent to any of the offenses listed in 167
division (A) (4) (a) of this section. 168

(5) Upon receipt of a request pursuant to section 5104.013 169
of the Revised Code, a completed form prescribed pursuant to 170
division (C)(1) of this section, and a set of fingerprint 171
impressions obtained in the manner described in division (C)(2) 172
of this section, the superintendent of the bureau of criminal 173
identification and investigation shall conduct a criminal 174
records check in the manner described in division (B) of this 175
section to determine whether any information exists that 176
indicates that the person who is the subject of the request has 177
been convicted of or pleaded guilty to any of the following: 178

(a) A violation of section 2151.421, 2903.01, 2903.02, 179
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 180
2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32, 181
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 182
2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 183
2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 184
2909.03, 2909.04, 2909.05, 2911.01, 2911.02, 2911.11, 2911.12, 185
2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11, 186
2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.41, 187
2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 188
2913.48, 2913.49, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 189
2919.22, 2919.224, 2919.225, 2919.24, 2919.25, 2921.03, 2921.11, 190
2921.13, 2921.14, 2921.34, 2921.35, 2923.01, 2923.12, 2923.13, 191
2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 192
3716.11 of the Revised Code, felonious sexual penetration in 193
violation of former section 2907.12 of the Revised Code, a 194
violation of section 2905.04 of the Revised Code as it existed 195
prior to July 1, 1996, a violation of section 2919.23 of the 196
Revised Code that would have been a violation of section 2905.04 197
of the Revised Code as it existed prior to July 1, 1996, had the 198
violation been committed prior to that date, a violation of 199

section 2925.11 of the Revised Code that is not a minor drug 200
possession offense, a violation of section 2923.02 or 2923.03 of 201
the Revised Code that relates to a crime specified in this 202
division, or a second violation of section 4511.19 of the 203
Revised Code within five years of the date of application for 204
licensure or certification. 205

(b) A violation of an existing or former law of this 206
state, any other state, or the United States that is 207
substantially equivalent to any of the offenses or violations 208
described in division (A) (5) (a) of this section. 209

(6) Upon receipt of a request pursuant to section 5153.111 210
of the Revised Code, a completed form prescribed pursuant to 211
division (C) (1) of this section, and a set of fingerprint 212
impressions obtained in the manner described in division (C) (2) 213
of this section, the superintendent of the bureau of criminal 214
identification and investigation shall conduct a criminal 215
records check in the manner described in division (B) of this 216
section to determine whether any information exists that 217
indicates that the person who is the subject of the request 218
previously has been convicted of or pleaded guilty to any of the 219
following: 220

(a) A violation of section 2903.01, 2903.02, 2903.03, 221
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 222
2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 223
2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 224
2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 225
2909.02, 2909.03, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 226
2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 227
2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised 228
Code, felonious sexual penetration in violation of former 229

section 2907.12 of the Revised Code, a violation of section 230
2905.04 of the Revised Code as it existed prior to July 1, 1996, 231
a violation of section 2919.23 of the Revised Code that would 232
have been a violation of section 2905.04 of the Revised Code as 233
it existed prior to July 1, 1996, had the violation been 234
committed prior to that date, or a violation of section 2925.11 235
of the Revised Code that is not a minor drug possession offense; 236

(b) A violation of an existing or former law of this 237
state, any other state, or the United States that is 238
substantially equivalent to any of the offenses listed in 239
division (A) (6) (a) of this section. 240

(7) On receipt of a request for a criminal records check 241
from an individual pursuant to section 4749.03 or 4749.06 of the 242
Revised Code, accompanied by a completed copy of the form 243
prescribed in division (C) (1) of this section and a set of 244
fingerprint impressions obtained in a manner described in 245
division (C) (2) of this section, the superintendent of the 246
bureau of criminal identification and investigation shall 247
conduct a criminal records check in the manner described in 248
division (B) of this section to determine whether any 249
information exists indicating that the person who is the subject 250
of the request has been convicted of or pleaded guilty to a 251
felony in this state or in any other state. If the individual 252
indicates that a firearm will be carried in the course of 253
business, the superintendent shall require information from the 254
federal bureau of investigation as described in division (B) (2) 255
of this section. Subject to division (F) of this section, the 256
superintendent shall report the findings of the criminal records 257
check and any information the federal bureau of investigation 258
provides to the director of public safety. 259

(8) On receipt of a request pursuant to section 1321.37, 260
1321.53, or 4763.05 of the Revised Code, a completed form 261
prescribed pursuant to division (C)(1) of this section, and a 262
set of fingerprint impressions obtained in the manner described 263
in division (C)(2) of this section, the superintendent of the 264
bureau of criminal identification and investigation shall 265
conduct a criminal records check with respect to any person who 266
has applied for a license, permit, or certification from the 267
department of commerce or a division in the department. The 268
superintendent shall conduct the criminal records check in the 269
manner described in division (B) of this section to determine 270
whether any information exists that indicates that the person 271
who is the subject of the request previously has been convicted 272
of or pleaded guilty to any of the following: a violation of 273
section 2913.02, 2913.11, 2913.31, 2913.51, or 2925.03 of the 274
Revised Code; any other criminal offense involving theft, 275
receiving stolen property, embezzlement, forgery, fraud, passing 276
bad checks, money laundering, or drug trafficking, or any 277
criminal offense involving money or securities, as set forth in 278
Chapters 2909., 2911., 2913., 2915., 2921., 2923., and 2925. of 279
the Revised Code; or any existing or former law of this state, 280
any other state, or the United States that is substantially 281
equivalent to those offenses. 282

(9) On receipt of a request for a criminal records check 283
from the treasurer of state under section 113.041 of the Revised 284
Code or from an individual under section 4701.08, 4715.101, 285
4717.061, 4725.121, 4725.501, 4729.071, 4729.53, 4729.90, 286
4729.92, 4730.101, 4730.14, 4730.28, 4731.081, 4731.15, 287
4731.171, 4731.222, 4731.281, 4731.296, 4731.531, 4732.091, 288
4734.202, 4740.061, 4741.10, 4747.051, 4753.061, 4755.70, 289
4757.101, 4759.061, 4760.032, 4760.06, 4761.051, 4762.031, 290

4762.06, 4774.031, 4774.06, 4776.021, 4778.04, 4778.07, 291
4779.091, or 4783.04 of the Revised Code, accompanied by a 292
completed form prescribed under division (C)(1) of this section 293
and a set of fingerprint impressions obtained in the manner 294
described in division (C)(2) of this section, the superintendent 295
of the bureau of criminal identification and investigation shall 296
conduct a criminal records check in the manner described in 297
division (B) of this section to determine whether any 298
information exists that indicates that the person who is the 299
subject of the request has been convicted of or pleaded guilty 300
to any criminal offense in this state or any other state. 301
Subject to division (F) of this section, the superintendent 302
shall send the results of a check requested under section 303
113.041 of the Revised Code to the treasurer of state and shall 304
send the results of a check requested under any of the other 305
listed sections to the licensing board specified by the 306
individual in the request. 307

(10) On receipt of a request pursuant to section 124.74, 308
1121.23, 1315.141, 1733.47, or 1761.26 of the Revised Code, a 309
completed form prescribed pursuant to division (C)(1) of this 310
section, and a set of fingerprint impressions obtained in the 311
manner described in division (C)(2) of this section, the 312
superintendent of the bureau of criminal identification and 313
investigation shall conduct a criminal records check in the 314
manner described in division (B) of this section to determine 315
whether any information exists that indicates that the person 316
who is the subject of the request previously has been convicted 317
of or pleaded guilty to any criminal offense under any existing 318
or former law of this state, any other state, or the United 319
States. 320

(11) On receipt of a request for a criminal records check 321

from an appointing or licensing authority under section 3772.07 322
of the Revised Code, a completed form prescribed under division 323
(C) (1) of this section, and a set of fingerprint impressions 324
obtained in the manner prescribed in division (C) (2) of this 325
section, the superintendent of the bureau of criminal 326
identification and investigation shall conduct a criminal 327
records check in the manner described in division (B) of this 328
section to determine whether any information exists that 329
indicates that the person who is the subject of the request 330
previously has been convicted of or pleaded guilty or no contest 331
to any offense under any existing or former law of this state, 332
any other state, or the United States that is a disqualifying 333
offense as defined in section 3772.07 of the Revised Code or 334
substantially equivalent to such an offense. 335

(12) On receipt of a request pursuant to section 2151.33 336
or 2151.412 of the Revised Code, a completed form prescribed 337
pursuant to division (C) (1) of this section, and a set of 338
fingerprint impressions obtained in the manner described in 339
division (C) (2) of this section, the superintendent of the 340
bureau of criminal identification and investigation shall 341
conduct a criminal records check with respect to any person for 342
whom a criminal records check is required under that section. 343
The superintendent shall conduct the criminal records check in 344
the manner described in division (B) of this section to 345
determine whether any information exists that indicates that the 346
person who is the subject of the request previously has been 347
convicted of or pleaded guilty to any of the following: 348

(a) A violation of section 2903.01, 2903.02, 2903.03, 349
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 350
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 351
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 352

2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 353
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 354
2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 355
2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 356
2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code; 357

(b) An existing or former law of this state, any other 358
state, or the United States that is substantially equivalent to 359
any of the offenses listed in division (A) (12) (a) of this 360
section. 361

(13) On receipt of a request pursuant to section 3796.12 362
of the Revised Code, a completed form prescribed pursuant to 363
division (C) (1) of this section, and a set of fingerprint 364
impressions obtained in a manner described in division (C) (2) of 365
this section, the superintendent of the bureau of criminal 366
identification and investigation shall conduct a criminal 367
records check in the manner described in division (B) of this 368
section to determine whether any information exists that 369
indicates that the person who is the subject of the request 370
previously has been convicted of or pleaded guilty to the 371
following: 372

(a) A disqualifying offense as specified in rules adopted 373
under division (B) (2) (b) of section 3796.03 of the Revised Code 374
if the person who is the subject of the request is an 375
administrator or other person responsible for the daily 376
operation of, or an owner or prospective owner, officer or 377
prospective officer, or board member or prospective board member 378
of, an entity seeking a license from the department of commerce 379
under Chapter 3796. of the Revised Code; 380

(b) A disqualifying offense as specified in rules adopted 381
under division (B) (2) (b) of section 3796.04 of the Revised Code 382

if the person who is the subject of the request is an 383
administrator or other person responsible for the daily 384
operation of, or an owner or prospective owner, officer or 385
prospective officer, or board member or prospective board member 386
of, an entity seeking a license from the state board of pharmacy 387
under Chapter 3796. of the Revised Code. 388

(14) On receipt of a request required by section 3796.13 389
of the Revised Code, a completed form prescribed pursuant to 390
division (C)(1) of this section, and a set of fingerprint 391
impressions obtained in a manner described in division (C)(2) of 392
this section, the superintendent of the bureau of criminal 393
identification and investigation shall conduct a criminal 394
records check in the manner described in division (B) of this 395
section to determine whether any information exists that 396
indicates that the person who is the subject of the request 397
previously has been convicted of or pleaded guilty to the 398
following: 399

(a) A disqualifying offense as specified in rules adopted 400
under division (B)(8)(a) of section 3796.03 of the Revised Code 401
if the person who is the subject of the request is seeking 402
employment with an entity licensed by the department of commerce 403
under Chapter 3796. of the Revised Code; 404

(b) A disqualifying offense as specified in rules adopted 405
under division (B)(14)(a) of section 3796.04 of the Revised Code 406
if the person who is the subject of the request is seeking 407
employment with an entity licensed by the state board of 408
pharmacy under Chapter 3796. of the Revised Code. 409

(15) On receipt of a request pursuant to section 4768.06 410
of the Revised Code, a completed form prescribed under division 411
(C)(1) of this section, and a set of fingerprint impressions 412

obtained in the manner described in division (C) (2) of this 413
section, the superintendent of the bureau of criminal 414
identification and investigation shall conduct a criminal 415
records check in the manner described in division (B) of this 416
section to determine whether any information exists indicating 417
that the person who is the subject of the request has been 418
convicted of or pleaded guilty to a felony in this state or in 419
any other state. 420

(16) On receipt of a request pursuant to division (B) of 421
section 4764.07 of the Revised Code, a completed form prescribed 422
under division (C) (1) of this section, and a set of fingerprint 423
impressions obtained in the manner described in division (C) (2) 424
of this section, the superintendent of the bureau of criminal 425
identification and investigation shall conduct a criminal 426
records check in the manner described in division (B) of this 427
section to determine whether any information exists indicating 428
that the person who is the subject of the request has been 429
convicted of or pleaded guilty to any crime of moral turpitude, 430
a felony, or an equivalent offense in any other state or the 431
United States. 432

(17) On receipt of a request for a criminal records check 433
under section 147.022 of the Revised Code, a completed form 434
prescribed under division (C) (1) of this section, and a set of 435
fingerprint impressions obtained in the manner prescribed in 436
division (C) (2) of this section, the superintendent of the 437
bureau of criminal identification and investigation shall 438
conduct a criminal records check in the manner described in 439
division (B) of this section to determine whether any 440
information exists that indicates that the person who is the 441
subject of the request previously has been convicted of or 442
pleaded guilty or no contest to any disqualifying offense, as 443

defined in section 147.011 of the Revised Code, or to any 444
offense under any existing or former law of this state, any 445
other state, or the United States that is substantially 446
equivalent to such a disqualifying offense. 447

(18) On receipt of a request pursuant to section 3770.32 448
of the Revised Code, a completed form prescribed under division 449
(C) (1) of this section, and a set of fingerprint impressions 450
obtained in the manner described in division (C) (2) of this 451
section, the superintendent of the bureau of criminal 452
identification and investigation shall conduct a criminal 453
records check in the manner described in division (B) of this 454
section to determine whether any information exists indicating 455
that the person who is the subject of the request has been 456
convicted of or pleaded guilty or no contest to any offense 457
under any existing or former law of this state, any other state, 458
or the United States that is a disqualifying offense as 459
described in division (A) (3) of section 3770.36 of the Revised 460
Code or substantially equivalent to a disqualifying offense as 461
described in that section. 462

(B) Subject to division (F) of this section, the 463
superintendent shall conduct any criminal records check to be 464
conducted under this section as follows: 465

(1) The superintendent shall review or cause to be 466
reviewed any relevant information gathered and compiled by the 467
bureau under division (A) of section 109.57 of the Revised Code 468
that relates to the person who is the subject of the criminal 469
records check, including, if the criminal records check was 470
requested under section 113.041, 121.08, 124.74, 173.27, 173.38, 471
173.381, 1121.23, 1315.141, 1321.37, 1321.53, 1733.47, 1761.26, 472
2151.86, 3301.32, 3301.541, 3319.39, 3701.881, 3712.09, 473

3721.121, 3770.32, 3772.07, 3796.12, 3796.13, 4729.071, 4729.53, 474
4729.90, 4729.92, 4749.03, 4749.06, 4763.05, 4764.07, 4768.06, 475
5104.013, 5164.34, 5164.341, 5164.342, 5123.081, 5123.169, or 476
5153.111 of the Revised Code, any relevant information contained 477
in records that have been sealed under section 2953.32 of the 478
Revised Code; 479

(2) If the request received by the superintendent asks for 480
information from the federal bureau of investigation, the 481
superintendent shall request from the federal bureau of 482
investigation any information it has with respect to the person 483
who is the subject of the criminal records check, including 484
fingerprint-based checks of national crime information databases 485
as described in 42 U.S.C. 671 if the request is made pursuant to 486
section 2151.86 or 5104.013 of the Revised Code or if any other 487
Revised Code section requires fingerprint-based checks of that 488
nature, and shall review or cause to be reviewed any information 489
the superintendent receives from that bureau. If a request under 490
section 3319.39 of the Revised Code asks only for information 491
from the federal bureau of investigation, the superintendent 492
shall not conduct the review prescribed by division (B) (1) of 493
this section. 494

(3) The superintendent or the superintendent's designee 495
may request criminal history records from other states or the 496
federal government pursuant to the national crime prevention and 497
privacy compact set forth in section 109.571 of the Revised 498
Code. 499

(4) The superintendent shall include in the results of the 500
criminal records check a list or description of the offenses 501
listed or described in division (A) (1), (2), (3), (4), (5), (6), 502
(7), (8), (9), (10), (11), (12), (13), (14), (15), (16), or (17) 503

of this section, whichever division requires the superintendent 504
to conduct the criminal records check. The superintendent shall 505
exclude from the results any information the dissemination of 506
which is prohibited by federal law. 507

(5) The superintendent shall send the results of the 508
criminal records check to the person to whom it is to be sent 509
not later than the following number of days after the date the 510
superintendent receives the request for the criminal records 511
check, the completed form prescribed under division (C) (1) of 512
this section, and the set of fingerprint impressions obtained in 513
the manner described in division (C) (2) of this section: 514

(a) If the superintendent is required by division (A) of 515
this section (other than division (A) (3) of this section) to 516
conduct the criminal records check, thirty; 517

(b) If the superintendent is required by division (A) (3) 518
of this section to conduct the criminal records check, sixty. 519

(C) (1) The superintendent shall prescribe a form to obtain 520
the information necessary to conduct a criminal records check 521
from any person for whom a criminal records check is to be 522
conducted under this section. The form that the superintendent 523
prescribes pursuant to this division may be in a tangible 524
format, in an electronic format, or in both tangible and 525
electronic formats. 526

(2) The superintendent shall prescribe standard impression 527
sheets to obtain the fingerprint impressions of any person for 528
whom a criminal records check is to be conducted under this 529
section. Any person for whom a records check is to be conducted 530
under this section shall obtain the fingerprint impressions at a 531
county sheriff's office, municipal police department, or any 532

other entity with the ability to make fingerprint impressions on 533
the standard impression sheets prescribed by the superintendent. 534
The office, department, or entity may charge the person a 535
reasonable fee for making the impressions. The standard 536
impression sheets the superintendent prescribes pursuant to this 537
division may be in a tangible format, in an electronic format, 538
or in both tangible and electronic formats. 539

(3) Subject to division (D) of this section, the 540
superintendent shall prescribe and charge a reasonable fee for 541
providing a criminal records check under this section. The 542
person requesting the criminal records check shall pay the fee 543
prescribed pursuant to this division. In the case of a request 544
under section 1121.23, 1155.03, 1163.05, 1315.141, 1733.47, 545
1761.26, 2151.33, 2151.412, or 5164.34 of the Revised Code, the 546
fee shall be paid in the manner specified in that section. 547

(4) The superintendent of the bureau of criminal 548
identification and investigation may prescribe methods of 549
forwarding fingerprint impressions and information necessary to 550
conduct a criminal records check, which methods shall include, 551
but not be limited to, an electronic method. 552

(D) The results of a criminal records check conducted 553
under this section, other than a criminal records check 554
specified in division (A)(7) of this section, are valid for the 555
person who is the subject of the criminal records check for a 556
period of one year from the date upon which the superintendent 557
completes the criminal records check. If during that period the 558
superintendent receives another request for a criminal records 559
check to be conducted under this section for that person, the 560
superintendent shall provide the results from the previous 561
criminal records check of the person at a lower fee than the fee 562

prescribed for the initial criminal records check. 563

(E) When the superintendent receives a request for 564
information from a registered private provider, the 565
superintendent shall proceed as if the request was received from 566
a school district board of education under section 3319.39 of 567
the Revised Code. The superintendent shall apply division (A) (1) 568
(c) of this section to any such request for an applicant who is 569
a teacher. 570

(F) (1) Subject to division (F) (2) of this section, all 571
information regarding the results of a criminal records check 572
conducted under this section that the superintendent reports or 573
sends under division (A) (7) or (9) of this section to the 574
director of public safety, the treasurer of state, or the 575
person, board, or entity that made the request for the criminal 576
records check shall relate to the conviction of the subject 577
person, or the subject person's plea of guilty to, a criminal 578
offense. 579

(2) Division (F) (1) of this section does not limit, 580
restrict, or preclude the superintendent's release of 581
information that relates to the arrest of a person who is 582
eighteen years of age or older, to an adjudication of a child as 583
a delinquent child, or to a criminal conviction of a person 584
under eighteen years of age in circumstances in which a release 585
of that nature is authorized under division (E) (2), (3), or (4) 586
of section 109.57 of the Revised Code pursuant to a rule adopted 587
under division (E) (1) of that section. 588

(G) As used in this section: 589

(1) "Criminal records check" means any criminal records 590
check conducted by the superintendent of the bureau of criminal 591

identification and investigation in accordance with division (B) 592
of this section. 593

(2) "Minor drug possession offense" has the same meaning 594
as in section 2925.01 of the Revised Code. 595

(3) "OVI or OVUAC violation" means a violation of section 596
4511.19 of the Revised Code or a violation of an existing or 597
former law of this state, any other state, or the United States 598
that is substantially equivalent to section 4511.19 of the 599
Revised Code. 600

(4) "Registered private provider" means a nonpublic school 601
or entity registered with the superintendent of public 602
instruction under section 3310.41 of the Revised Code to 603
participate in the autism scholarship program or section 3310.58 604
of the Revised Code to participate in the Jon Peterson special 605
needs scholarship program. 606

Sec. 718.031. As used in this section, "sports gaming 607
facility" has the same meaning as in section 3770.30 of the 608
Revised Code. 609

(A) A municipal corporation shall require a casino 610
facility or a casino operator, as defined in Section 6(C)(9) of 611
Article XV, Ohio Constitution, and section 3772.01 of the 612
Revised Code, respectively, or a lottery sales agent conducting 613
video lottery terminals on behalf of the state to withhold and 614
remit municipal income tax with respect to amounts other than 615
qualifying wages as provided in this section. 616

(B) If a person's winnings ~~at a~~ from casino facility 617
gaming or from sports gaming are an amount for which reporting 618
to the internal revenue service of the amount is required by 619
section 6041 of the Internal Revenue Code, as amended, ~~the a~~ 620

casino operator shall deduct and withhold municipal income tax 621
from the person's winnings at the rate of the tax imposed by the 622
municipal corporation in which the operator's casino facility or 623
sports gaming facility is located. 624

(C) Amounts deducted and withheld by a casino operator are 625
held in trust for the benefit of the municipal corporation to 626
which the tax is owed. 627

(1) On or before the tenth day of each month, the casino 628
operator shall file a return electronically with the tax 629
administrator of the municipal corporation, providing the name, 630
address, and social security number of the person from whose 631
winnings amounts were deducted and withheld, the amount of each 632
such deduction and withholding during the preceding calendar 633
month, the amount of the winnings from which each such amount 634
was withheld, the type of casino gaming or sports gaming that 635
resulted in such winnings, and any other information required by 636
the tax administrator. With this return, the casino operator 637
shall remit electronically to the municipal corporation all 638
amounts deducted and withheld during the preceding month. 639

(2) Annually, on or before the thirty-first day of 640
January, a casino operator shall file an annual return 641
electronically with the tax administrator of the municipal 642
corporation in which the casino facility or sports gaming 643
facility is located, indicating the total amount deducted and 644
withheld during the preceding calendar year. The casino operator 645
shall remit electronically with the annual return any amount 646
that was deducted and withheld and that was not previously 647
remitted. If the name, address, or social security number of a 648
person or the amount deducted and withheld with respect to that 649
person was omitted on a monthly return for that reporting 650

period, that information shall be indicated on the annual 651
return. 652

(3) Annually, on or before the thirty-first day of 653
January, a casino operator shall issue an information return to 654
each person with respect to whom an amount has been deducted and 655
withheld during the preceding calendar year. The information 656
return shall show the total amount of municipal income tax 657
deducted from the person's winnings during the preceding year. 658
The casino operator shall provide to the tax administrator a 659
copy of each information return issued under this division. The 660
administrator may require that such copies be transmitted 661
electronically. 662

(4) A casino operator that fails to file a return and 663
remit the amounts deducted and withheld shall be personally 664
liable for the amount withheld and not remitted. Such personal 665
liability extends to any penalty and interest imposed for the 666
late filing of a return or the late payment of tax deducted and 667
withheld. 668

(5) If a casino operator sells the casino facility or 669
sports gaming facility, or otherwise quits the casino or sports 670
gaming business, the amounts deducted and withheld along with 671
any penalties and interest thereon are immediately due and 672
payable. The successor shall withhold an amount of the purchase 673
money that is sufficient to cover the amounts deducted and 674
withheld along with any penalties and interest thereon until the 675
predecessor casino operator produces either of the following: 676

(a) A receipt from the tax administrator showing that the 677
amounts deducted and withheld and penalties and interest thereon 678
have been paid; 679

(b) A certificate from the tax administrator indicating 680
that no amounts are due. 681

If the successor fails to withhold purchase money, the 682
successor is personally liable for the payment of the amounts 683
deducted and withheld and penalties and interest thereon. 684

(6) The failure of a casino operator to deduct and 685
withhold the required amount from a person's winnings does not 686
relieve that person from liability for the municipal income tax 687
with respect to those winnings. 688

(D) If a person's winnings from sports gaming or prize 689
award from a video lottery terminal is an amount for which 690
reporting to the internal revenue service is required by section 691
6041 of the Internal Revenue Code, as amended, ~~the a~~ video 692
lottery sales agent shall deduct and withhold municipal income 693
tax from the person's winnings or prize award at the rate of the 694
tax imposed by the municipal corporation in which the agent's 695
video lottery terminal facility or sports gaming facility is 696
located. 697

(E) Amounts deducted and withheld by a video lottery sales 698
agent are held in trust for the benefit of the municipal 699
corporation to which the tax is owed. 700

(1) The video lottery sales agent shall issue to a person 701
from whose winnings or prize award an amount has been deducted 702
and withheld a receipt for the amount deducted and withheld, and 703
shall obtain from the person receiving winnings or a prize award 704
the person's name, address, and social security number in order 705
to facilitate the preparation of returns required by this 706
section. 707

(2) On or before the tenth day of each month, the video 708

lottery sales agent shall file a return electronically with the 709
tax administrator of the municipal corporation providing the 710
names, addresses, and social security numbers of the persons 711
from whose winnings or prize awards amounts were deducted and 712
withheld, the amount of each such deduction and withholding 713
during the preceding calendar month, the amount of the winnings 714
or prize award from which each such amount was withheld, and any 715
other information required by the tax administrator. With the 716
return, the video lottery sales agent shall remit electronically 717
to the tax administrator all amounts deducted and withheld 718
during the preceding month. 719

(3) A video lottery sales agent shall maintain a record of 720
all receipts issued under division (E) of this section and shall 721
make those records available to the tax administrator upon 722
request. Such records shall be maintained in accordance with 723
section 5747.17 of the Revised Code and any rules adopted 724
pursuant thereto. 725

(4) Annually, on or before the thirty-first day of 726
January, each video lottery terminal sales agent shall file an 727
annual return electronically with the tax administrator of the 728
municipal corporation in which the facility is located 729
indicating the total amount deducted and withheld during the 730
preceding calendar year. The video lottery sales agent shall 731
remit electronically with the annual return any amount that was 732
deducted and withheld and that was not previously remitted. If 733
the name, address, or social security number of a person or the 734
amount deducted and withheld with respect to that person was 735
omitted on a monthly return for that reporting period, that 736
information shall be indicated on the annual return. 737

(5) Annually, on or before the thirty-first day of 738

January, a video lottery sales agent shall issue an information 739
return to each person with respect to whom an amount has been 740
deducted and withheld during the preceding calendar year. The 741
information return shall show the total amount of municipal 742
income tax deducted and withheld from the person's winnings or 743
prize award by the video lottery sales agent during the 744
preceding year. A video lottery sales agent shall provide to the 745
tax administrator of the municipal corporation a copy of each 746
information return issued under this division. The tax 747
administrator may require that such copies be transmitted 748
electronically. 749

(6) A video lottery sales agent who fails to file a return 750
and remit the amounts deducted and withheld is personally liable 751
for the amount deducted and withheld and not remitted. Such 752
personal liability extends to any penalty and interest imposed 753
for the late filing of a return or the late payment of tax 754
deducted and withheld. 755

(F) If a video lottery sales agent ceases to operate video 756
lottery terminals, sells a sports gaming facility, or otherwise 757
quits the sports gaming business, the amounts deducted and 758
withheld along with any penalties and interest thereon are 759
immediately due and payable. The successor of the video lottery 760
sales agent ~~that purchases the video lottery terminals from the~~ 761
~~agent~~ shall withhold an amount from the purchase money that is 762
sufficient to cover the amounts deducted and withheld and any 763
penalties and interest thereon until the predecessor video 764
lottery sales agent operator produces either of the following: 765

(1) A receipt from the tax administrator showing that the 766
amounts deducted and withheld and penalties and interest thereon 767
have been paid; 768

(2) A certificate from the tax administrator indicating 769
that no amounts are due. 770

If the successor fails to withhold purchase money, the 771
successor is personally liable for the payment of the amounts 772
deducted and withheld and penalties and interest thereon. 773

(G) The failure of a video lottery sales agent to deduct 774
and withhold the required amount from a person's winnings or 775
prize award~~awards~~ does not relieve that person from liability 776
for the municipal income tax with respect to ~~that~~ those winnings 777
or prize award~~awards~~. 778

(H) If a casino operator or lottery sales agent files a 779
return late, fails to file a return, remits amounts deducted and 780
withheld late, or fails to remit amounts deducted and withheld 781
as required under this section, the tax administrator of a 782
municipal corporation may impose the following applicable 783
penalty: 784

(1) For the late remittance of, or failure to remit, tax 785
deducted and withheld under this section, a penalty equal to 786
fifty per cent of the tax deducted and withheld; 787

(2) For the failure to file, or the late filing of, a 788
monthly or annual return, a penalty of five hundred dollars for 789
each return not filed or filed late. Interest shall accrue on 790
past due amounts deducted and withheld at the rate prescribed in 791
section 5703.47 of the Revised Code. 792

(I) Amounts deducted and withheld on behalf of a municipal 793
corporation shall be allowed as a credit against payment of the 794
tax imposed by the municipal corporation and shall be treated as 795
taxes paid for purposes of section 718.08 of the Revised Code. 796
This division applies only to the person for whom the amount is 797

deducted and withheld. 798

(J) The tax administrator shall prescribe the forms of the 799
receipts and returns required under this section. 800

Sec. 3770.01. (A) There is hereby created the state 801
lottery commission consisting of ~~nine~~eleven members appointed 802
by the governor with the advice and consent of the senate. No 803
more than ~~five~~six members of the commission shall be members of 804
the same political party. Of the additional and new appointments 805
made to the commission pursuant to the amendment of August 1, 806
1980, three shall be for terms ending August 1, 1981, three 807
shall be for terms ending August 1, 1982, and three shall be for 808
terms ending August 1, 1983. The additional two members first 809
appointed to the commission after the effective date of this 810
amendment shall be appointed to terms ending August 1, 2022. 811
Thereafter, terms of office shall be for three years, each term 812
ending on the same day of the same month of the year as did the 813
term which it succeeds. 814

(B) Each member shall hold office from the date of 815
appointment until the end of the term for which the member was 816
appointed. Any member appointed to fill a vacancy occurring 817
prior to the expiration of the term for which the member's 818
predecessor was appointed shall hold office for the remainder of 819
that term. Any member shall continue in office subsequent to the 820
expiration date of the member's term until the member's 821
successor takes office, or until a period of sixty days has 822
elapsed, whichever occurs first. 823

(C) All members of the commission shall be citizens of the 824
United States and residents of this state. The members of the 825
commission shall represent the various geographic regions of the 826
state. No member of the commission shall have any pecuniary 827

interest in any contract or license awarded by the commission. 828
One person appointed as a member of the commission shall have 829
experience or training in the area of problem gambling or other 830
addictions and in assistance to recovering gambling or other 831
addicts. Each person appointed as a member of the commission, 832
except the member appointed as having experience or training in 833
the area of problem gambling or other addictions and in 834
assistance to recovering gambling or other addicts, shall have 835
prior experience or education in business administration, 836
management, sales, marketing, or advertising. Three persons 837
appointed as members of the commission shall have gaming 838
experience. 839

(D) The commission shall elect annually one of its members 840
to serve as chairperson for a term of one year. Election as 841
chairperson shall not extend a member's appointive term. Each 842
member of the commission shall receive an annual salary of five 843
thousand dollars, payable in monthly installments. Each member 844
of the commission also shall receive the member's actual and 845
necessary expenses incurred in the discharge of the member's 846
official duties. 847

(E) Each member of the commission, before entering upon 848
the discharge of the member's official duties, shall give a 849
bond, payable to the treasurer of state, in the sum of ten 850
thousand dollars with sufficient sureties to be approved by the 851
treasurer of state, which bond shall be filed with the secretary 852
of state. 853

(F) The governor may remove any member of the commission 854
for malfeasance, misfeasance, or nonfeasance in office, giving 855
the member a copy of the charges against the member and 856
affording the member an opportunity to be publicly heard in 857

person or by counsel in the member's own defense upon not less 858
than ten days' notice. If the member is removed, the governor 859
shall file in the office of the secretary of state a complete 860
statement of all charges made against the member and the 861
governor's finding on the charges, together with a complete 862
report of the proceedings, and the governor's decision on the 863
charges is final. 864

(G) The commission shall maintain offices at locations in 865
the state as it may consider necessary for the efficient 866
performance of its functions. The director shall maintain an 867
office in Columbus to coordinate the activities of the state 868
lottery commission with other state departments. 869

Sec. 3770.02. (A) Subject to the advice and consent of the 870
senate, the governor shall appoint a director of the state 871
lottery commission who shall serve at the pleasure of the 872
governor. The director shall devote full time to the duties of 873
the office and shall hold no other office or employment. The 874
director shall meet all requirements for appointment as a member 875
of the commission and shall, by experience and training, possess 876
management skills that equip the director to administer an 877
enterprise of the nature of a state lottery. The director shall 878
receive an annual salary in accordance with pay range 48 of 879
section 124.152 of the Revised Code. 880

(B) (1) The director shall attend all meetings of the 881
commission and shall act as its secretary. The director shall 882
keep a record of all commission proceedings and shall keep the 883
commission's records, files, and documents at the commission's 884
principal office. All records of the commission's meetings shall 885
be available for inspection by any member of the public, upon a 886
showing of good cause and prior notification to the director. 887

(2) The director shall be the commission's executive 888
officer and shall be responsible for keeping all commission 889
records and supervising and administering the state lottery in 890
accordance with this chapter, and carrying out all commission 891
rules adopted under section 3770.03 of the Revised Code. 892

(C) (1) The director shall appoint deputy directors as 893
necessary and as many regional managers as are required. The 894
director may also appoint necessary professional, technical, and 895
clerical assistants. All such officers and employees shall be 896
appointed and compensated pursuant to Chapter 124. of the 897
Revised Code. Regional and assistant regional managers, sales 898
representatives, and any lottery executive account 899
representatives shall remain in the unclassified service. The 900
assistant director shall act as director in the absence or 901
disability of the director. If the director does not appoint an 902
assistant director, the director shall designate a deputy 903
director to act as director in the absence or disability of the 904
director. 905

(2) The director, in consultation with the director of 906
administrative services, may establish standards of proficiency 907
and productivity for commission field representatives. 908

(D) The director shall request the bureau of criminal 909
identification and investigation, the department of public 910
safety, or any other state, local, or federal agency to supply 911
the director with the criminal records of any job applicant and 912
may periodically request the criminal records of commission 913
employees. At or prior to the time of making such a request, the 914
director shall require a job applicant or commission employee to 915
obtain fingerprint cards prescribed by the superintendent of the 916
bureau of criminal identification and investigation at a 917

qualified law enforcement agency, and the director shall cause 918
these fingerprint cards to be forwarded to the bureau of 919
criminal identification and investigation and the federal bureau 920
of investigation. The commission shall assume the cost of 921
obtaining the fingerprint cards and shall pay to each agency 922
supplying criminal records for each investigation under this 923
division a reasonable fee, as determined by the agency. 924

(E) The director shall license lottery sales agents 925
pursuant to section 3770.05 of the Revised Code and, when it is 926
considered necessary, may revoke or suspend the license of any 927
lottery sales agent. The director may license video lottery 928
technology providers, independent testing laboratories, and 929
gaming employees, and promulgate rules relating thereto. When 930
the director considers it necessary, the director may suspend or 931
revoke the license of a video lottery technology provider, 932
independent testing laboratory, or gaming employee, including 933
suspension or revocation without affording an opportunity for a 934
prior hearing under section 119.07 of the Revised Code when the 935
public safety, convenience, or trust requires immediate action. 936

(F) The director shall confer at least once each month 937
with the commission, at which time the director shall advise it 938
regarding the operation and administration of the lottery. The 939
director shall make available at the request of the commission 940
all documents, files, and other records pertaining to the 941
operation and administration of the lottery. The director shall 942
prepare and make available to the commission each month a 943
complete and accurate accounting of lottery revenues, prize 944
money disbursements and the cost of goods and services awarded 945
as prizes, operating expenses, and all other relevant financial 946
information, including an accounting of all transfers made from 947
any lottery funds in the custody of the treasurer of state to 948

benefit education. 949

(G) The director may enter into contracts for the 950
operation or promotion of the lottery pursuant to Chapter 125. 951
of the Revised Code. 952

(H) (1) Pursuant to rules adopted by the commission under 953
section 3770.03 of the Revised Code, the director shall require 954
any lottery sales agents to deposit to the credit of the state 955
lottery fund, in banking institutions designated by the 956
treasurer of state, net proceeds due the commission as 957
determined by the director. 958

(2) Pursuant to rules adopted by the commission under 959
Chapter 119. of the Revised Code, the director may impose 960
penalties for the failure of a sales agent to transfer funds to 961
the commission in a timely manner. Penalties may include 962
monetary penalties, immediate suspension or revocation of a 963
license, or any other penalty the commission adopts by rule. 964

(I) The director may arrange for any person, or any 965
banking institution, to perform functions and services in 966
connection with the operation of the lottery as the director may 967
consider necessary to carry out this chapter. 968

(J) (1) As used in this chapter, "statewide joint lottery 969
game" means a lottery game that the commission sells solely 970
within this state under an agreement with other lottery 971
jurisdictions to sell the same lottery game solely within their 972
statewide or other jurisdictional boundaries. 973

(2) If the governor directs the director to do so, the 974
director shall enter into an agreement with other lottery 975
jurisdictions to conduct statewide joint lottery games. If the 976
governor signs the agreement personally or by means of an 977

authenticating officer pursuant to section 107.15 of the Revised Code, the director then may conduct statewide joint lottery games under the agreement.

(3) The entire net proceeds from any statewide joint lottery games shall be used to fund elementary, secondary, vocational, and special education programs in this state.

(4) The commission shall conduct any statewide joint lottery games in accordance with rules it adopts under division (B) (5) of section 3770.03 of the Revised Code.

(K) (1) The director shall enter into an agreement with the department of mental health and addiction services under which the department shall provide a program of gambling addiction services on behalf of the commission. The commission shall pay the costs of the program provided pursuant to the agreement.

(2) As used in this section, "gambling addiction services" has the same meaning as in section 5119.01 of the Revised Code.

(L) The director shall do both of the following with respect to the sports gaming lottery:

(1) Employ a monitoring system utilizing software to identify irregularities in volume or odds swings that could signal suspicious activities that require further investigation. The state lottery commission shall develop the requirements and specifications for the system according to industry standards and implement the system as part of the minimum internal control standards described in division (C) of section 3770.31 of the Revised Code.

(2) Promptly report to the state lottery commission and the Ohio casino control commission any facts or circumstances related to the operation of a sports gaming licensee that

constitute a violation of state or federal law and immediately 1007
report any suspicious wagering to the appropriate state or 1008
federal authorities. 1009

Sec. 3770.30. As used in this chapter: 1010

(A) "Casino operator" has the same meaning as in section 1011
3772.01 of the Revised Code. 1012

(B) "Collegiate sport or athletic event" means a sport or 1013
athletic event offered or sponsored by, or played in connection 1014
with, a public or private institution that offers educational 1015
services beyond the secondary level. 1016

(C) "Commission" means the state lottery commission 1017
created under section 3770.01 of the Revised Code. 1018

(D) "Professional sport or athletic event" means an event 1019
at which two or more persons participate in sports or athletic 1020
events and receive compensation in excess of actual expenses for 1021
their participation in the event. 1022

(E) "Sporting event" means any professional sport or 1023
athletic event, any collegiate sport or athletic event, any 1024
motor race event, or any other special event the commission 1025
authorizes for sports gaming under this chapter, the individual 1026
performance statistics of athletes or participants in such an 1027
event, or a combination of those. 1028

(F) "Sports gaming" means participating in the sports 1029
gaming lottery operated by the state lottery commission through 1030
the business of accepting wagers on sporting events by any 1031
system or method of gaming the commission approves. "Sports 1032
gaming" includes purchasing lottery tickets whose prize 1033
determinations are based on exchange wagering, parlays, over- 1034
under, moneyline, in-game wagering, single game bets, teaser 1035

bets, in-play bets, proposition bets, pools, pari-mutuel sports 1036
wagering pools, straight bets, or any other type of wagering on 1037
sporting events approved by the commission. "Sports gaming" does 1038
not include any of the following: 1039

(1) Pari-mutuel betting on the outcome of a horse race 1040
authorized under Chapter 3769. of the Revised Code; 1041

(2) Video lottery terminals authorized under this chapter; 1042

(3) Other lottery games of the state lottery authorized 1043
under this chapter and operated by the state lottery commission; 1044

(4) Casino gaming authorized under Section 6(C) of Article 1045
XV, Ohio Constitution and Chapter 3772. of the Revised Code; 1046

(5) Fantasy contests authorized under Chapter 3774. of the 1047
Revised Code. 1048

(G) "Sports gaming agent" means a casino operator or video 1049
lottery sales agent licensed as a sports gaming agent to offer 1050
sports gaming in this state. "Sports gaming agent" does not 1051
include a veteran's or fraternal organization that contracts 1052
with a sports gaming agent to offer sports gaming in the 1053
organization's facility pursuant to section 3770.331 of the 1054
Revised Code. 1055

(H) "Sports gaming agent license" means authorization 1056
granted under this chapter by the commission to a casino 1057
operator or video lottery sales agent to offer sports gaming as 1058
a sports gaming agent. 1059

(I) "Sports gaming equipment" means any mechanical, 1060
electronic, or other device, mechanism, or equipment, including 1061
a personal device, and related software, materials, or supplies, 1062
that are used or consumed in the operation of sports gaming. 1063

(J) "Sports gaming facility" means a designated area in 1064
which sports gaming is conducted on the premises of a casino 1065
facility, of a racing facility authorized to conduct horse 1066
racing meetings in this state, or of a facility with approved 1067
sports gaming equipment under section 3770.331 of the Revised 1068
Code. As used in this division, "casino facility" has the same 1069
meaning as in section 3772.01 of the Revised Code. 1070

(K) "Sports gaming license" means a sports gaming agent 1071
license, a management services provider license issued under 1072
section 3770.34 of the Revised Code, or a sports gaming 1073
occupational license issued under section 3770.35 of the Revised 1074
Code. 1075

(L) "Sports gaming licensee" means a person who holds a 1076
valid sports gaming license. 1077

(M) "Sports gaming receipts" has the same meaning as in 1078
section 5753.01 of the Revised Code. 1079

(N) "Video lottery sales agent" means an agent of the 1080
state lottery authorized to operate an electronic device 1081
approved by the state lottery commission that provides immediate 1082
prize determinations for participants on an electronic display 1083
that is located at a facility owned by a holder of a permit as 1084
defined in rule 3769-1-05 of the Administrative Code. 1085

(O) "Wager" means to purchase a sports gaming lottery 1086
ticket through which a sum of money or thing of value is risked 1087
on an uncertain occurrence. 1088

Sec. 3770.31. (A) In all cases in which this chapter 1089
requires or allows the commission to adopt rules concerning 1090
sports gaming, the commission shall adopt those rules under 1091
Chapter 119. of the Revised Code. 1092

- (B) The commission shall adopt rules that include all of 1093
the following: 1094
- (1) Procedures for a sports gaming agent to accept wagers 1095
on a sporting event or series of sporting events; 1096
- (2) The maximum wager that a sports gaming agent may 1097
accept from any one individual on any one sporting event; 1098
- (3) The types of wagering tickets to be used; 1099
- (4) The manner in which tickets are issued; 1100
- (5) The type of records to be kept by sports gaming 1101
licensees; 1102
- (6) The system to be used to place a wager; 1103
- (7) Protections for a player placing a wager; 1104
- (8) Measures to promote responsible sports gaming; 1105
- (9) Penalties and fines for violating this section or 1106
rules adopted under this section; 1107
- (10) A prohibition against sports gaming advertising 1108
targeting individuals under twenty-one years of age; 1109
- (11) Any other procedure or thing the commission 1110
determines necessary to ensure the integrity of sports gaming. 1111
- (C) The commission shall adopt rules establishing minimum 1112
internal control standards for the administration of sports 1113
gaming operations, sports gaming equipment, systems, or other 1114
items used to conduct sports gaming, and the maintenance of 1115
financial records and other required records. The commission may 1116
approve minimum internal control standards proposed by sports 1117
gaming agents. 1118

(D) The commission shall approve sports gaming equipment 1119
and shall adopt rules requiring sports gaming licensees and 1120
sports gaming facilities to use only approved sports gaming 1121
equipment. 1122

(E) The commission shall determine a person's eligibility 1123
to hold or renew a sports gaming license, shall issue all sports 1124
gaming licenses, and shall maintain a record of all sports 1125
gaming licenses issued under this chapter. The commission shall 1126
accept applications, evaluate qualifications of applicants, and 1127
undertake initial review of sports gaming licenses before the 1128
commission has adopted rules governing issuing sports gaming 1129
licenses under this chapter. 1130

(F) The commission shall levy and collect all fees, 1131
surcharges, and civil penalties imposed under this chapter and 1132
rules adopted under this chapter and shall deposit all moneys 1133
collected into the sports gaming revenue fund created under 1134
section 5753.031 of the Revised Code. 1135

(G) The commission, in an adjudication conducted under 1136
Chapter 119. of the Revised Code, may penalize, limit, 1137
condition, restrict, suspend, revoke, deny, or refuse to renew 1138
the sports wagering license of any licensee or applicant. The 1139
commission may take into account any relevant aggravating or 1140
mitigating factors without in any manner limiting the 1141
commission's authority to impose the level and type of 1142
discipline the commission considers appropriate. 1143

(H) The commission may adopt rules that establish 1144
standards for advertising on items that are used in the conduct 1145
of, or to promote, a sports gaming event. The commission may 1146
develop its own advertising or enter into a contract for 1147
advertising services. Any revenue the commission derives from 1148

the sale of advertising on sports gaming equipment shall be 1149
deposited into the sports gaming revenue fund. 1150

(I) The commission may make anonymized sports gaming data 1151
available to professional and collegiate sports leagues as the 1152
commission determines necessary to ensure the integrity of 1153
sports gaming. 1154

Sec. 3770.32. (A) Except for a veteran's or fraternal 1155
organization that offers sports gaming under section 3770.331 of 1156
the Revised Code, no person shall operate, conduct, or assist in 1157
operating or conducting sports gaming in this state without 1158
first obtaining an appropriate sports gaming license from the 1159
state lottery commission. 1160

(B) (1) Except as otherwise required under division (B) (2) 1161
of this section, each person applying for a sports gaming 1162
license issued under this chapter shall submit one complete set 1163
of fingerprints directly to the superintendent of the bureau of 1164
criminal identification and investigation for the purpose of 1165
conducting a criminal records check. The person shall provide 1166
the fingerprints using a method the superintendent of the bureau 1167
of criminal identification and investigation prescribes pursuant 1168
to division (C) (2) of section 109.572 of the Revised Code and 1169
fill out the form the superintendent of the bureau of criminal 1170
identification and investigation prescribes pursuant to division 1171
(C) (1) of section 109.572 of the Revised Code. Upon receiving an 1172
application under this section, the director of the state 1173
lottery commission shall request the superintendent of the 1174
bureau of criminal identification and investigation, or a vendor 1175
approved by the bureau, to conduct a criminal records check 1176
based on the applicant's fingerprint impressions in accordance 1177
with division (A) (18) of section 109.572 of the Revised Code. 1178

Any fee required under division (C) (3) of section 109.572 of the 1179
Revised Code shall be paid by the applicant, or in the case of 1180
an occupational license, by the applicant's employer. The state 1181
lottery commission may require additional criminal records 1182
checks from a licensee applying to renew a sports gaming 1183
license, and any applicant convicted of any disqualifying 1184
offense as described in division (A) (3) of section 3770.36 of 1185
the Revised Code shall not be issued a license. 1186

(2) If an applicant for a sports gaming license under this 1187
chapter underwent a criminal records check during the previous 1188
three years for the purpose of obtaining or renewing a video 1189
lottery license issued by the state lottery commission or a 1190
license issued under Chapter 3772. of the Revised Code, the 1191
applicant was issued that license or had the license renewed, 1192
and the state lottery commission or the Ohio casino control 1193
commission, as applicable, has a record of the result of the 1194
applicant's criminal records check, the applicant shall not be 1195
required to undergo an additional criminal records check under 1196
division (B) (1) of this section. The state lottery commission 1197
shall use the result of the previous criminal records check 1198
obtained from its own records or from the records of the Ohio 1199
casino control commission to determine whether the applicant has 1200
been convicted of a disqualifying offense as described in 1201
division (A) (3) of section 3770.36 of the Revised Code. 1202

(C) The state lottery commission shall not grant a sports 1203
gaming agent or management services provider license until it 1204
has determined that each person who has control of the applicant 1205
has met the qualifications for sports gaming licensure 1206
established in this chapter and in rules adopted by the 1207
commission. All of the following persons are considered to have 1208
control of an applicant: 1209

(1) Each person associated with a corporate applicant, 1210
including any corporate holding company, parent company, or 1211
subsidiary company of the applicant that has the ability to 1212
control the activities of the corporate applicant or elect a 1213
majority of the board of directors of that corporation, other 1214
than any bank or other licensed lending institution that holds a 1215
mortgage or other lien acquired in the course of ordinary 1216
business; 1217

(2) Each person associated with a noncorporate applicant 1218
that directly or indirectly holds a beneficial or proprietary 1219
interest in the applicant's business operation or that the 1220
commission otherwise determines has the ability to control the 1221
applicant; 1222

(3) Key personnel of an applicant, including any 1223
executive, employee, or agency, having the power to exercise 1224
significant influence over decisions concerning any part of the 1225
applicant's business operation. 1226

(D) A sports gaming agent or management services provider 1227
shall display its license conspicuously in its place of business 1228
or have the license available for inspection by any agent of the 1229
state lottery commission or any law enforcement agency. Each 1230
holder of an occupational license issued under section 3770.35 1231
of the Revised Code shall have an indicator of licensure 1232
prominently displayed when present in a sports gaming facility 1233
at all times, in accordance with the rules of the commission. 1234

(E) A sports gaming licensee shall give the state lottery 1235
commission written notice within thirty days of any change to 1236
any information provided in the licensee's application for a 1237
license or renewal. 1238

Sec. 3770.33. (A) Except for a veteran's or fraternal organization that offers sports gaming under section 3770.331 of the Revised Code, no person shall offer sports gaming in this state without first obtaining a sports gaming agent license from the commission. 1239
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(B) Only a casino operator or a video lottery sales agent may apply for a sports gaming agent license. The commission shall issue a sports gaming agent license to an applicant that does all of the following: 1244
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(1) Submits a written application on a form furnished by the commission; 1248
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(2) Pays a nonrefundable application fee of one hundred thousand dollars; 1250
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(3) Agrees to a minimum capital investment as approved by the commission; 1252
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(4) Commits to employing a certain number of individuals on a full-time basis as approved by the commission; 1254
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(5) Does one of the following: 1256

(a) Gives to the state a surety bond, in an amount and in the form approved by the commission, to guarantee that the applicant faithfully makes all payments required by this chapter and rules adopted under this chapter; 1257
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(b) Increases the amount of an existing surety bond given to the state as a condition of licensure as a video lottery sales agent or casino operator by an amount approved by the commission and conditions the increased amount of the surety bond on the applicant faithfully making all payments required by this chapter and rules adopted under this chapter. 1261
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(6) Submits an audit of the applicant's financial transactions and the condition of the applicant's total operations for the previous fiscal year prepared by a certified public accountant in accordance with generally accepted accounting principles and state and federal laws; 1267
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(7) Satisfies any other conditions for licensure required under this chapter and rules adopted under this chapter, provided that the commission's rules shall not require an applicant for a sports gaming agent license to take action to satisfy any additional requirement for that license that is substantially similar to any requirement the applicant previously has satisfied in order to obtain or renew the applicant's video lottery sales agent license or casino operator license. 1272
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(C)(1) The term of a sports gaming agent license shall be concurrent with the term of the sports gaming agent's casino operator license issued by the Ohio casino control commission under Chapter 3772. of the Revised Code and the rules adopted under that chapter or of the sports gaming agent's video lottery sales agent license issued by the state lottery commission under this chapter and the rules adopted under this chapter, as applicable. 1281
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(2) Upon the expiration of a sports gaming agent license, the sports gaming agent may renew the license, unless any of the following are true: 1289
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(a) The license is suspended or revoked. 1292

(b) The sports gaming agent's casino operator license or video lottery sales agent license is suspended or revoked. 1293
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(c) The commission determines that the sports gaming agent 1295

is not in compliance with this chapter and the rules adopted 1296
under this chapter. 1297

(3) The sports gaming agent shall pay a nonrefundable 1298
renewal fee of one hundred thousand dollars or one per cent of 1299
the sports gaming agent's total gross receipts received from the 1300
operation of sports gaming in this state during the previous 1301
year, whichever is less. 1302

(D) No sports gaming agent shall permit a person other 1303
than the sports gaming agent to offer sports gaming on behalf of 1304
the sports gaming agent, except as permitted under sections 1305
3770.331 and 3770.34 of the Revised Code. 1306

(E) For each fiscal year during which a sports gaming 1307
agent offers sports gaming under this chapter, the sports gaming 1308
agent shall submit to the commission an audit of the sports 1309
gaming agent's financial transactions and the condition of the 1310
sports gaming agent's total operations prepared by a certified 1311
public accountant in accordance with generally accepted 1312
accounting principles and applicable state and federal laws. 1313

Sec. 3770.331. (A) As used in this section, "fraternal 1314
organization" and "veteran's organization" have the same 1315
meanings as in section 2915.01 of the Revised Code. 1316

(B) The commission shall adopt rules to permit a veteran's 1317
or fraternal organization to contract with a sports gaming agent 1318
to offer sports gaming through the sports gaming agent using 1319
sports gaming equipment located in the organization's facility. 1320
The rules shall do all of the following: 1321

(1) Require the veteran's or fraternal organization to 1322
permit only individuals who are members of the organization to 1323
participate in sports gaming offered by the organization; 1324

(2) Require the organization to pay to the commission a nonrefundable application fee of one thousand dollars; 1325
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(3) Require the organization to hold a D-class liquor permit issued under Chapter 4303. of the Revised Code for the facility where the organization seeks to offer sports gaming; 1327
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(4) Establish the compensation due to the organization, which shall be substantially similar to the compensation percentages paid to lottery sales agents; 1330
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(5) Require the sports gaming agent to comply with all applicable requirements of this chapter and of the rules adopted by the commission concerning the conduct of sports gaming at the organization's sports gaming facility; 1333
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(6) Provide for any other procedure or thing the commission determines necessary to complete its duties under this section. 1337
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(C) A contract between a veteran's or fraternal organization and a sports gaming agent under this section shall be for a term of one year. If the commission determines that the organization and the sports gaming agent are in compliance with this chapter and the rules adopted under this chapter, the organization and the sports gaming agent may renew the contract. Upon renewing the contract, the organization shall pay to the commission a nonrefundable renewal fee of one thousand dollars. 1340
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Sec. 3770.34. (A) A sports gaming agent may contract with a management services provider to offer sports gaming on the sports gaming agent's behalf, either in a sports gaming facility or in another manner authorized by the commission, in accordance with this chapter and with the rules adopted by the commission under this chapter. The management services provider shall be 1348
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licensed under this section before entering into a contract with 1354
the sports gaming agent for that purpose. 1355

(B) An applicant for a management services provider 1356
license shall meet all requirements for licensure and shall pay 1357
a nonrefundable license and application fee of one thousand 1358
dollars. The commission may accept another jurisdiction's 1359
license, if the commission determines it has similar licensing 1360
requirements, as evidence that the applicant meets the 1361
requirements for a license issued under this section. The 1362
commission may adopt rules establishing additional requirements 1363
to obtain a management services provider license, provided that 1364
the commission's rules shall not require an applicant for a 1365
management services provider license that currently holds a 1366
video lottery license issued by the commission or a license 1367
issued under Chapter 3772. of the Revised Code to take action to 1368
satisfy any additional requirement for the management services 1369
provider license that is substantially similar to any 1370
requirement the applicant previously has satisfied in order to 1371
obtain or renew the applicant's video lottery license or license 1372
issued under Chapter 3772. of the Revised Code. 1373

(C) A management services provider license shall be valid 1374
for a term of one year. The commission shall renew a license for 1375
any management services provider that remains in compliance with 1376
all requirements for the license and pays an annual renewal fee 1377
of one thousand dollars. 1378

(D) In order to permit a management services provider to 1379
offer sports gaming on behalf of a sports gaming agent, the 1380
sports gaming agent and the management services provider shall 1381
enter into a written contract that has been approved by the 1382
commission. If the sports gaming agent and the management 1383

services provider wish to make a material change to the 1384
contract, the sports gaming agent first shall submit the change 1385
to the commission for its approval or rejection. The sports 1386
gaming agent or the management services provider may not assign, 1387
delegate, subcontract, or transfer the management service 1388
provider's duties and responsibilities under the contract to a 1389
third party without the prior approval of the commission. Such a 1390
third party shall be licensed as a management services provider 1391
under this section before providing those services. 1392

(E) The provisions of this chapter concerning a sports 1393
gaming agent apply to a management services provider that 1394
contracts with the sports gaming agent with respect to all 1395
rights, duties, and liabilities of the sports gaming agent 1396
assigned, delegated, subcontracted, or transferred to the 1397
management services provider as though the management services 1398
provider were a sports gaming agent. 1399

Sec. 3770.35. (A) Except for an individual who is employed 1400
by a veteran's or fraternal organization to be engaged in sports 1401
gaming-related activities under section 3770.331 of the Revised 1402
Code, an individual who is employed to be engaged directly in 1403
sports gaming-related activities in this state, or otherwise to 1404
conduct or operate sports gaming in this state, shall hold an 1405
appropriate and valid sports gaming occupational license issued 1406
by the commission at all times. The commission shall issue a 1407
sports gaming occupational license to an individual who meets 1408
the requirements of this chapter and of the commission's rules, 1409
provided that the commission's rules shall not require an 1410
applicant for a sports gaming occupational license who currently 1411
holds a video lottery license issued by the commission or a 1412
license issued under Chapter 3772. of the Revised Code to take 1413
action to satisfy any additional requirement for the sports 1414

gaming occupational license that is substantially similar to any 1415
requirement the applicant previously has satisfied in order to 1416
obtain or renew the applicant's video lottery license or license 1417
issued under Chapter 3772. of the Revised Code. 1418

(B) A sports gaming occupational license permits the 1419
licensee to be employed in the capacity the commission 1420
designates during the duration of the license. The commission 1421
may establish by rule job classifications with different 1422
requirements. 1423

(C) An applicant for a sports gaming occupational license 1424
shall apply for the license on a form prescribed by the 1425
commission and shall pay a nonrefundable application fee of one 1426
hundred dollars. An applicant's employer may pay the fee on 1427
behalf of the applicant. 1428

(D) The commission may adopt rules allowing an individual 1429
who holds a sports gaming occupational license from another 1430
jurisdiction to be licensed in this state by reciprocity, so 1431
long as that jurisdiction's requirements to receive that license 1432
and the activities authorized by the license are substantially 1433
similar to those of this state with respect to the license the 1434
individual seeks. 1435

(E) A sports gaming occupational license shall be valid 1436
for a term of three years, provided that if the individual also 1437
holds a video lottery license issued by the commission or a 1438
license issued under Chapter 3772. of the Revised Code, the term 1439
of the individual's sports gaming occupational license shall be 1440
concurrent with that other license. In order to renew a sports 1441
gaming occupational license, the licensee shall apply to the 1442
commission on a form prescribed by the commission and shall pay 1443
to the commission a nonrefundable renewal fee of one hundred 1444

dollars. The licensee's employer may pay the fee on behalf of 1445
the licensee. 1446

Sec. 3770.36. (A) The commission shall not grant a sports 1447
gaming license to an applicant if evidence satisfactory to the 1448
commission exists that the applicant has done any of the 1449
following: 1450

(1) Knowingly made a false statement of a material fact to 1451
the commission; 1452

(2) Been suspended from operating a gambling game, gaming 1453
device, or gaming operation, or had a license revoked by any 1454
governmental unit of a national, state, or local body exercising 1455
governmental functions, other than the United States government; 1456

(3) Been convicted of a disqualifying offense, which shall 1457
be a crime of moral turpitude, a gambling-related offense, a 1458
theft or fraud offense, or has otherwise demonstrated a lack of 1459
respect for law and order as demonstrated in the criminal 1460
records check conducted under section 3770.32 of the Revised 1461
Code; 1462

(4) Been directly employed by any offshore wagering market 1463
that illegally serviced the United States or otherwise accepted 1464
illegal wagers from individuals located in the United States. 1465

(B) The commission may deny a sports gaming agent license 1466
to any applicant, reprimand any sports gaming agent, or suspend 1467
or revoke a sports gaming agent license if any of the following 1468
are true: 1469

(1) The applicant or sports gaming agent has not 1470
demonstrated to the commission's satisfaction financial 1471
responsibility sufficient to adequately meet the requirements of 1472
the enterprise. 1473

(2) The applicant or sports gaming agent is not the true owner of the business or is not the sole owner and has not disclosed the existence or identity of other persons who have an ownership interest in the business. 1474
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(3) The applicant or sports gaming agent is a corporation that sells more than five per cent of a sports gaming agent's voting stock, or more than five per cent of the voting stock of a corporation that controls the sports gaming agent, or sells a sports gaming agent's assets, other than those bought and sold in the ordinary course of business, or any interest in the assets, to any person not already determined by the commission to have met the qualifications of a sports gaming agent. 1478
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(C) The commission shall not grant a sports gaming license to an individual who is under twenty-one years of age or to an employee of the commission. 1486
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Sec. 3770.37. A sports gaming agent shall adopt comprehensive house rules for game play governing sports gaming transactions with its patrons, including rules that specify the amounts to be paid on winning wagers and the effect of schedule changes, and shall submit them to the commission for approval before implementing them. The sports gaming agent shall publish its house rules as part of its minimum internal control standards, shall display the house rules, together with any other information the commission considers appropriate, conspicuously in each sports gaming facility and in any other place or manner prescribed by the commission, and shall make copies of its house rules readily available to patrons. 1489
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Sec. 3770.38. A sports gaming agent shall do all of the following: 1501
1502

(A) Conduct all sports gaming activities and functions in a manner that does not pose a threat to the public health, safety, or welfare of the citizens of this state; 1503
1504
1505

(B) Assist the commission in maximizing sports gaming revenues; 1506
1507

(C) Keep current in all payments and obligations to the commission; 1508
1509

(D) Acquire sports gaming equipment by purchase, lease, or other assignment and provide a secure location for the placement, operation, and play of sports gaming equipment; 1510
1511
1512

(E) Prevent any person from tampering with or interfering with the operation of sports gaming; 1513
1514

(F) Except for sports gaming conducted under section 3770.331 of the Revised Code, ensure that sports gaming conducted at a sports gaming facility is within the sight and control of designated employees of the sports gaming agent and that sports gaming is conducted under continuous observation by security equipment in conformity with the specifications and requirements of the commission; 1515
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(G) Ensure that sports gaming occurs only in the locations and manner approved by the commission; 1522
1523

(H) Ensure that all sports gaming is monitored through a centralized lottery gaming system; 1524
1525

(I) Ensure that all sports gaming equipment owned or operated by the sports gaming agent is connected to and monitored through a centralized lottery gaming system; 1526
1527
1528

(J) Conspicuously post a notice at each sports gaming facility and in every other place required by the commission, 1529
1530

indicating the minimum and maximum wagers permitted, and comply 1531
with those limits; 1532

(K) Maintain sufficient funds and other supplies to 1533
conduct sports gaming at all times; 1534

(L) Maintain daily records showing the sports gaming 1535
agent's sports gaming receipts and timely file with the 1536
commission any additional reports required by rule or by other 1537
provisions of the Revised Code. 1538

Sec. 3770.39. (A) (1) A sports gaming agent shall accept 1539
wagers on sporting events only from individuals who are at least 1540
twenty-one years of age and who are physically present in this 1541
state, and only using sports gaming equipment approved in 1542
accordance with this chapter. Before accepting any wager on a 1543
sporting event from an individual, the sports gaming agent shall 1544
require the individual to register with the sports gaming agent, 1545
provide the individual's full legal name and any other 1546
information required by the commission or requested by the 1547
sports gaming agent, and place all wagers on sporting events 1548
placed with the sports gaming agent through that registration. 1549

(2) (a) An employee of a sports gaming agent who is between 1550
eighteen and twenty-one years of age may be present in a sports 1551
gaming facility, so long as the employee's duties are not 1552
related to sports gaming. 1553

(b) An individual who is under twenty-one years of age may 1554
enter a sports gaming facility in order to pass to another area 1555
where sports gaming is not being conducted, but only if the 1556
individual is personally escorted by an employee of the sports 1557
gaming agent who remains in close proximity to the individual at 1558
all times in accordance with the rules of the commission. 1559

(B) (1) The commission may exclude any individual from 1560
entering a sports gaming facility or the grounds of a sports 1561
gaming facility or from participating in the play or operation 1562
of sports gaming. The commission shall keep a list of all 1563
excluded individuals and shall make that list available to each 1564
sports gaming agent. No individual who is on the commission's 1565
exclusion list shall enter a sports gaming facility or the 1566
grounds of a sports gaming facility or participate in the play 1567
or operation of sports gaming under this chapter. 1568

(2) (a) A sports gaming agent may exclude any individual 1569
from entering a sports gaming facility, or the grounds of a 1570
sports gaming facility, that is under the control of the sports 1571
gaming agent and may exclude any individual from participating 1572
in the play or operation of sports gaming conducted by the 1573
sports gaming agent. The sports gaming agent shall keep a list 1574
of all excluded individuals. No individual who is on a sports 1575
gaming agent's exclusion list shall enter a sports gaming 1576
facility, or the grounds of a sports gaming facility, that is 1577
under the control of the sports gaming agent or participate in 1578
the play or operation of sports gaming conducted by the sports 1579
gaming agent under this chapter. 1580

(b) If a sports gaming agent excludes an individual 1581
because the sports gaming agent determines that the individual 1582
engaged or attempted to engage in any sports gaming related 1583
activity that is prohibited under this chapter or under the 1584
commission's rules, the sports gaming agent shall report that 1585
fact to the commission, and the commission shall place that 1586
individual on the commission's exclusion list. 1587

(C) No person who is on the voluntary exclusion list 1588
described in section 3772.01 of the Revised Code shall 1589

participate in the play or operation of sports gaming under this 1590
chapter. 1591

(D) No employee of a sports gaming agent shall engage in 1592
any sports gaming conducted by the sports gaming agent. 1593

(E) No employee of the commission shall knowingly wager or 1594
be paid any prize from any wager placed with a sports gaming 1595
agent in this state or with any person or entity located outside 1596
this state that is directly or indirectly owned or operated by a 1597
sports gaming agent. 1598

Sec. 3770.40. (A) All shipments of gambling devices, 1599
including any sports gaming equipment, to sports gaming 1600
facilities in this state are legal shipments of gambling devices 1601
into this state, as long as the supplier has completed the 1602
registering, recording, and labeling of the equipment in 1603
accordance with the "Gambling Devices Act of 1962," 15 U.S.C. 1604
1171 to 1178. 1605

(B) This state is exempt from section 2 of the "Gambling 1606
Devices Act of 1962," 15 U.S.C. 1172. 1607

Sec. 3770.99. (A) Whoever is prohibited from claiming a 1608
lottery prize award under division (E) of section 3770.07 of the 1609
Revised Code and attempts to claim or is paid a lottery prize 1610
award is guilty of a minor misdemeanor, and shall provide 1611
restitution to the state lottery commission of any moneys 1612
erroneously paid as a lottery prize award to that person. 1613

(B) Whoever violates division (C) of section 3770.071 or 1614
section 3770.08 of the Revised Code is guilty of a misdemeanor 1615
of the third degree. 1616

(C) Whoever knowingly does any of the following commits a 1617
misdemeanor of the first degree on the first offense and a 1618

felony of the fifth degree on a subsequent offense: 1619

(1) Makes a false statement on an application submitted 1620
under the provisions of this chapter governing sports gaming; 1621

(2) Permits an individual under twenty-one years of age to 1622
engage in sports gaming; 1623

(3) Aids, induces, or causes an individual under twenty- 1624
one years of age who is not an employee of the sports gaming 1625
agent to enter or attempt to enter a sports gaming facility; 1626

(4) Enters or attempts to enter a sports gaming facility 1627
while under twenty-one years of age, except as permitted under 1628
division (A) (2) of section 3770.39 of the Revised Code; 1629

(5) Is a sports gaming agent or an employee of a sports 1630
gaming agent and participates in sports gaming at the sports 1631
gaming facility at which the sports gaming agent or employee has 1632
an interest or is employed or at an affiliated sports gaming 1633
facility in this state, other than as part of operating sports 1634
gaming or as part of the employee's employment. 1635

(D) Whoever knowingly does any of the following commits a 1636
felony of the fifth degree on a first offense and a felony of 1637
the fourth degree on a subsequent offense. If the person is a 1638
sports gaming licensee under this chapter, the commission shall 1639
revoke the person's license after the first offense. 1640

(1) Offers, promises, or gives anything of value to anyone 1641
for the purpose of influencing the outcome of a sporting event 1642
or attempts to do so; 1643

(2) Places, increases, or decreases a wager after 1644
acquiring knowledge not available to the general public that 1645
anyone has been offered, promised, or given anything of value 1646

for the purpose of influencing the outcome of the sporting event 1647
upon which the wager is placed, increased, or decreased, or 1648
attempts to do so; 1649

(3) Manufactures, sells, or distributes any device that is 1650
intended by that person to be used to violate any provision of 1651
this chapter or the sports gaming laws of any other state; 1652

(4) Places a bet or aids any other person in placing a bet 1653
on a sporting event after unlawfully acquiring knowledge of the 1654
outcome on which winnings from that bet are contingent; 1655

(5) Claims, collects, or takes anything of value from a 1656
sports gaming agent with intent to defraud or attempts to do so 1657
without having made a wager in which the amount or value is 1658
legitimately won or owed; 1659

(6) Places a wager using counterfeit currency or other 1660
counterfeit form of credit approved for wagering; 1661

(7) Possesses any device intended to be used to violate 1662
the provisions of this chapter governing sports wagering or any 1663
rule adopted under this chapter or any materials used to 1664
manufacture such a device. This division does not apply to a 1665
sports gaming agent or to an agent or employee of a sports 1666
gaming agent who is acting in furtherance of the sports gaming 1667
agent's interest. 1668

(8) Operates sports gaming in a manner other than the 1669
manner required under this chapter. Premises used or occupied in 1670
violation of this division constitute a nuisance subject to 1671
abatement under Chapter 3767. of the Revised Code. 1672

(E) Whoever knowingly does any of the following commits a 1673
felony of the third degree. If the person is a sports gaming 1674
licensee under this chapter, the commission shall revoke the 1675

person's license after the first offense. 1676

(1) Offers, promises, or gives anything of value or 1677
benefit to a person who is connected with a sports gaming agent 1678
or to an agent or employee of a sports gaming agent, under an 1679
agreement to influence, or with the intent to influence, the 1680
actions of the person to whom the offer, promise, or gift is 1681
made in order to affect or attempt to affect the outcome of 1682
sports gaming conducted under this chapter or an official action 1683
of a member, agent, or employee of the commission; 1684

(2) Solicits, accepts, or receives a promise of anything 1685
of value or benefit while the person is connected with a sports 1686
gaming agent or an agent or employee of a sports gaming agent, 1687
under an agreement to influence, or with the intent to 1688
influence, the actions of the person to affect or attempt to 1689
affect the outcome of sports gaming conducted under this chapter 1690
or an official action of a member, agent, or employee of the 1691
commission. 1692

(F) Whoever knowingly does any of the following while 1693
participating in sports gaming or otherwise transacting with a 1694
sports gaming agent as permitted under this chapter commits a 1695
felony of the fifth degree on a first offense and a felony of 1696
the fourth degree on a subsequent offense: 1697

(1) Causes or attempts to cause a sports gaming agent to 1698
fail to file a report required under 31 U.S.C. 5313(a) or 5325 1699
or any regulation prescribed thereunder or section 1315.53 of 1700
the Revised Code, or to fail to file a report or maintain a 1701
record required by an order issued under section 21 of the 1702
"Federal Deposit Insurance Act" or section 123 of Pub. L. No. 1703
91-508; 1704

(2) Causes or attempts to cause a sports gaming agent to 1705
file a report under 31 U.S.C. 5313(a) or 5325 or any regulation 1706
prescribed thereunder or section 1315.53 of the Revised Code, to 1707
file a report or to maintain a record required by any order 1708
issued under 31 U.S.C. 3126, or to maintain a record required 1709
under any regulation prescribed under section 21 of the "Federal 1710
Deposit Insurance Act" or section 123 of Pub. L. No. 91-508 that 1711
contains a material omission or misstatement of fact; 1712

(3) With one or more sports gaming agents, structures a 1713
transaction, is complicit in structuring a transaction, attempts 1714
to structure a transaction, or is complicit in an attempt to 1715
structure a transaction. As used in this division: 1716

(a) To be "complicit" means to engage in any conduct of a 1717
type described in divisions (A) (1) to (4) of section 2923.03 of 1718
the Revised Code. 1719

(b) "Structure a transaction" has the same meaning as in 1720
section 1315.51 of the Revised Code. 1721

(G) The commission shall levy and collect penalties for 1722
noncriminal violations of the provisions of this chapter 1723
governing sports gaming. All penalties collected under this 1724
division shall be deposited in the sports gaming revenue fund. 1725

Sec. 3772.03. (A) To ensure the integrity of casino 1726
gaming, the commission shall have authority to complete the 1727
functions of licensing, regulating, investigating, and 1728
penalizing casino operators, management companies, holding 1729
companies, key employees, casino gaming employees, and gaming- 1730
related vendors. The commission also shall have jurisdiction 1731
over all persons participating in casino gaming authorized by 1732
Section 6(C) of Article XV, Ohio Constitution, and this chapter. 1733

(B) All rules adopted by the commission under this chapter 1734
shall be adopted under procedures established in Chapter 119. of 1735
the Revised Code. The commission may contract for the services 1736
of experts and consultants to assist the commission in carrying 1737
out its duties under this section. 1738

(C) The commission shall adopt rules as are necessary for 1739
completing the functions stated in division (A) of this section 1740
and for addressing the subjects enumerated in division (D) of 1741
this section. 1742

(D) The commission shall adopt, and as advisable and 1743
necessary shall amend or repeal, rules that include all of the 1744
following: 1745

(1) The prevention of practices detrimental to the public 1746
interest; 1747

(2) Prescribing the method of applying, and the form of 1748
application, that an applicant for a license under this chapter 1749
must follow as otherwise described in this chapter; 1750

(3) Prescribing the information to be furnished by an 1751
applicant or licensee as described in section 3772.11 of the 1752
Revised Code; 1753

(4) Describing the certification standards and duties of 1754
an independent testing laboratory certified under section 1755
3772.31 of the Revised Code and the relationship between the 1756
commission, the laboratory, the gaming-related vendor, and the 1757
casino operator; 1758

(5) The minimum amount of insurance that must be 1759
maintained by a casino operator, management company, holding 1760
company, or gaming-related vendor; 1761

- (6) The approval process for a significant change in ownership or transfer of control of a licensee as provided in section 3772.091 of the Revised Code; 1762
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- (7) The design of gaming supplies, devices, and equipment to be distributed by gaming-related vendors; 1765
1766
- (8) Identifying the casino gaming that is permitted, identifying the gaming supplies, devices, and equipment, that are permitted, defining the area in which the permitted casino gaming may be conducted, and specifying the method of operation according to which the permitted casino gaming is to be conducted as provided in section 3772.20 of the Revised Code, and requiring gaming devices and equipment to meet the standards of this state; 1767
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- (9) Tournament play in any casino facility; 1775
- (10) Establishing and implementing a voluntary exclusion program that provides all of the following: 1776
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- (a) Except as provided by commission rule, a person who participates in the program shall agree to refrain from entering a casino facility. 1778
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- (b) The name of a person participating in the program shall be included on a list of persons excluded from all casino facilities. 1781
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1783
- (c) Except as provided by commission rule, no person who participates in the program shall petition the commission for admittance into a casino facility. 1784
1785
1786
- (d) The list of persons participating in the program and the personal information of those persons shall be confidential and shall only be disseminated by the commission to a casino 1787
1788
1789

operator and the agents and employees of the casino operator for 1790
purposes of enforcement and to other entities, upon request of 1791
the participant and agreement by the commission. 1792

(e) A casino operator shall make all reasonable attempts 1793
as determined by the commission to cease all direct marketing 1794
efforts to a person participating in the program. 1795

(f) A casino operator shall not cash the check of a person 1796
participating in the program or extend credit to the person in 1797
any manner. However, the program shall not exclude a casino 1798
operator from seeking the payment of a debt accrued by a person 1799
before participating in the program. 1800

(g) Any and all locations at which a person may register 1801
as a participant in the program shall be published. 1802

(11) Requiring the commission to adopt standards regarding 1803
the marketing materials of a licensed casino operator, including 1804
allowing the commission to prohibit marketing materials that are 1805
contrary to the adopted standards; 1806

(12) Requiring that the records, including financial 1807
statements, of any casino operator, management company, holding 1808
company, and gaming-related vendor be maintained in the manner 1809
prescribed by the commission and made available for inspection 1810
upon demand by the commission, but shall be subject to section 1811
3772.16 of the Revised Code; 1812

(13) Permitting a licensed casino operator, management 1813
company, key employee, or casino gaming employee to question a 1814
person suspected of violating this chapter; 1815

(14) The chips, tokens, tickets, electronic cards, or 1816
similar objects that may be purchased by means of an agreement 1817
under which credit is extended to a wagerer by a casino 1818

operator; 1819

(15) Establishing standards for provisional key employee 1820
licenses for a person who is required to be licensed as a key 1821
employee and is in exigent circumstances and standards for 1822
provisional licenses for casino gaming employees who submit 1823
complete applications and are compliant under an instant 1824
background check. A provisional license shall be valid not 1825
longer than three months. A provisional license may be renewed 1826
one time, at the commission's discretion, for an additional 1827
three months. In establishing standards with regard to instant 1828
background checks the commission shall take notice of criminal 1829
records checks as they are conducted under section 311.41 of the 1830
Revised Code using electronic fingerprint reading devices. 1831

(16) Establishing approval procedures for third-party 1832
engineering or accounting firms, as described in section 3772.09 1833
of the Revised Code; 1834

(17) Prescribing the manner in which winnings, 1835
compensation from casino gaming, and gross revenue must be 1836
computed and reported by a licensee as described in Chapter 1837
5753. of the Revised Code; 1838

(18) Prescribing conditions under which a licensee's 1839
license may be suspended or revoked as described in section 1840
3772.04 of the Revised Code; 1841

(19) Prescribing the manner and procedure of all hearings 1842
to be conducted by the commission or by any hearing examiner; 1843

(20) Prescribing technical standards and requirements that 1844
are to be met by security and surveillance equipment that is 1845
used at and standards and requirements to be met by personnel 1846
who are employed at casino facilities, and standards and 1847

requirements for the provision of security at and surveillance of casino facilities; 1848
1849

(21) Prescribing requirements for a casino operator to provide unarmed security services at a casino facility by licensed casino employees, and the training that shall be completed by these employees; 1850
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(22) Prescribing standards according to which casino operators shall keep accounts and standards according to which casino accounts shall be audited, and establish means of assisting the tax commissioner in levying and collecting the gross casino revenue tax levied under section 5753.02 of the Revised Code; 1854
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(23) Defining penalties for violation of commission rules and a process for imposing such penalties; 1860
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(24) Establishing standards for decertifying contractors that violate statutes or rules of this state or the federal government; 1862
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(25) Establishing standards for the repair of casino gaming equipment; 1865
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(26) Establishing procedures to ensure that casino operators, management companies, and holding companies are compliant with the compulsive and problem gambling plan submitted under section 3772.18 of the Revised Code; 1867
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(27) Prescribing, for institutional investors in or holding companies of a casino operator, management company, holding company, or gaming-related vendor that fall below the threshold needed to be considered an institutional investor or a holding company, standards regarding what any employees, members, or owners of those investors or holding companies may 1871
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do and shall not do in relation to casino facilities and casino gaming in this state, which standards shall rationally relate to the need to proscribe conduct that is inconsistent with passive institutional investment status;

(28) Providing for any other thing necessary and proper for successful and efficient regulation of casino gaming under this chapter.

(E) The commission shall employ and assign gaming agents as necessary to assist the commission in carrying out the duties of this chapter and ~~Chapter~~ Chapters 2915. and 3770. of the Revised Code. In order to maintain employment as a gaming agent, the gaming agent shall successfully complete all continuing training programs required by the commission and shall not have been convicted of or pleaded guilty or no contest to a disqualifying offense as defined in section 3772.07 of the Revised Code.

(F) The commission, as a law enforcement agency, and its gaming agents, as law enforcement officers as defined in section 2901.01 of the Revised Code, shall have authority with regard to the detection and investigation of, the seizure of evidence allegedly relating to, and the apprehension and arrest of persons allegedly committing violations of this chapter or gambling offenses as defined in section 2915.01 of the Revised Code or violations of any other law of this state that may affect the integrity of casino gaming ~~or,~~ the operation of skill-based amusement machines, or the operation of sports gaming, and shall have access to casino facilities, ~~and skill-based amusement machine facilities, and sports gaming facilities~~ to carry out the requirements of this chapter and of the provisions of Chapter 3770. of the Revised Code governing sports

gaming. 1907

(G) The commission may eject or exclude or authorize the 1908
ejection or exclusion of and a gaming agent may eject a person 1909
from a casino facility for any of the following reasons: 1910

(1) The person's name is on the list of persons 1911
voluntarily excluding themselves from all casinos in a program 1912
established according to rules adopted by the commission; 1913

(2) The person violates or conspires to violate this 1914
chapter or a rule adopted thereunder; or 1915

(3) The commission determines that the person's conduct or 1916
reputation is such that the person's presence within a casino 1917
facility may call into question the honesty and integrity of the 1918
casino gaming operations or interfere with the orderly conduct 1919
of the casino gaming operations. 1920

(H) A person, other than a person participating in a 1921
voluntary exclusion program, may petition the commission for a 1922
public hearing on the person's ejection or exclusion under this 1923
chapter. 1924

(I) A casino operator or management company shall have the 1925
same authority to eject or exclude a person from the management 1926
company's casino facilities as authorized in division (G) of 1927
this section. The licensee shall immediately notify the 1928
commission of an ejection or exclusion. 1929

(J) The commission shall submit a written annual report 1930
with the governor, president and minority leader of the senate, 1931
and the speaker and minority leader of the house of 1932
representatives before the first day of September each year. The 1933
annual report shall cover the previous fiscal year and shall 1934
include all of the following: 1935

(1) A statement describing the receipts and disbursements of the commission;	1936 1937
(2) Relevant financial data regarding casino gaming, including gross revenues and disbursements made under this chapter;	1938 1939 1940
(3) Actions taken by the commission;	1941
(4) An update on casino operators', management companies', and holding companies' compulsive and problem gambling plans and the voluntary exclusion program and list;	1942 1943 1944
(5) Information regarding prosecutions for conduct described in division (H) of section 3772.99 of the Revised Code, including, but not limited to, the total number of prosecutions commenced and the name of each person prosecuted;	1945 1946 1947 1948
(6) Any additional information that the commission considers useful or that the governor, president or minority leader of the senate, speaker or minority leader of the house of representatives requests.	1949 1950 1951 1952
(K) To ensure the integrity of skill-based amusement machine operations, the commission shall have jurisdiction over all persons conducting or participating in the conduct of skill-based amusement machine operations authorized by this chapter and Chapter 2915. of the Revised Code, including the authority to complete the functions of licensing, regulating, investigating, and penalizing those persons in a manner that is consistent with the commission's authority to do the same with respect to casino gaming. To carry out this division, the commission may adopt rules under Chapter 119. of the Revised Code, including rules establishing fees and penalties related to the operation of skill-based amusement machines.	1953 1954 1955 1956 1957 1958 1959 1960 1961 1962 1963 1964

(L) To ensure the integrity of fantasy contests, the
commission shall have jurisdiction over all persons conducting
or participating in the conduct of a fantasy contest authorized
by Chapter 3774. of the Revised Code, including the authority to
license, regulate, investigate, and penalize those persons in a
manner that is consistent with the commission's authority to do
the same with respect to skill-based amusement machines. To
carry out this division, the commission may adopt rules under
Chapter 119. of the Revised Code, including rules establishing
fees and penalties related to the operation of fantasy contests.

(M) All fees imposed pursuant to the rules adopted under
divisions (K) and (L) of this section shall be deposited into
the casino control commission fund.

(N) The Ohio casino control commission shall enter into an
agreement with the director of the state lottery commission to
enforce the provisions of Chapter 3770. of the Revised Code
governing sports gaming. The Ohio casino control commission
shall have jurisdiction over all persons conducting or
participating in the conduct of sports gaming authorized under
Chapter 3770. of the Revised Code, including the authority to
investigate and penalize those persons. The Ohio casino control
commission shall enforce any sports gaming rules adopted by the
state lottery commission.

Sec. 5703.21. (A) Except as provided in divisions (B) and
(C) of this section, no agent of the department of taxation,
except in the agent's report to the department or when called on
to testify in any court or proceeding, shall divulge any
information acquired by the agent as to the transactions,
property, or business of any person while acting or claiming to
act under orders of the department. Whoever violates this

provision shall thereafter be disqualified from acting as an 1995
officer or employee or in any other capacity under appointment 1996
or employment of the department. 1997

(B) (1) For purposes of an audit pursuant to section 117.15 1998
of the Revised Code, or an audit of the department pursuant to 1999
Chapter 117. of the Revised Code, or an audit, pursuant to that 2000
chapter, the objective of which is to express an opinion on a 2001
financial report or statement prepared or issued pursuant to 2002
division (A) (7) or (9) of section 126.21 of the Revised Code, 2003
the officers and employees of the auditor of state charged with 2004
conducting the audit shall have access to and the right to 2005
examine any state tax returns and state tax return information 2006
in the possession of the department to the extent that the 2007
access and examination are necessary for purposes of the audit. 2008
Any information acquired as the result of that access and 2009
examination shall not be divulged for any purpose other than as 2010
required for the audit or unless the officers and employees are 2011
required to testify in a court or proceeding under compulsion of 2012
legal process. Whoever violates this provision shall thereafter 2013
be disqualified from acting as an officer or employee or in any 2014
other capacity under appointment or employment of the auditor of 2015
state. 2016

(2) For purposes of an internal audit pursuant to section 2017
126.45 of the Revised Code, the officers and employees of the 2018
office of internal audit in the office of budget and management 2019
charged with directing the internal audit shall have access to 2020
and the right to examine any state tax returns and state tax 2021
return information in the possession of the department to the 2022
extent that the access and examination are necessary for 2023
purposes of the internal audit. Any information acquired as the 2024
result of that access and examination shall not be divulged for 2025

any purpose other than as required for the internal audit or 2026
unless the officers and employees are required to testify in a 2027
court or proceeding under compulsion of legal process. Whoever 2028
violates this provision shall thereafter be disqualified from 2029
acting as an officer or employee or in any other capacity under 2030
appointment or employment of the office of internal audit. 2031

(3) As provided by section 6103(d)(2) of the Internal 2032
Revenue Code, any federal tax returns or federal tax information 2033
that the department has acquired from the internal revenue 2034
service, through federal and state statutory authority, may be 2035
disclosed to the auditor of state or the office of internal 2036
audit solely for purposes of an audit of the department. 2037

(4) For purposes of Chapter 3739. of the Revised Code, an 2038
agent of the department of taxation may share information with 2039
the division of state fire marshal that the agent finds during 2040
the course of an investigation. 2041

(C) Division (A) of this section does not prohibit any of 2042
the following: 2043

(1) Divulging information contained in applications, 2044
complaints, and related documents filed with the department 2045
under section 5715.27 of the Revised Code or in applications 2046
filed with the department under section 5715.39 of the Revised 2047
Code; 2048

(2) Providing information to the office of child support 2049
within the department of job and family services pursuant to 2050
section 3125.43 of the Revised Code; 2051

(3) Disclosing to the motor vehicle repair board any 2052
information in the possession of the department that is 2053
necessary for the board to verify the existence of an 2054

applicant's valid vendor's license and current state tax 2055
identification number under section 4775.07 of the Revised Code; 2056

(4) Providing information to the administrator of workers' 2057
compensation pursuant to sections 4123.271 and 4123.591 of the 2058
Revised Code; 2059

(5) Providing to the attorney general information the 2060
department obtains under division (J) of section 1346.01 of the 2061
Revised Code; 2062

(6) Permitting properly authorized officers, employees, or 2063
agents of a municipal corporation from inspecting reports or 2064
information pursuant to section 718.84 of the Revised Code or 2065
rules adopted under section 5745.16 of the Revised Code; 2066

(7) Providing information regarding the name, account 2067
number, or business address of a holder of a vendor's license 2068
issued pursuant to section 5739.17 of the Revised Code, a holder 2069
of a direct payment permit issued pursuant to section 5739.031 2070
of the Revised Code, or a seller having a use tax account 2071
maintained pursuant to section 5741.17 of the Revised Code, or 2072
information regarding the active or inactive status of a 2073
vendor's license, direct payment permit, or seller's use tax 2074
account; 2075

(8) Releasing invoices or invoice information furnished 2076
under section 4301.433 of the Revised Code pursuant to that 2077
section; 2078

(9) Providing to a county auditor notices or documents 2079
concerning or affecting the taxable value of property in the 2080
county auditor's county. Unless authorized by law to disclose 2081
documents so provided, the county auditor shall not disclose 2082
such documents; 2083

(10) Providing to a county auditor sales or use tax return	2084
or audit information under section 333.06 of the Revised Code;	2085
(11) Subject to section 4301.441 of the Revised Code,	2086
disclosing to the appropriate state agency information in the	2087
possession of the department of taxation that is necessary to	2088
verify a permit holder's gallonage or noncompliance with taxes	2089
levied under Chapter 4301. or 4305. of the Revised Code;	2090
(12) Disclosing to the department of natural resources	2091
information in the possession of the department of taxation that	2092
is necessary for the department of taxation to verify the	2093
taxpayer's compliance with section 5749.02 of the Revised Code	2094
or to allow the department of natural resources to enforce	2095
Chapter 1509. of the Revised Code;	2096
(13) Disclosing to the department of job and family	2097
services, industrial commission, and bureau of workers'	2098
compensation information in the possession of the department of	2099
taxation solely for the purpose of identifying employers that	2100
misclassify employees as independent contractors or that fail to	2101
properly report and pay employer tax liabilities. The department	2102
of taxation shall disclose only such information that is	2103
necessary to verify employer compliance with law administered by	2104
those agencies.	2105
(14) Disclosing to the Ohio casino control commission	2106
information in the possession of the department of taxation that	2107
is necessary to verify a casino operator's compliance with	2108
section 5747.063 or 5753.02 of the Revised Code and sections	2109
related thereto;	2110
(15) Disclosing to the state lottery commission	2111
information in the possession of the department of taxation that	2112

is necessary to verify a sports gaming or lottery sales agent's 2113
compliance with section 5747.063, 5747.064, or 5753.021 of the 2114
Revised Code and sections related thereto. 2115

(16) Disclosing to the development services agency 2116
information in the possession of the department of taxation that 2117
is necessary to ensure compliance with the laws of this state 2118
governing taxation and to verify information reported to the 2119
development services agency for the purpose of evaluating 2120
potential tax credits, grants, or loans. Such information shall 2121
not include information received from the internal revenue 2122
service the disclosure of which is prohibited by section 6103 of 2123
the Internal Revenue Code. No officer, employee, or agent of the 2124
development services agency shall disclose any information 2125
provided to the development services agency by the department of 2126
taxation under division (C) (16) of this section except when 2127
disclosure of the information is necessary for, and made solely 2128
for the purpose of facilitating, the evaluation of potential tax 2129
credits, grants, or loans. 2130

(17) Disclosing to the department of insurance information 2131
in the possession of the department of taxation that is 2132
necessary to ensure a taxpayer's compliance with the 2133
requirements with any tax credit administered by the development 2134
services agency and claimed by the taxpayer against any tax 2135
administered by the superintendent of insurance. No officer, 2136
employee, or agent of the department of insurance shall disclose 2137
any information provided to the department of insurance by the 2138
department of taxation under division (C) (17) of this section. 2139

(18) Disclosing to the division of liquor control 2140
information in the possession of the department of taxation that 2141
is necessary for the division and department to comply with the 2142

requirements of sections 4303.26 and 4303.271 of the Revised Code, 2143
Code, 2144

Sec. 5747.02. (A) For the purpose of providing revenue for 2145
the support of schools and local government functions, to 2146
provide relief to property taxpayers, to provide revenue for the 2147
general revenue fund, and to meet the expenses of administering 2148
the tax levied by this chapter, there is hereby levied on every 2149
individual, trust, and estate residing in or earning or 2150
receiving income in this state, on every individual, trust, and 2151
estate earning or receiving lottery winnings, prizes, or awards 2152
pursuant to Chapter 3770. of the Revised Code, on every 2153
individual, trust, and estate earning or receiving winnings on 2154
casino or sports gaming, and on every individual, trust, and 2155
estate otherwise having nexus with or in this state under the 2156
Constitution of the United States, an annual tax measured as 2157
prescribed in divisions (A) (1) to (4) of this section. 2158

(1) In the case of trusts, the tax imposed by this section 2159
shall be measured by modified Ohio taxable income under division 2160
(D) of this section and levied in the same amount as the tax is 2161
imposed on estates as prescribed in division (A) (2) of this 2162
section. 2163

(2) In the case of estates, the tax imposed by this 2164
section shall be measured by Ohio taxable income and levied at 2165
the rate of seven thousand four hundred twenty-five ten- 2166
thousandths per cent for the first ten thousand five hundred 2167
dollars of such income and, for income in excess of that amount, 2168
at the same rates prescribed in division (A) (3) of this section 2169
for individuals. 2170

(3) In the case of individuals, for taxable years 2171
beginning in 2017 or thereafter, the tax imposed by this section 2172

on income other than taxable business income shall be measured	2173
by Ohio adjusted gross income, less taxable business income and	2174
less an exemption for the taxpayer, the taxpayer's spouse, and	2175
each dependent as provided in section 5747.025 of the Revised	2176
Code. If the balance thus obtained is equal to or less than ten	2177
thousand five hundred dollars, no tax shall be imposed on that	2178
balance. If the balance thus obtained is greater than ten	2179
thousand five hundred dollars, the tax is hereby levied as	2180
follows:	2181
OHIO ADJUSTED GROSS	2182
INCOME LESS TAXABLE	2183
BUSINESS INCOME AND EXEMPTIONS	2184
(INDIVIDUALS)	2185
OR	2186
MODIFIED OHIO	2187
TAXABLE INCOME (TRUSTS)	2188
OR	2189
OHIO TAXABLE INCOME (ESTATES) TAX	2190
More than \$10,500 but \$77.96 plus 1.980% of the amount	2191
not more than \$15,800 in excess of \$10,500	2192
More than \$15,800 but \$182.90 plus 2.476% of the amount	2193
not more than \$21,100 in excess of \$15,800	2194
More than \$21,100 but \$314.13 plus 2.969% of the amount	2195
not more than \$42,100 in excess of \$21,100	2196
More than \$42,100 but \$937.62 plus 3.465% of the amount	2197
not more than \$84,200 in excess of \$42,100	2198
More than \$84,200 but \$2,396.39 plus 3.960% of the amount	2199
not more than \$105,300 in excess of \$84,200	2200
More than \$105,300 but \$3,231.95 plus 4.597% of the amount	2201

not more than \$210,600 in excess of \$105,300 2202

More than \$210,600 \$8,072.59 plus 4.997% of the amount 2203

in excess of \$210,600 2204

(4) (a) In the case of individuals, for taxable years 2205
beginning in 2016 or thereafter, the tax imposed by this section 2206
on taxable business income shall equal three per cent of the 2207
result obtained by subtracting any amount allowed under division 2208
(A) (4) (b) of this section from the individual's taxable business 2209
income. 2210

(b) If the exemptions allowed to an individual under 2211
division (A) (3) of this section exceed the taxpayer's Ohio 2212
adjusted gross income less taxable business income, the excess 2213
shall be deducted from taxable business income before computing 2214
the tax under division (A) (4) (a) of this section. 2215

(5) Except as otherwise provided in this division, in 2216
August of each year, the tax commissioner shall make a new 2217
adjustment to the income amounts prescribed in divisions (A) (2) 2218
and (3) of this section by multiplying the percentage increase 2219
in the gross domestic product deflator computed that year under 2220
section 5747.025 of the Revised Code by each of the income 2221
amounts resulting from the adjustment under this division in the 2222
preceding year, adding the resulting product to the 2223
corresponding income amount resulting from the adjustment in the 2224
preceding year, and rounding the resulting sum to the nearest 2225
multiple of fifty dollars. The tax commissioner also shall 2226
recompute each of the tax dollar amounts to the extent necessary 2227
to reflect the new adjustment of the income amounts. To 2228
recompute the tax dollar amount corresponding to the lowest tax 2229
rate in division (A) (3) of this section, the commissioner shall 2230
multiply the tax rate prescribed in division (A) (2) of this 2231

section by the income amount specified in that division and as 2232
adjusted according to this paragraph. The rates of taxation 2233
shall not be adjusted. 2234

The adjusted amounts apply to taxable years beginning in 2235
the calendar year in which the adjustments are made and to 2236
taxable years beginning in each ensuing calendar year until a 2237
calendar year in which a new adjustment is made pursuant to this 2238
division. The tax commissioner shall not make a new adjustment 2239
in any year in which the amount resulting from the adjustment 2240
would be less than the amount resulting from the adjustment in 2241
the preceding year. 2242

(B) If the director of budget and management makes a 2243
certification to the tax commissioner under division (B) of 2244
section 131.44 of the Revised Code, the amount of tax as 2245
determined under divisions (A) (1) to (3) of this section shall 2246
be reduced by the percentage prescribed in that certification 2247
for taxable years beginning in the calendar year in which that 2248
certification is made. 2249

(C) The levy of this tax on income does not prevent a 2250
municipal corporation, a joint economic development zone created 2251
under section 715.691, or a joint economic development district 2252
created under section 715.70, 715.71, or 715.72 of the Revised 2253
Code from levying a tax on income. 2254

(D) This division applies only to taxable years of a trust 2255
beginning in 2002 or thereafter. 2256

(1) The tax imposed by this section on a trust shall be 2257
computed by multiplying the Ohio modified taxable income of the 2258
trust by the rates prescribed by division (A) of this section. 2259

(2) A resident trust may claim a credit against the tax 2260

computed under division (D) of this section equal to the lesser 2261
of (a) the tax paid to another state or the District of Columbia 2262
on the resident trust's modified nonbusiness income, other than 2263
the portion of the resident trust's nonbusiness income that is 2264
qualifying investment income as defined in section 5747.012 of 2265
the Revised Code, or (b) the effective tax rate, based on 2266
modified Ohio taxable income, multiplied by the resident trust's 2267
modified nonbusiness income other than the portion of the 2268
resident trust's nonbusiness income that is qualifying 2269
investment income. The credit applies before any other 2270
applicable credits. 2271

(3) The credits enumerated in divisions (A)(1) to (9) and 2272
(A)(18) to (20) of section 5747.98 of the Revised Code do not 2273
apply to a trust subject to division (D) of this section. Any 2274
credits enumerated in other divisions of section 5747.98 of the 2275
Revised Code apply to a trust subject to division (D) of this 2276
section. To the extent that the trust distributes income for the 2277
taxable year for which a credit is available to the trust, the 2278
credit shall be shared by the trust and its beneficiaries. The 2279
tax commissioner and the trust shall be guided by applicable 2280
regulations of the United States treasury regarding the sharing 2281
of credits. 2282

(E) For the purposes of this section, "trust" means any 2283
trust described in Subchapter J of Chapter 1 of the Internal 2284
Revenue Code, excluding trusts that are not irrevocable as 2285
defined in division (I)(3)(b) of section 5747.01 of the Revised 2286
Code and that have no modified Ohio taxable income for the 2287
taxable year, charitable remainder trusts, qualified funeral 2288
trusts and preneed funeral contract trusts established pursuant 2289
to sections 4717.31 to 4717.38 of the Revised Code that are not 2290
qualified funeral trusts, endowment and perpetual care trusts, 2291

qualified settlement trusts and funds, designated settlement 2292
trusts and funds, and trusts exempted from taxation under 2293
section 501(a) of the Internal Revenue Code. 2294

(F) Nothing in division (A) (3) of this section shall 2295
prohibit an individual with an Ohio adjusted gross income, less 2296
taxable business income and exemptions, of ten thousand five 2297
hundred dollars or less from filing a return under this chapter 2298
to receive a refund of taxes withheld or to claim any refundable 2299
credit allowed under this chapter. 2300

Sec. 5747.063. The requirements imposed under this section 2301
are in addition to the municipal income tax withholding 2302
requirements under section 718.031 of the Revised Code. As used 2303
in this section, "sports gaming facility" has the same meaning 2304
as in section 3770.30 of the Revised Code. 2305

(A) (1) If a person's winnings ~~at a~~ from casino ~~facility~~ 2306
gaming or from sports gaming are an amount for which reporting 2307
to the internal revenue service of the amount is required by 2308
section 6041 of the Internal Revenue Code, as amended, ~~the a~~ 2309
casino operator shall deduct and withhold Ohio income tax from 2310
the person's winnings at a rate of four per cent of the amount 2311
won. A person's amount of winnings from casino gaming shall be 2312
determined each time the person exchanges amounts won in tokens, 2313
chips, casino credit, or other prepaid representations of value 2314
for cash or a cash equivalent. The casino operator shall issue, 2315
to a person from whose winnings an amount has been deducted and 2316
withheld, a receipt for the amount deducted and withheld, and 2317
also shall obtain from the person additional information that 2318
will be necessary for the casino operator to prepare the returns 2319
required by this section. 2320

(2) If a person's winnings ~~at a~~ from casino ~~facility~~ 2321

gaming or sports gaming require reporting to the internal 2322
revenue service under division (A) (1) of this section, the 2323
casino operator also shall require the person to state in 2324
writing, under penalty of falsification, whether the person is 2325
in default under a support order. 2326

(B) Amounts deducted and withheld by a casino operator are 2327
held in trust for the benefit of the state. 2328

(1) On or before the tenth day of each month, the casino 2329
operator shall file a return electronically with the tax 2330
commissioner identifying the persons from whose winnings amounts 2331
were deducted and withheld, the amount of each such deduction 2332
and withholding during the preceding calendar month, the amount 2333
of the winnings from which each such amount was withheld, the 2334
type of casino gaming or sports gaming that resulted in such 2335
winnings, and any other information required by the tax 2336
commissioner. With the return, the casino operator shall remit 2337
electronically to the commissioner all the amounts deducted and 2338
withheld during the preceding month. 2339

(2) (a) A casino operator shall maintain a record of each 2340
written statement provided under division (A) (2) of this section 2341
in which a person admits to being in default under a support 2342
order. The casino operator shall make these records available to 2343
the director of job and family services upon request. 2344

(b) A casino operator shall maintain copies of receipts 2345
issued under division (A) (1) of this section and of written 2346
statements provided under division (A) (2) of this section and 2347
shall make these copies available to the tax commissioner upon 2348
request. 2349

(c) A casino operator shall maintain the information 2350

described in divisions (B) (2) (a) and (b) of this section in 2351
accordance with section 5747.17 of the Revised Code and any 2352
rules adopted pursuant thereto. 2353

(3) Annually, on or before the thirty-first day of 2354
January, a casino operator shall file an annual return 2355
electronically with the tax commissioner indicating the total 2356
amount deducted and withheld during the preceding calendar year. 2357
The casino operator shall remit electronically with the annual 2358
return any amount that was deducted and withheld and that was 2359
not previously remitted. If the identity of a person and the 2360
amount deducted and withheld with respect to that person were 2361
omitted on a monthly return, that information shall be indicated 2362
on the annual return. 2363

(4) (a) A casino operator who fails to file a return and 2364
remit the amounts deducted and withheld is personally liable for 2365
the amount deducted and withheld and not remitted. The 2366
commissioner may impose a penalty up to one thousand dollars if 2367
a return is filed late, if amounts deducted and withheld are 2368
remitted late, if a return is not filed, or if amounts deducted 2369
and withheld are not remitted. Interest accrues on past due 2370
amounts deducted and withheld at the rate prescribed in section 2371
5703.47 of the Revised Code. The commissioner may collect past 2372
due amounts deducted and withheld and penalties and interest 2373
thereon by assessment under section 5747.13 of the Revised Code 2374
as if they were income taxes collected by an employer. 2375

(b) If a casino operator sells the casino facility or 2376
sports gaming facility, or otherwise quits the casino or sports 2377
gaming business, the amounts deducted and withheld and any 2378
penalties and interest thereon are immediately due and payable. 2379
The successor shall withhold an amount of the purchase money 2380

that is sufficient to cover the amounts deducted and withheld 2381
and penalties and interest thereon until the predecessor casino 2382
operator produces either a receipt from the commissioner showing 2383
that the amounts deducted and withheld and penalties and 2384
interest thereon have been paid or a certificate from the 2385
commissioner indicating that no amounts deducted and withheld or 2386
penalties and interest thereon are due. If the successor fails 2387
to withhold purchase money, the successor is personally liable 2388
for payment of the amounts deducted and withheld and penalties 2389
and interest thereon, up to the amount of the purchase money. 2390

(C) (1) Annually, on or before the thirty-first day of 2391
January, a casino operator shall issue an information return to 2392
each person with respect to whom an amount has been deducted and 2393
withheld during the preceding calendar year. The information 2394
return shall show the total amount deducted from the person's 2395
winnings by the casino operator during the preceding calendar 2396
year. 2397

(2) Annually, on or before the thirty-first day of 2398
January, a casino operator shall provide to the commissioner a 2399
copy of each information return issued under division (C) (1) of 2400
this section for the preceding calendar year. The commissioner 2401
may require that the copies be transmitted electronically. 2402

(D) Amounts deducted and withheld shall be allowed as a 2403
credit against payment of the tax imposed by section 5747.02 of 2404
the Revised Code and shall be treated as taxes paid for purposes 2405
of section 5747.09 of the Revised Code. This division applies 2406
only to the person for whom the amount is deducted and withheld. 2407

(E) The failure of a casino operator to deduct and 2408
withhold the required amount from a person's winnings does not 2409
relieve the person from liability for the tax imposed by section 2410

5747.02 of the Revised Code with respect to those winnings. And 2411
compliance with this section does not relieve a casino operator 2412
or a person who has winnings ~~at a~~ from casino facility gaming or 2413
sports gaming from compliance with relevant provisions of 2414
federal tax laws. 2415

(F) The commissioner shall prescribe the form of the 2416
receipt and returns required by this section. The director of 2417
job and family services shall prescribe the form of the 2418
statement required by this section. 2419

(G) The commissioner may adopt rules that are necessary to 2420
administer this section. 2421

Sec. 5747.064. The requirements imposed under this section 2422
are in addition to the municipal income tax withholding 2423
requirements under section 718.031 of the Revised Code. 2424

(A) As used in this section, "video lottery terminal" has 2425
the same meaning as in section 3770.21 of the Revised Code and 2426
"sports gaming facility" has the same meaning as in section 2427
3770.30 of the Revised Code. 2428

(B) If a person's winnings from sports gaming or prize 2429
award from a video lottery terminal is an amount for which 2430
reporting to the internal revenue service of the amount is 2431
required by section 6041 of the Internal Revenue Code, as 2432
amended, ~~the a~~ lottery sales agent shall deduct and withhold 2433
Ohio income tax from the person's winnings or prize award at a 2434
rate of four per cent of the amount won. The lottery sales agent 2435
shall issue, to a person from whose winnings or prize award an 2436
amount has been deducted or withheld, a receipt for the amount 2437
deducted and withheld, and also shall obtain from the person 2438
additional information that will be necessary for the lottery 2439

sales agent to prepare the returns required by this section. 2440

(C) Amounts deducted and withheld by a lottery sales agent 2441
are held in trust for the benefit of the state. 2442

(1) On or before the tenth day of each month, the lottery 2443
sales agent shall file a return electronically with the tax 2444
commissioner identifying the persons from whose winnings or 2445
prize awards amounts were deducted and withheld, the amount of 2446
each such deduction and withholding during the preceding month, 2447
the amount of the winnings or prize award from which each such 2448
amount was withheld, and any other information required by the 2449
commissioner. With the return, the lottery sales agent shall 2450
remit electronically to the commissioner all the amounts 2451
deducted and withheld during the preceding month. 2452

(2) A lottery sales agent shall maintain a record of all 2453
receipts issued under division (B) of this section and shall 2454
make those records available to the commissioner upon request. 2455
Such records shall be maintained in accordance with section 2456
5747.17 of the Revised Code and any rules adopted pursuant 2457
thereto. 2458

(3) Annually, on or before the thirty-first day of 2459
January, a lottery sales agent shall file an annual return 2460
electronically with the tax commissioner indicating the total 2461
amount deducted and withheld during the preceding calendar year. 2462
The lottery sales agent shall remit electronically with the 2463
annual return any amount that was deducted and withheld and that 2464
was not previously remitted. If the identity of a person and the 2465
amount deducted and withheld with respect to that person were 2466
omitted on a monthly return, that information shall be indicated 2467
on the annual return. 2468

(4) (a) A lottery sales agent who fails to file a return 2469
and remit the amounts deducted and withheld is personally liable 2470
for the amount deducted and withheld and not remitted. The 2471
commissioner may impose a penalty of up to one thousand dollars 2472
if a return is filed late, if amounts deducted and withheld are 2473
remitted late, if a return is not filed, or if amounts deducted 2474
and withheld are not remitted. Interest accrues on past due 2475
amounts deducted and withheld at the rate prescribed in section 2476
5703.47 of the Revised Code. The commissioner may collect past 2477
due amounts deducted and withheld and penalties and interest 2478
thereon by assessment under section 5747.13 of the Revised Code 2479
as if they were income taxes collected by an employer. 2480

(b) If a lottery sales agent ceases to operate video 2481
lottery terminals, sells a sports gaming facility, or otherwise 2482
quits the sports gaming business, the amounts deducted and 2483
withheld and any penalties and interest thereon are immediately 2484
due and payable. A successor of the lottery sales agent ~~that~~ 2485
~~purchases the video lottery terminals from the agent~~ shall 2486
withhold an amount of the purchase money that is sufficient to 2487
cover the amounts deducted and withheld and penalties and 2488
interest thereon until the predecessor lottery sales agent 2489
produces either a receipt from the tax commissioner showing that 2490
the amounts deducted and withheld and penalties and interest 2491
thereon have been paid or a certificate from the commissioner 2492
indicating that no amounts deducted and withheld or penalties 2493
and interest thereon are due. If the successor fails to withhold 2494
purchase money, the successor is personally liable for payment 2495
of the amounts deducted and withheld and penalties and interest 2496
thereon, up to the amount of the purchase money. 2497

(D) (1) Annually, on or before the thirty-first day of 2498
January, a lottery sales agent shall issue an information return 2499

to each person with respect to whom an amount has been deducted 2500
and withheld during the preceding calendar year. The information 2501
return shall show the total amount deducted from the person's 2502
winnings or prize award by the lottery sales agent during the 2503
preceding year. 2504

(2) Annually, on or before the thirty-first day of 2505
January, a lottery sales agent shall provide to the tax 2506
commissioner a copy of each information return issued under 2507
division (D)(1) of this section for the preceding calendar year. 2508
The commissioner may require that such copies be transmitted 2509
electronically. 2510

(E) Amounts deducted and withheld shall be allowed as a 2511
credit against payment of the tax imposed by section 5747.02 of 2512
the Revised Code and shall be treated as taxes paid for purposes 2513
of section 5747.09 of the Revised Code. This division applies 2514
only to the person for whom the amount is deducted and withheld. 2515

(F) The failure of a lottery sales agent to deduct and 2516
withhold the required amount from a person's winnings or prize 2517
award does not relieve the person from liability for the tax 2518
imposed by section 5747.02 of the Revised Code with respect to 2519
that income. Compliance with this section does not relieve a 2520
lottery sales agent or a person who has winnings or a prize 2521
award from compliance with relevant provisions of federal tax 2522
laws. 2523

(G) The commissioner shall prescribe the form of the 2524
receipt and returns required by this section and may promulgate 2525
any rules necessary to administer the section. 2526

Sec. 5747.08. An annual return with respect to the tax 2527
imposed by section 5747.02 of the Revised Code and each tax 2528

imposed under Chapter 5748. of the Revised Code shall be made by 2529
every taxpayer for any taxable year for which the taxpayer is 2530
liable for the tax imposed by that section or under that 2531
chapter, unless the total credits allowed under division (E) of 2532
section 5747.05 and divisions (F) and (G) of section 5747.055 of 2533
the Revised Code for the year are equal to or exceed the tax 2534
imposed by section 5747.02 of the Revised Code, in which case no 2535
return shall be required unless the taxpayer is liable for a tax 2536
imposed pursuant to Chapter 5748. of the Revised Code. 2537

(A) If an individual is deceased, any return or notice 2538
required of that individual under this chapter shall be made and 2539
filed by that decedent's executor, administrator, or other 2540
person charged with the property of that decedent. 2541

(B) If an individual is unable to make a return or notice 2542
required by this chapter, the return or notice required of that 2543
individual shall be made and filed by the individual's duly 2544
authorized agent, guardian, conservator, fiduciary, or other 2545
person charged with the care of the person or property of that 2546
individual. 2547

(C) Returns or notices required of an estate or a trust 2548
shall be made and filed by the fiduciary of the estate or trust. 2549

(D) (1) (a) Except as otherwise provided in division (D) (1) 2550
(b) of this section, any pass-through entity may file a single 2551
return on behalf of one or more of the entity's investors other 2552
than an investor that is a person subject to the tax imposed 2553
under section 5733.06 of the Revised Code. The single return 2554
shall set forth the name, address, and social security number or 2555
other identifying number of each of those pass-through entity 2556
investors and shall indicate the distributive share of each of 2557
those pass-through entity investor's income taxable in this 2558

state in accordance with sections 5747.20 to 5747.231 of the Revised Code. Such pass-through entity investors for whom the pass-through entity elects to file a single return are not entitled to the exemption or credit provided for by sections 5747.02 and 5747.022 of the Revised Code; shall calculate the tax before business credits at the highest rate of tax set forth in section 5747.02 of the Revised Code for the taxable year for which the return is filed; and are entitled to only their distributive share of the business credits as defined in division (D)(2) of this section. A single check drawn by the pass-through entity shall accompany the return in full payment of the tax due, as shown on the single return, for such investors, other than investors who are persons subject to the tax imposed under section 5733.06 of the Revised Code.

(b) (i) A pass-through entity shall not include in such a single return any investor that is a trust to the extent that any direct or indirect current, future, or contingent beneficiary of the trust is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(ii) A pass-through entity shall not include in such a single return any investor that is itself a pass-through entity to the extent that any direct or indirect investor in the second pass-through entity is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(c) Nothing in division (D) of this section precludes the tax commissioner from requiring such investors to file the return and make the payment of taxes and related interest, penalty, and interest penalty required by this section or section 5747.02, 5747.09, or 5747.15 of the Revised Code. Nothing in division (D) of this section precludes such an

investor from filing the annual return under this section, 2589
utilizing the refundable credit equal to the investor's 2590
proportionate share of the tax paid by the pass-through entity 2591
on behalf of the investor under division (I) of this section, 2592
and making the payment of taxes imposed under section 5747.02 of 2593
the Revised Code. Nothing in division (D) of this section shall 2594
be construed to provide to such an investor or pass-through 2595
entity any additional deduction or credit, other than the credit 2596
provided by division (I) of this section, solely on account of 2597
the entity's filing a return in accordance with this section. 2598
Such a pass-through entity also shall make the filing and 2599
payment of estimated taxes on behalf of the pass-through entity 2600
investors other than an investor that is a person subject to the 2601
tax imposed under section 5733.06 of the Revised Code. 2602

(2) For the purposes of this section, "business credits" 2603
means the credits listed in section 5747.98 of the Revised Code 2604
excluding the following credits: 2605

(a) The retirement income credit under division (B) of 2606
section 5747.055 of the Revised Code; 2607

(b) The senior citizen credit under division (F) of 2608
section 5747.055 of the Revised Code; 2609

(c) The lump sum distribution credit under division (G) of 2610
section 5747.055 of the Revised Code; 2611

(d) The dependent care credit under section 5747.054 of 2612
the Revised Code; 2613

(e) The lump sum retirement income credit under division 2614
(C) of section 5747.055 of the Revised Code; 2615

(f) The lump sum retirement income credit under division 2616
(D) of section 5747.055 of the Revised Code; 2617

(g) The lump sum retirement income credit under division	2618
(E) of section 5747.055 of the Revised Code;	2619
(h) The credit for displaced workers who pay for job	2620
training under section 5747.27 of the Revised Code;	2621
(i) The twenty-dollar personal exemption credit under	2622
section 5747.022 of the Revised Code;	2623
(j) The joint filing credit under division (E) of section	2624
5747.05 of the Revised Code;	2625
(k) The nonresident credit under division (A) of section	2626
5747.05 of the Revised Code;	2627
(l) The credit for a resident's out-of-state income under	2628
division (B) of section 5747.05 of the Revised Code;	2629
(m) The earned income tax credit under section 5747.71 of	2630
the Revised Code.	2631
(3) The election provided for under division (D) of this	2632
section applies only to the taxable year for which the election	2633
is made by the pass-through entity. Unless the tax commissioner	2634
provides otherwise, this election, once made, is binding and	2635
irrevocable for the taxable year for which the election is made.	2636
Nothing in this division shall be construed to provide for any	2637
deduction or credit that would not be allowable if a nonresident	2638
pass-through entity investor were to file an annual return.	2639
(4) If a pass-through entity makes the election provided	2640
for under division (D) of this section, the pass-through entity	2641
shall be liable for any additional taxes, interest, interest	2642
penalty, or penalties imposed by this chapter if the tax	2643
commissioner finds that the single return does not reflect the	2644
correct tax due by the pass-through entity investors covered by	2645

that return. Nothing in this division shall be construed to 2646
limit or alter the liability, if any, imposed on pass-through 2647
entity investors for unpaid or underpaid taxes, interest, 2648
interest penalty, or penalties as a result of the pass-through 2649
entity's making the election provided for under division (D) of 2650
this section. For the purposes of division (D) of this section, 2651
"correct tax due" means the tax that would have been paid by the 2652
pass-through entity had the single return been filed in a manner 2653
reflecting the commissioner's findings. Nothing in division (D) 2654
of this section shall be construed to make or hold a pass- 2655
through entity liable for tax attributable to a pass-through 2656
entity investor's income from a source other than the pass- 2657
through entity electing to file the single return. 2658

(E) If a husband and wife file a joint federal income tax 2659
return for a taxable year, they shall file a joint return under 2660
this section for that taxable year, and their liabilities are 2661
joint and several, but, if the federal income tax liability of 2662
either spouse is determined on a separate federal income tax 2663
return, they shall file separate returns under this section. 2664

If either spouse is not required to file a federal income 2665
tax return and either or both are required to file a return 2666
pursuant to this chapter, they may elect to file separate or 2667
joint returns, and, pursuant to that election, their liabilities 2668
are separate or joint and several. If a husband and wife file 2669
separate returns pursuant to this chapter, each must claim the 2670
taxpayer's own exemption, but not both, as authorized under 2671
section 5747.02 of the Revised Code on the taxpayer's own 2672
return. 2673

(F) Each return or notice required to be filed under this 2674
section shall contain the signature of the taxpayer or the 2675

taxpayer's duly authorized agent and of the person who prepared 2676
the return for the taxpayer, and shall include the taxpayer's 2677
social security number. Each return shall be verified by a 2678
declaration under the penalties of perjury. The tax commissioner 2679
shall prescribe the form that the signature and declaration 2680
shall take. 2681

(G) Each return or notice required to be filed under this 2682
section shall be made and filed as required by section 5747.04 2683
of the Revised Code, on or before the fifteenth day of April of 2684
each year, on forms that the tax commissioner shall prescribe, 2685
together with remittance made payable to the treasurer of state 2686
in the combined amount of the state and all school district 2687
income taxes shown to be due on the form. 2688

Upon good cause shown, the commissioner may extend the 2689
period for filing any notice or return required to be filed 2690
under this section and may adopt rules relating to extensions. 2691
If the extension results in an extension of time for the payment 2692
of any state or school district income tax liability with 2693
respect to which the return is filed, the taxpayer shall pay at 2694
the time the tax liability is paid an amount of interest 2695
computed at the rate per annum prescribed by section 5703.47 of 2696
the Revised Code on that liability from the time that payment is 2697
due without extension to the time of actual payment. Except as 2698
provided in section 5747.132 of the Revised Code, in addition to 2699
all other interest charges and penalties, all taxes imposed 2700
under this chapter or Chapter 5748. of the Revised Code and 2701
remaining unpaid after they become due, except combined amounts 2702
due of one dollar or less, bear interest at the rate per annum 2703
prescribed by section 5703.47 of the Revised Code until paid or 2704
until the day an assessment is issued under section 5747.13 of 2705
the Revised Code, whichever occurs first. 2706

If the commissioner considers it necessary in order to 2707
ensure the payment of the tax imposed by section 5747.02 of the 2708
Revised Code or any tax imposed under Chapter 5748. of the 2709
Revised Code, the commissioner may require returns and payments 2710
to be made otherwise than as provided in this section. 2711

To the extent that any provision in this division 2712
conflicts with any provision in section 5747.026 of the Revised 2713
Code, the provision in that section prevails. 2714

(H) The amounts withheld by an employer pursuant to 2715
section 5747.06 of the Revised Code, a casino operator or sports 2716
gaming agent pursuant to section 5747.063 of the Revised Code, 2717
or a lottery sales agent pursuant to section 5747.064 of the 2718
Revised Code shall be allowed to the recipient of the 2719
compensation, casino or sports gaming winnings, or lottery prize 2720
award as credits against payment of the appropriate taxes 2721
imposed on the recipient by section 5747.02 and under Chapter 2722
5748. of the Revised Code. 2723

(I) If a pass-through entity elects to file a single 2724
return under division (D) of this section and if any investor is 2725
required to file the annual return and make the payment of taxes 2726
required by this chapter on account of the investor's other 2727
income that is not included in a single return filed by a pass- 2728
through entity or any other investor elects to file the annual 2729
return, the investor is entitled to a refundable credit equal to 2730
the investor's proportionate share of the tax paid by the pass- 2731
through entity on behalf of the investor. The investor shall 2732
claim the credit for the investor's taxable year in which or 2733
with which ends the taxable year of the pass-through entity. 2734
Nothing in this chapter shall be construed to allow any credit 2735
provided in this chapter to be claimed more than once. For the 2736

purpose of computing any interest, penalty, or interest penalty, 2737
the investor shall be deemed to have paid the refundable credit 2738
provided by this division on the day that the pass-through 2739
entity paid the estimated tax or the tax giving rise to the 2740
credit. 2741

(J) The tax commissioner shall ensure that each return 2742
required to be filed under this section includes a box that the 2743
taxpayer may check to authorize a paid tax preparer who prepared 2744
the return to communicate with the department of taxation about 2745
matters pertaining to the return. The return or instructions 2746
accompanying the return shall indicate that by checking the box 2747
the taxpayer authorizes the department of taxation to contact 2748
the preparer concerning questions that arise during the 2749
processing of the return and authorizes the preparer only to 2750
provide the department with information that is missing from the 2751
return, to contact the department for information about the 2752
processing of the return or the status of the taxpayer's refund 2753
or payments, and to respond to notices about mathematical 2754
errors, offsets, or return preparation that the taxpayer has 2755
received from the department and has shown to the preparer. 2756

(K) The tax commissioner shall permit individual taxpayers 2757
to instruct the department of taxation to cause any refund of 2758
overpaid taxes to be deposited directly into a checking account, 2759
savings account, or an individual retirement account or 2760
individual retirement annuity, or preexisting college savings 2761
plan or program account offered by the Ohio tuition trust 2762
authority under Chapter 3334. of the Revised Code, as designated 2763
by the taxpayer, when the taxpayer files the annual return 2764
required by this section electronically. 2765

(L) The tax commissioner may adopt rules to administer 2766

this section. 2767

Sec. 5747.20. This section applies solely for the purposes 2768
of computing the credit allowed under division (A) of section 2769
5747.05 of the Revised Code and computing income taxable in this 2770
state under division (D) of section 5747.08 of the Revised Code. 2771

All items of nonbusiness income or deduction shall be 2772
allocated in this state as follows: 2773

(A) All items of nonbusiness income or deduction taken 2774
into account in the computation of adjusted gross income for the 2775
taxable year by a resident shall be allocated to this state. 2776

(B) All items of nonbusiness income or deduction taken 2777
into account in the computation of adjusted gross income for the 2778
taxable year by a nonresident shall be allocated to this state 2779
as follows: 2780

(1) All items of compensation paid to an individual for 2781
personal services performed in this state who was a nonresident 2782
at the time of payment and all items of deduction directly 2783
allocated thereto shall be allocated to this state. 2784

(2) All gains or losses from the sale of real property, 2785
tangible personal property, or intangible property shall be 2786
allocated as follows: 2787

(a) Capital gains or losses from the sale or other 2788
transfer of real property are allocable to this state if the 2789
property is located physically in this state. 2790

(b) Capital gains or losses from the sale or other 2791
transfer of tangible personal property are allocable to this 2792
state if, at the time of such sale or other transfer, the 2793
property had its physical location in this state. 2794

(c) Capital gains or losses from the sale or other transfer of intangible personal property are allocable to this state if the taxpayer's domicile was in this state at the time of such sale or other transfer.

(3) All rents and royalties of real or tangible personal property shall be allocated to this state as follows:

(a) Rents and royalties derived from real property are allocable to this state if the property is physically located in this state.

(b) Rents and royalties derived from tangible personal property are allocable to this state to the extent that such property is utilized in this state.

The extent of utilization of tangible personal property in a state is determined by multiplying the rents or royalties derived from such property by a fraction, the numerator of which is the number of days of physical location of the property in this state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the nonresident, tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payor obtained possession.

(4) All patent and copyright royalties shall be allocated to this state to the extent the patent or copyright was utilized by the payor in this state.

A patent is utilized in a state to the extent that it is

employed in production, fabrication, manufacturing, or other 2824
processing in the state, or to the extent that a patented 2825
product is produced in the state. If the basis of receipts from 2826
patent royalties does not permit allocation to states or if the 2827
accounting procedures do not reflect states of utilization, the 2828
patent is utilized in this state if the taxpayer's domicile was 2829
in this state at the time such royalties were paid or accrued. 2830

A copyright is utilized in a state to the extent that 2831
printing or other publication originates in the state. If the 2832
basis of receipts from copyright royalties does not permit 2833
allocation to states or if the accounting procedures do not 2834
reflect states of utilization, the copyright is utilized in this 2835
state if the taxpayer's domicile was in this state at the time 2836
such royalties were paid or accrued. 2837

(5) (a) All lottery prize awards paid by the state lottery 2838
commission pursuant to Chapter 3770. of the Revised Code shall 2839
be allocated to this state. 2840

(b) All earnings, profit, income, and gain from the sale, 2841
exchange, or other disposition of lottery prize awards paid or 2842
to be paid to any person by the state lottery commission 2843
pursuant to Chapter 3770. of the Revised Code shall be allocated 2844
to this state. 2845

(c) All earnings, profit, income, and gain from the direct 2846
or indirect ownership of lottery prize awards paid or to be paid 2847
to any person by the state lottery commission pursuant to 2848
Chapter 3770. of the Revised Code shall be allocated to this 2849
state. 2850

(d) All earnings, profit, income, and gain from the direct 2851
or indirect interest in any right in or to any lottery prize 2852

awards paid or to be paid to any person by the state lottery 2853
commission pursuant to Chapter 3770. of the Revised Code shall 2854
be allocated to this state. 2855

(6) Any item of income or deduction which has been taken 2856
into account in the computation of adjusted gross income for the 2857
taxable year by a nonresident and which is not otherwise 2858
specifically allocated or apportioned pursuant to sections 2859
5747.20 to 5747.23 of the Revised Code, including, without 2860
limitation, interest, dividends and distributions, items of 2861
income taken into account under the provisions of sections 401 2862
to 425 of the Internal Revenue Code, and benefit payments 2863
received by a beneficiary of a supplemental unemployment trust 2864
which is referred to in section 501(c)(17) of the Internal 2865
Revenue Code, shall not be allocated to this state unless the 2866
taxpayer's domicile was in this state at the time such income 2867
was paid or accrued. 2868

(7) All casino gaming winnings paid by any person licensed 2869
by the Ohio casino control commission shall be allocated to the 2870
state. 2871

(8) All sports gaming winnings paid by any person licensed 2872
by the state lottery commission shall be allocated to the state. 2873

(C) If an individual is a resident for part of the taxable 2874
year and a nonresident for the remainder of the taxable year, 2875
all items of nonbusiness income or deduction shall be allocated 2876
under division (A) of this section for the part of the taxable 2877
year that the individual is a resident and under division (B) of 2878
this section for the part of the taxable year that the 2879
individual is a nonresident. 2880

Sec. 5751.01. As used in this chapter: 2881

(A) "Person" means, but is not limited to, individuals, 2882
combinations of individuals of any form, receivers, assignees, 2883
trustees in bankruptcy, firms, companies, joint-stock companies, 2884
business trusts, estates, partnerships, limited liability 2885
partnerships, limited liability companies, associations, joint 2886
ventures, clubs, societies, for-profit corporations, S 2887
corporations, qualified subchapter S subsidiaries, qualified 2888
subchapter S trusts, trusts, entities that are disregarded for 2889
federal income tax purposes, and any other entities. 2890

(B) "Consolidated elected taxpayer" means a group of two 2891
or more persons treated as a single taxpayer for purposes of 2892
this chapter as the result of an election made under section 2893
5751.011 of the Revised Code. 2894

(C) "Combined taxpayer" means a group of two or more 2895
persons treated as a single taxpayer for purposes of this 2896
chapter under section 5751.012 of the Revised Code. 2897

(D) "Taxpayer" means any person, or any group of persons 2898
in the case of a consolidated elected taxpayer or combined 2899
taxpayer treated as one taxpayer, required to register or pay 2900
tax under this chapter. "Taxpayer" does not include excluded 2901
persons. 2902

(E) "Excluded person" means any of the following: 2903

(1) Any person with not more than one hundred fifty 2904
thousand dollars of taxable gross receipts during the calendar 2905
year. Division (E) (1) of this section does not apply to a person 2906
that is a member of a consolidated elected taxpayer; 2907

(2) A public utility that paid the excise tax imposed by 2908
section 5727.24 or 5727.30 of the Revised Code based on one or 2909
more measurement periods that include the entire tax period 2910

under this chapter, except that a public utility that is a 2911
combined company is a taxpayer with regard to the following 2912
gross receipts: 2913

(a) Taxable gross receipts directly attributed to a public 2914
utility activity, but not directly attributed to an activity 2915
that is subject to the excise tax imposed by section 5727.24 or 2916
5727.30 of the Revised Code; 2917

(b) Taxable gross receipts that cannot be directly 2918
attributed to any activity, multiplied by a fraction whose 2919
numerator is the taxable gross receipts described in division 2920
(E) (2) (a) of this section and whose denominator is the total 2921
taxable gross receipts that can be directly attributed to any 2922
activity; 2923

(c) Except for any differences resulting from the use of 2924
an accrual basis method of accounting for purposes of 2925
determining gross receipts under this chapter and the use of the 2926
cash basis method of accounting for purposes of determining 2927
gross receipts under section 5727.24 of the Revised Code, the 2928
gross receipts directly attributed to the activity of a natural 2929
gas company shall be determined in a manner consistent with 2930
division (D) of section 5727.03 of the Revised Code. 2931

As used in division (E) (2) of this section, "combined 2932
company" and "public utility" have the same meanings as in 2933
section 5727.01 of the Revised Code. 2934

(3) A financial institution, as defined in section 5726.01 2935
of the Revised Code, that paid the tax imposed by section 2936
5726.02 of the Revised Code based on one or more taxable years 2937
that include the entire tax period under this chapter; 2938

(4) A person directly or indirectly owned by one or more 2939

financial institutions, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter.

For the purposes of division (E) (4) of this section, a person owns another person under the following circumstances:

(a) In the case of corporations issuing capital stock, one corporation owns another corporation if it owns fifty per cent or more of the other corporation's capital stock with current voting rights;

(b) In the case of a limited liability company, one person owns the company if that person's membership interest, as defined in section 1705.01 of the Revised Code, is fifty per cent or more of the combined membership interests of all persons owning such interests in the company;

(c) In the case of a partnership, trust, or other unincorporated business organization other than a limited liability company, one person owns the organization if, under the articles of organization or other instrument governing the affairs of the organization, that person has a beneficial interest in the organization's profits, surpluses, losses, or distributions of fifty per cent or more of the combined beneficial interests of all persons having such an interest in the organization.

(5) A domestic insurance company or foreign insurance company, as defined in section 5725.01 of the Revised Code, that paid the insurance company premiums tax imposed by section 5725.18 or Chapter 5729. of the Revised Code, or an unauthorized insurance company whose gross premiums are subject to tax under

section 3905.36 of the Revised Code based on one or more 2969
measurement periods that include the entire tax period under 2970
this chapter; 2971

(6) A person that solely facilitates or services one or 2972
more securitizations of phase-in-recovery property pursuant to a 2973
final financing order as those terms are defined in section 2974
4928.23 of the Revised Code. For purposes of this division, 2975
"securitization" means transferring one or more assets to one or 2976
more persons and then issuing securities backed by the right to 2977
receive payment from the asset or assets so transferred. 2978

(7) Except as otherwise provided in this division, a pre- 2979
income tax trust as defined in division (FF) (4) of section 2980
5747.01 of the Revised Code and any pass-through entity of which 2981
such pre-income tax trust owns or controls, directly, 2982
indirectly, or constructively through related interests, more 2983
than five per cent of the ownership or equity interests. If the 2984
pre-income tax trust has made a qualifying pre-income tax trust 2985
election under division (FF) (3) of section 5747.01 of the 2986
Revised Code, then the trust and the pass-through entities of 2987
which it owns or controls, directly, indirectly, or 2988
constructively through related interests, more than five per 2989
cent of the ownership or equity interests, shall not be excluded 2990
persons for purposes of the tax imposed under section 5751.02 of 2991
the Revised Code. 2992

(8) Nonprofit organizations or the state and its agencies, 2993
instrumentalities, or political subdivisions. 2994

(F) Except as otherwise provided in divisions (F) (2), (3), 2995
and (4) of this section, "gross receipts" means the total amount 2996
realized by a person, without deduction for the cost of goods 2997
sold or other expenses incurred, that contributes to the 2998

production of gross income of the person, including the fair 2999
market value of any property and any services received, and any 3000
debt transferred or forgiven as consideration. 3001

(1) The following are examples of gross receipts: 3002

(a) Amounts realized from the sale, exchange, or other 3003
disposition of the taxpayer's property to or with another; 3004

(b) Amounts realized from the taxpayer's performance of 3005
services for another; 3006

(c) Amounts realized from another's use or possession of 3007
the taxpayer's property or capital; 3008

(d) Any combination of the foregoing amounts. 3009

(2) "Gross receipts" excludes the following amounts: 3010

(a) Interest income except interest on credit sales; 3011

(b) Dividends and distributions from corporations, and 3012
distributive or proportionate shares of receipts and income from 3013
a pass-through entity as defined under section 5733.04 of the 3014
Revised Code; 3015

(c) Receipts from the sale, exchange, or other disposition 3016
of an asset described in section 1221 or 1231 of the Internal 3017
Revenue Code, without regard to the length of time the person 3018
held the asset. Notwithstanding section 1221 of the Internal 3019
Revenue Code, receipts from hedging transactions also are 3020
excluded to the extent the transactions are entered into 3021
primarily to protect a financial position, such as managing the 3022
risk of exposure to (i) foreign currency fluctuations that 3023
affect assets, liabilities, profits, losses, equity, or 3024
investments in foreign operations; (ii) interest rate 3025
fluctuations; or (iii) commodity price fluctuations. As used in 3026

division (F) (2) (c) of this section, "hedging transaction" has 3027
the same meaning as used in section 1221 of the Internal Revenue 3028
Code and also includes transactions accorded hedge accounting 3029
treatment under statement of financial accounting standards 3030
number 133 of the financial accounting standards board. For the 3031
purposes of division (F) (2) (c) of this section, the actual 3032
transfer of title of real or tangible personal property to 3033
another entity is not a hedging transaction. 3034

(d) Proceeds received attributable to the repayment, 3035
maturity, or redemption of the principal of a loan, bond, mutual 3036
fund, certificate of deposit, or marketable instrument; 3037

(e) The principal amount received under a repurchase 3038
agreement or on account of any transaction properly 3039
characterized as a loan to the person; 3040

(f) Contributions received by a trust, plan, or other 3041
arrangement, any of which is described in section 501(a) of the 3042
Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 3043
1, Subchapter (D) of the Internal Revenue Code applies; 3044

(g) Compensation, whether current or deferred, and whether 3045
in cash or in kind, received or to be received by an employee, 3046
former employee, or the employee's legal successor for services 3047
rendered to or for an employer, including reimbursements 3048
received by or for an individual for medical or education 3049
expenses, health insurance premiums, or employee expenses, or on 3050
account of a dependent care spending account, legal services 3051
plan, any cafeteria plan described in section 125 of the 3052
Internal Revenue Code, or any similar employee reimbursement; 3053

(h) Proceeds received from the issuance of the taxpayer's 3054
own stock, options, warrants, puts, or calls, or from the sale 3055

of the taxpayer's treasury stock;	3056
(i) Proceeds received on the account of payments from	3057
insurance policies, except those proceeds received for the loss	3058
of business revenue;	3059
(j) Gifts or charitable contributions received; membership	3060
dues received by trade, professional, homeowners', or	3061
condominium associations; and payments received for educational	3062
courses, meetings, meals, or similar payments to a trade,	3063
professional, or other similar association; and fundraising	3064
receipts received by any person when any excess receipts are	3065
donated or used exclusively for charitable purposes;	3066
(k) Damages received as the result of litigation in excess	3067
of amounts that, if received without litigation, would be gross	3068
receipts;	3069
(l) Property, money, and other amounts received or	3070
acquired by an agent on behalf of another in excess of the	3071
agent's commission, fee, or other remuneration;	3072
(m) Tax refunds, other tax benefit recoveries, and	3073
reimbursements for the tax imposed under this chapter made by	3074
entities that are part of the same combined taxpayer or	3075
consolidated elected taxpayer group, and reimbursements made by	3076
entities that are not members of a combined taxpayer or	3077
consolidated elected taxpayer group that are required to be made	3078
for economic parity among multiple owners of an entity whose tax	3079
obligation under this chapter is required to be reported and	3080
paid entirely by one owner, pursuant to the requirements of	3081
sections 5751.011 and 5751.012 of the Revised Code;	3082
(n) Pension reversions;	3083
(o) Contributions to capital;	3084

(p) Sales or use taxes collected as a vendor or an out-of- 3085
state seller on behalf of the taxing jurisdiction from a 3086
consumer or other taxes the taxpayer is required by law to 3087
collect directly from a purchaser and remit to a local, state, 3088
or federal tax authority; 3089

(q) In the case of receipts from the sale of cigarettes or 3090
tobacco products by a wholesale dealer, retail dealer, 3091
distributor, manufacturer, or seller, all as defined in section 3092
5743.01 of the Revised Code, an amount equal to the federal and 3093
state excise taxes paid by any person on or for such cigarettes 3094
or tobacco products under subtitle E of the Internal Revenue 3095
Code or Chapter 5743. of the Revised Code; 3096

(r) In the case of receipts from the sale, transfer, 3097
exchange, or other disposition of motor fuel as "motor fuel" is 3098
defined in section 5736.01 of the Revised Code, an amount equal 3099
to the value of the motor fuel, including federal and state 3100
motor fuel excise taxes and receipts from billing or invoicing 3101
the tax imposed under section 5736.02 of the Revised Code to 3102
another person; 3103

(s) In the case of receipts from the sale of beer or 3104
intoxicating liquor, as defined in section 4301.01 of the 3105
Revised Code, by a person holding a permit issued under Chapter 3106
4301. or 4303. of the Revised Code, an amount equal to federal 3107
and state excise taxes paid by any person on or for such beer or 3108
intoxicating liquor under subtitle E of the Internal Revenue 3109
Code or Chapter 4301. or 4305. of the Revised Code; 3110

(t) Receipts realized by a new motor vehicle dealer or 3111
used motor vehicle dealer, as defined in section 4517.01 of the 3112
Revised Code, from the sale or other transfer of a motor 3113
vehicle, as defined in that section, to another motor vehicle 3114

dealer for the purpose of resale by the transferee motor vehicle 3115
dealer, but only if the sale or other transfer was based upon 3116
the transferee's need to meet a specific customer's preference 3117
for a motor vehicle; 3118

(u) Receipts from a financial institution described in 3119
division (E) (3) of this section for services provided to the 3120
financial institution in connection with the issuance, 3121
processing, servicing, and management of loans or credit 3122
accounts, if such financial institution and the recipient of 3123
such receipts have at least fifty per cent of their ownership 3124
interests owned or controlled, directly or constructively 3125
through related interests, by common owners; 3126

(v) Receipts realized from administering anti-neoplastic 3127
drugs and other cancer chemotherapy, biologicals, therapeutic 3128
agents, and supportive drugs in a physician's office to patients 3129
with cancer; 3130

(w) Funds received or used by a mortgage broker that is 3131
not a dealer in intangibles, other than fees or other 3132
consideration, pursuant to a table-funding mortgage loan or 3133
warehouse-lending mortgage loan. Terms used in division (F) (2) 3134
(w) of this section have the same meanings as in section 1322.01 3135
of the Revised Code, except "mortgage broker" means a person 3136
assisting a buyer in obtaining a mortgage loan for a fee or 3137
other consideration paid by the buyer or a lender, or a person 3138
engaged in table-funding or warehouse-lending mortgage loans 3139
that are first lien mortgage loans. 3140

(x) Property, money, and other amounts received by a 3141
professional employer organization, as defined in section 3142
4125.01 of the Revised Code, from a client employer, as defined 3143
in that section, in excess of the administrative fee charged by 3144

the professional employer organization to the client employer; 3145

(y) In the case of amounts retained as commissions by a 3146
permit holder under Chapter 3769. of the Revised Code, an amount 3147
equal to the amounts specified under that chapter that must be 3148
paid to or collected by the tax commissioner as a tax and the 3149
amounts specified under that chapter to be used as purse money; 3150

(z) Qualifying distribution center receipts. 3151

(i) For purposes of division (F) (2) (z) of this section: 3152

(I) "Qualifying distribution center receipts" means 3153
receipts of a supplier from qualified property that is delivered 3154
to a qualified distribution center, multiplied by a quantity 3155
that equals one minus the Ohio delivery percentage. If the 3156
qualified distribution center is a refining facility, "supplier" 3157
includes all dealers, brokers, processors, sellers, vendors, 3158
cosigners, and distributors of qualified property. 3159

(II) "Qualified property" means tangible personal property 3160
delivered to a qualified distribution center that is shipped to 3161
that qualified distribution center solely for further shipping 3162
by the qualified distribution center to another location in this 3163
state or elsewhere or, in the case of gold, silver, platinum, or 3164
palladium delivered to a refining facility solely for refining 3165
to a grade and fineness acceptable for delivery to a registered 3166
commodities exchange. "Further shipping" includes storing and 3167
repackaging property into smaller or larger bundles, so long as 3168
the property is not subject to further manufacturing or 3169
processing. "Refining" is limited to extracting impurities from 3170
gold, silver, platinum, or palladium through smelting or some 3171
other process at a refining facility. 3172

(III) "Qualified distribution center" means a warehouse, a 3173

facility similar to a warehouse, or a refining facility in this 3174
state that, for the qualifying year, is operated by a person 3175
that is not part of a combined taxpayer group and that has a 3176
qualifying certificate. All warehouses or facilities similar to 3177
warehouses that are operated by persons in the same taxpayer 3178
group and that are located within one mile of each other shall 3179
be treated as one qualified distribution center. All refining 3180
facilities that are operated by persons in the same taxpayer 3181
group and that are located in the same or adjacent counties may 3182
be treated as one qualified distribution center. 3183

(IV) "Qualifying year" means the calendar year to which 3184
the qualifying certificate applies. 3185

(V) "Qualifying period" means the period of the first day 3186
of July of the second year preceding the qualifying year through 3187
the thirtieth day of June of the year preceding the qualifying 3188
year. 3189

(VI) "Qualifying certificate" means the certificate issued 3190
by the tax commissioner after the operator of a distribution 3191
center files an annual application with the commissioner. The 3192
application and annual fee shall be filed and paid for each 3193
qualified distribution center on or before the first day of 3194
September before the qualifying year or within forty-five days 3195
after the distribution center opens, whichever is later. 3196

The applicant must substantiate to the commissioner's 3197
satisfaction that, for the qualifying period, all persons 3198
operating the distribution center have more than fifty per cent 3199
of the cost of the qualified property shipped to a location such 3200
that it would be situated outside this state under the provisions 3201
of division (E) of section 5751.033 of the Revised Code. The 3202
applicant must also substantiate that the distribution center 3203

cumulatively had costs from its suppliers equal to or exceeding 3204
five hundred million dollars during the qualifying period. (For 3205
purposes of division (F) (2) (z) (i) (VI) of this section, 3206
"supplier" excludes any person that is part of the consolidated 3207
elected taxpayer group, if applicable, of the operator of the 3208
qualified distribution center.) The commissioner may require the 3209
applicant to have an independent certified public accountant 3210
certify that the calculation of the minimum thresholds required 3211
for a qualified distribution center by the operator of a 3212
distribution center has been made in accordance with generally 3213
accepted accounting principles. The commissioner shall issue or 3214
deny the issuance of a certificate within sixty days after the 3215
receipt of the application. A denial is subject to appeal under 3216
section 5717.02 of the Revised Code. If the operator files a 3217
timely appeal under section 5717.02 of the Revised Code, the 3218
operator shall be granted a qualifying certificate effective for 3219
the remainder of the qualifying year or until the appeal is 3220
finalized, whichever is earlier. If the operator does not 3221
prevail in the appeal, the operator shall pay the ineligible 3222
operator's supplier tax liability. 3223

(VII) "Ohio delivery percentage" means the proportion of 3224
the total property delivered to a destination inside Ohio from 3225
the qualified distribution center during the qualifying period 3226
compared with total deliveries from such distribution center 3227
everywhere during the qualifying period. 3228

(VIII) "Refining facility" means one or more buildings 3229
located in a county in the Appalachian region of this state as 3230
defined by section 107.21 of the Revised Code and utilized for 3231
refining or smelting gold, silver, platinum, or palladium to a 3232
grade and fineness acceptable for delivery to a registered 3233
commodities exchange. 3234

(IX) "Registered commodities exchange" means a board of 3235
trade, such as New York mercantile exchange, inc. or commodity 3236
exchange, inc., designated as a contract market by the commodity 3237
futures trading commission under the "Commodity Exchange Act," 7 3238
U.S.C. 1 et seq., as amended. 3239

(X) "Ineligible operator's supplier tax liability" means 3240
an amount equal to the tax liability of all suppliers of a 3241
distribution center had the distribution center not been issued 3242
a qualifying certificate for the qualifying year. Ineligible 3243
operator's supplier tax liability shall not include interest or 3244
penalties. The tax commissioner shall determine an ineligible 3245
operator's supplier tax liability based on information that the 3246
commissioner may request from the operator of the distribution 3247
center. An operator shall provide a list of all suppliers of the 3248
distribution center and the corresponding costs of qualified 3249
property for the qualifying year at issue within sixty days of a 3250
request by the commissioner under this division. 3251

(ii) (I) If the distribution center is new and was not open 3252
for the entire qualifying period, the operator of the 3253
distribution center may request that the commissioner grant a 3254
qualifying certificate. If the certificate is granted and it is 3255
later determined that more than fifty per cent of the qualified 3256
property during that year was not shipped to a location such 3257
that it would be situated outside of this state under the 3258
provisions of division (E) of section 5751.033 of the Revised 3259
Code or if it is later determined that the person that operates 3260
the distribution center had average monthly costs from its 3261
suppliers of less than forty million dollars during that year, 3262
then the operator of the distribution center shall pay the 3263
ineligible operator's supplier tax liability. (For purposes of 3264
division (F) (2) (z) (ii) of this section, "supplier" excludes any 3265

person that is part of the consolidated elected taxpayer group, 3266
if applicable, of the operator of the qualified distribution 3267
center.) 3268

(II) The commissioner may grant a qualifying certificate 3269
to a distribution center that does not qualify as a qualified 3270
distribution center for an entire qualifying period if the 3271
operator of the distribution center demonstrates that the 3272
business operations of the distribution center have changed or 3273
will change such that the distribution center will qualify as a 3274
qualified distribution center within thirty-six months after the 3275
date the operator first applies for a certificate. If, at the 3276
end of that thirty-six-month period, the business operations of 3277
the distribution center have not changed such that the 3278
distribution center qualifies as a qualified distribution 3279
center, the operator of the distribution center shall pay the 3280
ineligible operator's supplier tax liability for each year that 3281
the distribution center received a certificate but did not 3282
qualify as a qualified distribution center. For each year the 3283
distribution center receives a certificate under division (F) (2) 3284
(z) (ii) (II) of this section, the distribution center shall pay 3285
all applicable fees required under division (F) (2) (z) of this 3286
section and shall submit an updated business plan showing the 3287
progress the distribution center made toward qualifying as a 3288
qualified distribution center during the preceding year. 3289

(III) An operator may appeal a determination under 3290
division (F) (2) (z) (ii) (I) or (II) of this section that the 3291
ineligible operator is liable for the operator's supplier tax 3292
liability as a result of not qualifying as a qualified 3293
distribution center, as provided in section 5717.02 of the 3294
Revised Code. 3295

(iii) When filing an application for a qualifying 3296
certificate under division (F) (2) (z) (i) (VI) of this section, the 3297
operator of a qualified distribution center also shall provide 3298
documentation, as the commissioner requires, for the 3299
commissioner to ascertain the Ohio delivery percentage. The 3300
commissioner, upon issuing the qualifying certificate, also 3301
shall certify the Ohio delivery percentage. The operator of the 3302
qualified distribution center may appeal the commissioner's 3303
certification of the Ohio delivery percentage in the same manner 3304
as an appeal is taken from the denial of a qualifying 3305
certificate under division (F) (2) (z) (i) (VI) of this section. 3306

(iv) (I) In the case where the distribution center is new 3307
and not open for the entire qualifying period, the operator 3308
shall make a good faith estimate of an Ohio delivery percentage 3309
for use by suppliers in their reports of taxable gross receipts 3310
for the remainder of the qualifying period. The operator of the 3311
facility shall disclose to the suppliers that such Ohio delivery 3312
percentage is an estimate and is subject to recalculation. By 3313
the due date of the next application for a qualifying 3314
certificate, the operator shall determine the actual Ohio 3315
delivery percentage for the estimated qualifying period and 3316
proceed as provided in division (F) (2) (z) (iii) of this section 3317
with respect to the calculation and recalculation of the Ohio 3318
delivery percentage. The supplier is required to file, within 3319
sixty days after receiving notice from the operator of the 3320
qualified distribution center, amended reports for the impacted 3321
calendar quarter or quarters or calendar year, whichever the 3322
case may be. Any additional tax liability or tax overpayment 3323
shall be subject to interest but shall not be subject to the 3324
imposition of any penalty so long as the amended returns are 3325
timely filed. 3326

(II) The operator of a distribution center that receives a
qualifying certificate under division (F) (2) (z) (ii) (II) of this
section shall make a good faith estimate of the Ohio delivery
percentage that the operator estimates will apply to the
distribution center at the end of the thirty-six-month period
after the operator first applied for a qualifying certificate
under that division. The result of the estimate shall be
multiplied by a factor of one and seventy-five one-hundredths.
The product of that calculation shall be the Ohio delivery
percentage used by suppliers in their reports of taxable gross
receipts for each qualifying year that the distribution center
receives a qualifying certificate under division (F) (2) (z) (ii)
(II) of this section, except that, if the product is less than
five per cent, the Ohio delivery percentage used shall be five
per cent and that, if the product exceeds forty-nine per cent,
the Ohio delivery percentage used shall be forty-nine per cent.

(v) Qualifying certificates and Ohio delivery percentages
issued by the commissioner shall be open to public inspection
and shall be timely published by the commissioner. A supplier
relying in good faith on a certificate issued under this
division shall not be subject to tax on the qualifying
distribution center receipts under division (F) (2) (z) of this
section. An operator receiving a qualifying certificate is
liable for the ineligible operator's supplier tax liability for
each year the operator received a certificate but did not
qualify as a qualified distribution center.

(vi) The annual fee for a qualifying certificate shall be
one hundred thousand dollars for each qualified distribution
center. If a qualifying certificate is not issued, the annual
fee is subject to refund after the exhaustion of all appeals
provided for in division (F) (2) (z) (i) (VI) of this section. The

first one hundred thousand dollars of the annual application 3358
fees collected each calendar year shall be credited to the 3359
revenue enhancement fund. The remainder of the annual 3360
application fees collected shall be distributed in the same 3361
manner required under section 5751.20 of the Revised Code. 3362

(vii) The tax commissioner may require that adequate 3363
security be posted by the operator of the distribution center on 3364
appeal when the commissioner disagrees that the applicant has 3365
met the minimum thresholds for a qualified distribution center 3366
as set forth in division (F)(2)(z) of this section. 3367

(aa) Receipts of an employer from payroll deductions 3368
relating to the reimbursement of the employer for advancing 3369
moneys to an unrelated third party on an employee's behalf; 3370

(bb) Cash discounts allowed and taken; 3371

(cc) Returns and allowances; 3372

(dd) Bad debts from receipts on the basis of which the tax 3373
imposed by this chapter was paid in a prior quarterly tax 3374
payment period. For the purpose of this division, "bad debts" 3375
means any debts that have become worthless or uncollectible 3376
between the preceding and current quarterly tax payment periods, 3377
have been uncollected for at least six months, and that may be 3378
claimed as a deduction under section 166 of the Internal Revenue 3379
Code and the regulations adopted under that section, or that 3380
could be claimed as such if the taxpayer kept its accounts on 3381
the accrual basis. "Bad debts" does not include repossessed 3382
property, uncollectible amounts on property that remains in the 3383
possession of the taxpayer until the full purchase price is 3384
paid, or expenses in attempting to collect any account 3385
receivable or for any portion of the debt recovered; 3386

(ee) Any amount realized from the sale of an account 3387
receivable to the extent the receipts from the underlying 3388
transaction giving rise to the account receivable were included 3389
in the gross receipts of the taxpayer; 3390

(ff) Any receipts directly attributed to a transfer 3391
agreement or to the enterprise transferred under that agreement 3392
under section 4313.02 of the Revised Code. 3393

(gg) (i) As used in this division: 3394

(I) "Qualified uranium receipts" means receipts from the 3395
sale, exchange, lease, loan, production, processing, or other 3396
disposition of uranium within a uranium enrichment zone 3397
certified by the tax commissioner under division (F) (2) (gg) (ii) 3398
of this section. "Qualified uranium receipts" does not include 3399
any receipts with a situs in this state outside a uranium 3400
enrichment zone certified by the tax commissioner under division 3401
(F) (2) (gg) (ii) of this section. 3402

(II) "Uranium enrichment zone" means all real property 3403
that is part of a uranium enrichment facility licensed by the 3404
United States nuclear regulatory commission and that was or is 3405
owned or controlled by the United States department of energy or 3406
its successor. 3407

(ii) Any person that owns, leases, or operates real or 3408
tangible personal property constituting or located within a 3409
uranium enrichment zone may apply to the tax commissioner to 3410
have the uranium enrichment zone certified for the purpose of 3411
excluding qualified uranium receipts under division (F) (2) (gg) 3412
of this section. The application shall include such information 3413
that the tax commissioner prescribes. Within sixty days after 3414
receiving the application, the tax commissioner shall certify 3415

the zone for that purpose if the commissioner determines that 3416
the property qualifies as a uranium enrichment zone as defined 3417
in division (F) (2) (gg) of this section, or, if the tax 3418
commissioner determines that the property does not qualify, the 3419
commissioner shall deny the application or request additional 3420
information from the applicant. If the tax commissioner denies 3421
an application, the commissioner shall state the reasons for the 3422
denial. The applicant may appeal the denial of an application to 3423
the board of tax appeals pursuant to section 5717.02 of the 3424
Revised Code. If the applicant files a timely appeal, the tax 3425
commissioner shall conditionally certify the applicant's 3426
property. The conditional certification shall expire when all of 3427
the applicant's appeals are exhausted. Until final resolution of 3428
the appeal, the applicant shall retain the applicant's records 3429
in accordance with section 5751.12 of the Revised Code, 3430
notwithstanding any time limit on the preservation of records 3431
under that section. 3432

(hh) In the case of amounts collected by a licensed casino 3433
operator from casino gaming, amounts in excess of the casino 3434
operator's gross casino revenue. In this division, "casino 3435
operator" and "casino gaming" have the meanings defined in 3436
section 3772.01 of the Revised Code, and "gross casino revenue" 3437
has the meaning defined in section 5753.01 of the Revised Code. 3438

(ii) Receipts realized from the sale of agricultural 3439
commodities by an agricultural commodity handler, both as 3440
defined in section 926.01 of the Revised Code, that is licensed 3441
by the director of agriculture to handle agricultural 3442
commodities in this state. 3443

(jj) Qualifying integrated supply chain receipts. 3444

As used in division (F) (2) (jj) of this section: 3445

(i) "Qualifying integrated supply chain receipts" means 3446
receipts of a qualified integrated supply chain vendor from the 3447
sale of qualified property delivered to, or integrated supply 3448
chain services provided to, another qualified integrated supply 3449
chain vendor or to a retailer that is a member of the integrated 3450
supply chain. "Qualifying integrated supply chain receipts" does 3451
not include receipts of a person that is not a qualified 3452
integrated supply chain vendor from the sale of raw materials to 3453
a member of an integrated supply chain, or receipts of a member 3454
of an integrated supply chain from the sale of qualified 3455
property or integrated supply chain services to a person that is 3456
not a member of the integrated supply chain. 3457

(ii) "Qualified property" means any of the following: 3458

(I) Component parts used to hold, contain, package, or 3459
dispense qualified products, excluding equipment; 3460

(II) Work-in-process inventory that will become, comprise, 3461
or form a component part of a qualified product capable of being 3462
sold at retail, excluding equipment, machinery, furniture, and 3463
fixtures; 3464

(III) Finished goods inventory that is a qualified product 3465
capable of being sold at retail in the inventory's present form. 3466

(iii) "Qualified integrated supply chain vendor" means a 3467
person that is a member of an integrated supply chain and that 3468
provides integrated supply chain services within a qualified 3469
integrated supply chain district to a retailer that is a member 3470
of the integrated supply chain or to another qualified 3471
integrated supply chain vendor that is located within the same 3472
such district as the person but does not share a common owner 3473
with that person. 3474

(iv) "Qualified product" means a personal care, health, or beauty product or an aromatic product, including a candle. 3475
"Qualified product" does not include a drug that may be 3476
dispensed only pursuant to a prescription, durable medical 3477
equipment, mobility enhancing equipment, or a prosthetic device, 3478
as those terms are defined in section 5739.01 of the Revised 3479
Code. 3480
3481

(v) "Integrated supply chain" means two or more qualified 3482
integrated supply chain vendors certified on the most recent 3483
list certified to the tax commissioner under this division that 3484
systematically collaborate and coordinate business operations 3485
with a retailer on the flow of tangible personal property from 3486
material sourcing through manufacturing, assembly, packaging, 3487
and delivery to the retailer to improve long-term financial 3488
performance of each vendor and the supply chain that includes 3489
the retailer. 3490

For the purpose of the certification required under this 3491
division, the reporting person for each retailer, on or before 3492
the first day of October of each year, shall certify to the tax 3493
commissioner a list of the qualified integrated supply chain 3494
vendors providing or receiving integrated supply chain services 3495
within a qualified integrated supply chain district for the 3496
ensuing calendar year. On or before the following first day of 3497
November, the commissioner shall issue a certificate to the 3498
retailer and to each vendor certified to the commissioner on 3499
that list. The certificate shall include the names of the 3500
retailer and of the qualified integrated supply chain vendors. 3501

The retailer shall notify the commissioner of any changes 3502
to the list, including additions to or subtractions from the 3503
list or changes in the name or legal entity of vendors certified 3504

on the list, within sixty days after the date the retailer 3505
becomes aware of the change. Within thirty days after receiving 3506
that notification, the commissioner shall issue a revised 3507
certificate to the retailer and to each vendor certified on the 3508
list. The revised certificate shall include the effective date 3509
of the change. 3510

Each recipient of a certificate issued pursuant to this 3511
division shall maintain a copy of the certificate for four years 3512
from the date the certificate was received. 3513

(vi) "Integrated supply chain services" means procuring 3514
raw materials or manufacturing, processing, refining, 3515
assembling, packaging, or repackaging tangible personal property 3516
that will become finished goods inventory capable of being sold 3517
at retail by a retailer that is a member of an integrated supply 3518
chain. 3519

(vii) "Retailer" means a person primarily engaged in 3520
making retail sales and any member of that person's consolidated 3521
elected taxpayer group or combined taxpayer group, whether or 3522
not that member is primarily engaged in making retail sales. 3523

(viii) "Qualified integrated supply chain district" means 3524
the parcel or parcels of land from which a retailer's integrated 3525
supply chain that existed on September 29, 2015, provides or 3526
receives integrated supply chain services, and to which all of 3527
the following apply: 3528

(I) The parcel or parcels are located wholly in a county 3529
having a population of greater than one hundred sixty-five 3530
thousand but less than one hundred seventy thousand based on the 3531
2010 federal decennial census. 3532

(II) The parcel or parcels are located wholly in the 3533

corporate limits of a municipal corporation with a population 3534
greater than seven thousand five hundred and less than eight 3535
thousand based on the 2010 federal decennial census that is 3536
partly located in the county described in division (F) (2) (jj) 3537
(viii) (I) of this section, as those corporate limits existed on 3538
September 29, 2015. 3539

(III) The aggregate acreage of the parcel or parcels 3540
equals or exceeds one hundred acres. 3541

(kk) In the case of a railroad company described in 3542
division (D) (9) of section 5727.01 of the Revised Code that 3543
purchases dyed diesel fuel directly from a supplier as defined 3544
by section 5736.01 of the Revised Code, an amount equal to the 3545
product of the number of gallons of dyed diesel fuel purchased 3546
directly from such a supplier multiplied by the average 3547
wholesale price for a gallon of diesel fuel as determined under 3548
section 5736.02 of the Revised Code for the period during which 3549
the fuel was purchased multiplied by a fraction, the numerator 3550
of which equals the rate of tax levied by section 5736.02 of the 3551
Revised Code less the rate of tax computed in section 5751.03 of 3552
the Revised Code, and the denominator of which equals the rate 3553
of tax computed in section 5751.03 of the Revised Code. 3554

(ll) Receipts realized by an out-of-state disaster 3555
business from disaster work conducted in this state during a 3556
disaster response period pursuant to a qualifying solicitation 3557
received by the business. Terms used in ~~this~~ division (F) (2) (ll) 3558
of this section have the same meanings as in section 5703.94 of 3559
the Revised Code. 3560

(mm) In the case of amounts collected by a sports gaming 3561
agent from sports gaming, amounts in excess of the agent's 3562
sports gaming receipts. In this division, "sports gaming agent" 3563

has the same meaning as in section 3770.30 of the Revised Code 3564
and "sports gaming receipts" has the same meaning as in section 3565
5753.01 of the Revised Code. 3566

(nn) Any receipts for which the tax imposed by this 3567
chapter is prohibited by the constitution or laws of the United 3568
States or the constitution of this state. 3569

(3) In the case of a taxpayer when acting as a real estate 3570
broker, "gross receipts" includes only the portion of any fee 3571
for the service of a real estate broker, or service of a real 3572
estate salesperson associated with that broker, that is retained 3573
by the broker and not paid to an associated real estate 3574
salesperson or another real estate broker. For the purposes of 3575
this division, "real estate broker" and "real estate 3576
salesperson" have the same meanings as in section 4735.01 of the 3577
Revised Code. 3578

(4) A taxpayer's method of accounting for gross receipts 3579
for a tax period shall be the same as the taxpayer's method of 3580
accounting for federal income tax purposes for the taxpayer's 3581
federal taxable year that includes the tax period. If a 3582
taxpayer's method of accounting for federal income tax purposes 3583
changes, its method of accounting for gross receipts under this 3584
chapter shall be changed accordingly. 3585

(G) "Taxable gross receipts" means gross receipts situated 3586
to this state under section 5751.033 of the Revised Code. 3587

(H) A person has "substantial nexus with this state" if 3588
any of the following applies. The person: 3589

(1) Owns or uses a part or all of its capital in this 3590
state; 3591

(2) Holds a certificate of compliance with the laws of 3592

this state authorizing the person to do business in this state; 3593

(3) Has bright-line presence in this state; 3594

(4) Otherwise has nexus with this state to an extent that 3595
the person can be required to remit the tax imposed under this 3596
chapter under the Constitution of the United States. 3597

(I) A person has "bright-line presence" in this state for 3598
a reporting period and for the remaining portion of the calendar 3599
year if any of the following applies. The person: 3600

(1) Has at any time during the calendar year property in 3601
this state with an aggregate value of at least fifty thousand 3602
dollars. For the purpose of division (I)(1) of this section, 3603
owned property is valued at original cost and rented property is 3604
valued at eight times the net annual rental charge. 3605

(2) Has during the calendar year payroll in this state of 3606
at least fifty thousand dollars. Payroll in this state includes 3607
all of the following: 3608

(a) Any amount subject to withholding by the person under 3609
section 5747.06 of the Revised Code; 3610

(b) Any other amount the person pays as compensation to an 3611
individual under the supervision or control of the person for 3612
work done in this state; and 3613

(c) Any amount the person pays for services performed in 3614
this state on its behalf by another. 3615

(3) Has during the calendar year taxable gross receipts of 3616
at least five hundred thousand dollars. 3617

(4) Has at any time during the calendar year within this 3618
state at least twenty-five per cent of the person's total 3619

property, total payroll, or total gross receipts. 3620

(5) Is domiciled in this state as an individual or for 3621
corporate, commercial, or other business purposes. 3622

(J) "Tangible personal property" has the same meaning as 3623
in section 5739.01 of the Revised Code. 3624

(K) "Internal Revenue Code" means the Internal Revenue 3625
Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term 3626
used in this chapter that is not otherwise defined has the same 3627
meaning as when used in a comparable context in the laws of the 3628
United States relating to federal income taxes unless a 3629
different meaning is clearly required. Any reference in this 3630
chapter to the Internal Revenue Code includes other laws of the 3631
United States relating to federal income taxes. 3632

(L) "Calendar quarter" means a three-month period ending 3633
on the thirty-first day of March, the thirtieth day of June, the 3634
thirtieth day of September, or the thirty-first day of December. 3635

(M) "Tax period" means the calendar quarter or calendar 3636
year on the basis of which a taxpayer is required to pay the tax 3637
imposed under this chapter. 3638

(N) "Calendar year taxpayer" means a taxpayer for which 3639
the tax period is a calendar year. 3640

(O) "Calendar quarter taxpayer" means a taxpayer for which 3641
the tax period is a calendar quarter. 3642

(P) "Agent" means a person authorized by another person to 3643
act on its behalf to undertake a transaction for the other, 3644
including any of the following: 3645

(1) A person receiving a fee to sell financial 3646
instruments; 3647

(2) A person retaining only a commission from a transaction with the other proceeds from the transaction being remitted to another person;	3648 3649 3650
(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;	3651 3652
(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;	3653 3654
(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.	3655 3656
(Q) "Received" includes amounts accrued under the accrual method of accounting.	3657 3658
(R) "Reporting person" means a person in a consolidated elected taxpayer or combined taxpayer group that is designated by that group to legally bind the group for all filings and tax liabilities and to receive all legal notices with respect to matters under this chapter, or, for the purposes of section 5751.04 of the Revised Code, a separate taxpayer that is not a member of such a group.	3659 3660 3661 3662 3663 3664 3665
Sec. 5753.01. As used in Chapter 5753. of the Revised Code and for no other purpose under Title LVII of the Revised Code:	3666 3667
(A) "Casino facility" has the same meaning as in section 3772.01 of the Revised Code.	3668 3669
(B) "Casino gaming" has the same meaning as in section 3772.01 of the Revised Code.	3670 3671
(C) "Casino operator" has the same meaning as in section 3772.01 of the Revised Code.	3672 3673
(D) "Gross casino revenue" means the total amount of money	3674

exchanged for the purchase of chips, tokens, tickets, electronic 3675
cards, or similar objects by casino patrons, less winnings paid 3676
to wagerers. "Gross casino revenue" does not include the 3677
issuance to casino patrons or wagering by casino patrons of any 3678
promotional gaming credit as defined in section 3772.01 of the 3679
Revised Code. When issuance of the promotional gaming credit 3680
requires money exchanged as a match from the patron, the 3681
excludible portion of the promotional gaming credit does not 3682
include the portion of the wager purchased by the patron. 3683

(E) "Person" has the same meaning as in section 3772.01 of 3684
the Revised Code. 3685

(F) "Slot machine" has the same meaning as in section 3686
3772.01 of the Revised Code. 3687

(G) "Sports gaming facility" and "sports gaming agent" 3688
have the same meanings as in section 3770.30 of the Revised 3689
Code. 3690

(H) "Sports gaming receipts" means the total gross 3691
receipts received by a sports gaming agent from the operation of 3692
sports gaming in this state, less the total of the following: 3693

(1) All cash and cash equivalents paid as winnings to 3694
sports gaming patrons; 3695

(2) The dollar amount of all voided wagers; 3696

(3) Federal excise taxes paid by the sports gaming agent 3697
pursuant to 26 U.S.C. 4401; 3698

(4) Uncollectible amounts due to the sports gaming agent 3699
from patrons as a result of sports gaming operations, provided 3700
that the amount has become worthless or uncollectible during the 3701
current tax period, has been uncollected for at least six 3702

months, and may be claimed as a deduction pursuant to section 3703
166 of the Internal Revenue Code, and regulations adopted 3704
pursuant thereto, or that could be claimed as such a deduction 3705
if the sports gaming agent kept accounts on an accrual basis. 3706

(I) "Table game" has the same meaning as in section 3707
3772.01 of the Revised Code. 3708

~~(H)~~ (J) "Taxpayer" means a casino operator subject to the 3709
tax levied under section 5753.02 of the Revised Code or a sports 3710
gaming agent subject to the tax levied under section 5753.021 of 3711
the Revised Code. 3712

(K) "Tax period" means one twenty-four-hour period with 3713
regard to which a ~~casino operator taxpayer~~ is required to pay 3714
the tax levied by ~~this chapter~~ section 5753.02 or 5753.021 of 3715
the Revised Code. 3716

Sec. 5753.021. For the purposes of funding the education 3717
needs of this state, funding efforts to alleviate problem 3718
gambling and addiction, and of defraying the costs of enforcing 3719
and administering the law governing sports gaming and the tax 3720
levied by this section, a tax is hereby levied on the sports 3721
gaming receipts of a sports gaming agent at the rate of ten per 3722
cent of the sports gaming receipts received by the agent from 3723
the operation of sports gaming in this state. 3724

The tax imposed under this section is in addition to any 3725
other taxes or fees imposed under the Revised Code. 3726

Sec. 5753.03. (A) For the purpose of receiving and 3727
distributing, and accounting for, revenue received from the tax 3728
levied by section 5753.02 of the Revised Code, the following 3729
funds are created in the state treasury: 3730

(1) The casino tax revenue fund; 3731

(2) The gross casino revenue county fund;	3732
(3) The gross casino revenue county student fund;	3733
(4) The gross casino revenue host city fund;	3734
(5) The Ohio state racing commission fund;	3735
(6) The Ohio law enforcement training fund;	3736
(7) The problem casino gambling and addictions fund;	3737
(8) The casino control commission fund;	3738
(9) The casino tax administration fund;	3739
(10) The peace officer training academy fund;	3740
(11) The criminal justice services casino tax revenue fund.	3741 3742
(B) All moneys collected from the tax levied under this chapter <u>section 5753.02 of the Revised Code</u> shall be deposited into the casino tax revenue fund.	3743 3744 3745
(C) From the casino tax revenue fund the director of budget and management shall transfer as needed to the tax refund fund amounts equal to the refunds certified by the tax commissioner under section 5753.06 of the Revised Code <u>and</u> <u>attributable to the tax levied under section 5753.02 of the</u> <u>Revised Code.</u>	3746 3747 3748 3749 3750 3751
(D) After making any transfers required by division (C) of this section, but not later than the fifteenth day of the month following the end of each calendar quarter, the director of budget and management shall transfer amounts to each fund as follows:	3752 3753 3754 3755 3756
(1) Fifty-one per cent to the gross casino revenue county	3757

fund to make payments as required by Section 6(C)(3)(a) of 3758
Article XV, Ohio Constitution; 3759

(2) Thirty-four per cent to the gross casino revenue 3760
county student fund to make payments as required by Section 6(C) 3761
(3)(b) of Article XV, Ohio Constitution and as provided in 3762
section 5753.11 of the Revised Code; 3763

(3) Five per cent to the gross casino revenue host city 3764
fund for the benefit of the cities in which casino facilities 3765
are located; 3766

(4) Three per cent to the Ohio state racing commission 3767
fund to support the efforts and activities of the Ohio state 3768
racing commission to promote horse racing in this state at which 3769
the pari-mutuel system of wagering is conducted; 3770

(5) Two per cent to the Ohio law enforcement training fund 3771
to support law enforcement functions in the state; 3772

(6) Two per cent to the problem casino gambling and 3773
addictions fund to support efforts of the department of mental 3774
health and addiction services to alleviate problem gambling and 3775
substance abuse and related research in the state under section 3776
5119.47 of the Revised Code; 3777

(7) Three per cent to the casino control commission fund 3778
to support the operations of the Ohio casino control commission 3779
and to defray the cost of administering the tax levied under 3780
section 5753.02 of the Revised Code. 3781

Payments under divisions (D)(1) and (3) of this section 3782
shall be made by the end of the month following the end of the 3783
quarterly period. The tax commissioner shall make the data 3784
available to the director of budget and management for this 3785
purpose. 3786

Money in the Ohio state racing commission fund shall be 3787
distributed at the discretion of the Ohio state racing 3788
commission for the purpose stated in division (D) (4) of this 3789
section by the end of the month following the end of the 3790
quarterly period. The commission may retain up to five per cent 3791
of the amount transferred to the fund under division (D) (4) of 3792
this section for operating expenses necessary for the 3793
administration of the fund. 3794

Payments from the gross casino revenue county student fund 3795
as required under section 5753.11 of the Revised Code shall be 3796
made by the last day of January and by the last day of August of 3797
each year, beginning in 2013. The tax commissioner shall make 3798
the data available to the director of budget and management for 3799
this purpose. 3800

Of the money credited to the Ohio law enforcement training 3801
fund, the director of budget and management shall distribute 3802
eighty-five per cent of the money to the police officer training 3803
academy fund for the purpose of supporting the law enforcement 3804
training efforts of the Ohio peace officer training academy and 3805
fifteen per cent of the money to the criminal justice services 3806
casino tax revenue fund for the purpose of supporting the law 3807
enforcement training efforts of the division of criminal justice 3808
services. 3809

(E) (1) The tax commissioner shall serve as an agent of the 3810
counties of this state only for the purposes of this division 3811
and solely to make payments directly to municipal corporations 3812
and school districts, as applicable, on the counties' behalf. 3813

(2) On or before the last day of the month following the 3814
end of each calendar quarter, the tax commissioner shall provide 3815
for payment from the funds referenced in divisions (D) (1) and 3816

(3) of this section to each county and municipal corporation as 3817
prescribed in those divisions. 3818

(3) On or before the last day of January and the last day 3819
of August each year, the commissioner shall provide for payments 3820
from the fund referenced in division (D) (2) of this section to 3821
each school district as prescribed in that division. 3822

(F) The director of budget and management shall transfer 3823
one per cent of the money credited to the casino control 3824
commission fund to the casino tax administration fund. The tax 3825
commissioner shall use the casino tax administration fund to 3826
defray the costs incurred in administering the tax levied ~~by~~ 3827
this chapter under section 5753.02 of the Revised Code. 3828

(G) All investment earnings of the gross casino revenue 3829
county student fund shall be credited to the fund. 3830

Sec. 5753.031. (A) For the purpose of receiving and 3831
distributing, and accounting for, revenue received from the tax 3832
levied by section 5753.021 of the Revised Code and from fees and 3833
finances imposed under Chapter 3770. of the Revised Code relating 3834
to sports gaming, the following funds are created in the state 3835
treasury: 3836

(1) The sports gaming revenue fund; 3837

(2) The lottery commission sports gaming fund; 3838

(3) The casino control commission sports gaming fund; 3839

(4) The problem sports gaming and addiction fund; 3840

(5) The sports gaming tax administration fund. 3841

(B) All moneys collected from the tax levied under section 3842
5753.021 of the Revised Code and any fines and fees collected 3843

under Chapter 3770. of the Revised Code relating to sports 3844
gaming shall be deposited into the sports gaming revenue fund. 3845

(C) From the sports gaming revenue fund, the director of 3846
budget and management shall transfer as needed to the tax refund 3847
fund amounts equal to the refunds certified by the tax 3848
commissioner under section 5753.06 of the Revised Code and 3849
attributable to the tax levied under section 5753.021 of the 3850
Revised Code. 3851

(D) Not later than the fifteenth day of each month, the 3852
director of budget and management shall transfer the following 3853
amounts from the sports gaming revenue fund: 3854

(1) To the lottery commission sports gaming fund, both of 3855
the following amounts: 3856

(a) The amount necessary to reimburse the state lottery 3857
commission's actual operating costs and expenses incurred in 3858
administering the provisions of Chapter 3770. of the Revised 3859
Code that relate to sports gaming. The amount transferred under 3860
division (D)(1)(a) of this section shall not exceed ten per cent 3861
of the revenue credited to the sports gaming revenue fund in the 3862
preceding month. 3863

(b) The amount necessary to pay any bonuses, compensation, 3864
or reimbursements due to veteran's and fraternal organizations 3865
under section 3770.331 of the Revised Code. 3866

(2) To the casino control commission sports gaming fund, 3867
the amount necessary to reimburse the Ohio casino control 3868
commission's actual expenses incurred to assist in implementing 3869
and enforcing Chapter 3770. of the Revised Code; 3870

(3) To the sports gaming tax administration fund, the 3871
amount necessary to reimburse the department of taxation's 3872

actual expenses incurred in administering the tax levied under 3873
section 5753.021 of the Revised Code. 3874

(E) Of the amount in the sports gaming revenue fund 3875
remaining after making the transfers required by divisions (C) 3876
and (D) of this section, the director of budget and management 3877
shall transfer, on or before the fifteenth day of the month 3878
following the end of each calendar quarter, amounts to each fund 3879
as follows: 3880

(1) Ninety-eight per cent to the lottery profits education 3881
fund; 3882

(2) Two per cent to the problem sports gaming and 3883
addiction fund to support the state's efforts to alleviate 3884
problem sports gaming. 3885

(F) All interest generated by the funds created under this 3886
section shall be credited back to the fund. 3887

Sec. 5753.04. (A) Daily each day banks are open for 3888
business, not later than noon, a ~~casino operator~~ each taxpayer 3889
shall file a return electronically with the tax commissioner. 3890
The return shall be in the form required by the tax 3891
commissioner, and shall reflect the relevant tax period. The 3892
return shall include, but is not limited to, the amount of the 3893
~~casino operator's taxpayer's~~ gross casino revenue or sports 3894
gaming receipts for the tax period and the amount of tax due 3895
under section 5753.02 or 5753.021 of the Revised Code for the 3896
tax period. The ~~casino operator~~ taxpayer shall remit 3897
electronically with the return the tax due. 3898

(B) If a sports gaming agent's sports gaming receipts for 3899
a tax period are less than zero because the winnings paid by the 3900
agent to wagerers exceeds the agent's total gross receipts from 3901

the operation of sports gaming for that tax period, the tax 3902
commissioner shall allow the agent to carry forward the deficit 3903
to subsequent tax periods until the agent's sports gaming 3904
receipts are greater than zero. 3905

A deficit may not be carried back to a prior tax period 3906
and no payment previously made shall be refunded, except if the 3907
agent surrenders its sports gaming agent license and the agent's 3908
last return reported a deficit. In that case, the commissioner 3909
shall multiply the deficit by ten per cent and pay that amount 3910
to the agent in the manner prescribed by the commissioner. 3911

(C) If ~~the~~ a casino operator or sports gaming agent ceases 3912
to be a taxpayer at any time, the ~~casino~~ operator or agent shall 3913
indicate the last date for which the ~~casino~~ operator or agent 3914
was liable for the tax. The return shall include a space for 3915
this purpose. 3916

Sec. 5753.05. (A) (1) A ~~casino operator~~ taxpayer who fails 3917
to file a return or to remit the tax due as required by section 3918
5753.04 of the Revised Code shall pay a penalty not to exceed 3919
the greater of five hundred dollars or ten per cent of the tax 3920
due. 3921

(2) If the tax commissioner finds additional tax to be 3922
due, the tax commissioner may impose an additional penalty of up 3923
to fifteen per cent of the additional tax found to be due. A 3924
delinquent payment of tax made as the result of a notice or an 3925
audit is subject to the additional penalty imposed by this 3926
division. 3927

(3) If a ~~casino operator~~ taxpayer fails to file a return 3928
electronically or to remit the tax electronically, the tax 3929
commissioner may impose an additional penalty of fifty dollars 3930

or ten per cent of the tax due as shown on the return, whichever 3931
is greater. 3932

(B) If the tax due under section 5753.02 or 5753.021 of 3933
the Revised Code is not timely paid, the ~~casino operator~~ 3934
taxpayer shall pay interest at the rate per annum prescribed in 3935
section 5703.47 of the Revised Code beginning on the day the tax 3936
was due through the day the tax is paid or an assessment is 3937
issued, whichever occurs first. 3938

(C) The tax commissioner shall collect any penalty or 3939
interest as if it were the tax levied by section 5753.02 or 3940
5753.021 of the Revised Code, as applicable. Penalties and 3941
interest shall be treated as if they were revenue arising from 3942
the applicable tax ~~levied by section 5753.02 of the Revised~~ 3943
~~Code~~. 3944

(D) The tax commissioner may abate all or a portion of any 3945
penalty imposed under this section and may adopt rules governing 3946
abatements. 3947

(E) If a casino operator or sports gaming agent fails to 3948
file a return or remit the tax due as required by section 3949
5753.04 of the Revised Code within a period of one year after 3950
the due date for filing the return or remitting the tax, the 3951
Ohio casino control commission or the state lottery commission, 3952
as applicable, may suspend the ~~casino operator's or agent's~~ 3953
license. 3954

Sec. 5753.06. (A) A ~~casino operator taxpayer~~ may apply to 3955
the tax commissioner for refund of the amount of taxes under 3956
section 5753.02 or 5753.021 of the Revised Code that were 3957
overpaid, paid illegally or erroneously, or paid on an illegal 3958
or erroneous assessment. The application shall be on a form 3959

prescribed by the tax commissioner. The ~~casino operator~~ taxpayer 3960
shall provide the amount of the requested refund along with the 3961
claimed reasons for, and documentation to support, the issuance 3962
of a refund. The ~~casino operator~~ taxpayer shall file the 3963
application with the tax commissioner within four years after 3964
the date the payment was made, unless the applicant has waived 3965
the time limitation under division (D) of section 5753.07 of the 3966
Revised Code. In the latter event, the four-year limitation is 3967
extended for the same period of time as the waiver. 3968

(B) Upon the filing of a refund application, the tax 3969
commissioner shall determine the amount of refund to which the 3970
applicant is entitled. If the amount is not less than that 3971
claimed, the tax commissioner shall certify the amount to the 3972
director of budget and management and treasurer of state for 3973
payment from the tax refund fund. If the amount is less than 3974
that claimed, the tax commissioner shall proceed under section 3975
5703.70 of the Revised Code. 3976

(C) Interest on a refund applied for under this section, 3977
computed at the rate provided for in section 5703.47 of the 3978
Revised Code, shall be allowed from the later of the date the 3979
tax was due or the date payment of the tax was made. Except as 3980
provided in section 5753.07 of the Revised Code, the tax 3981
commissioner may, with the consent of the ~~casino operator~~ 3982
taxpayer, provide for crediting against the tax due for a tax 3983
period, the amount of any refund due the ~~casino operator~~ 3984
taxpayer for a preceding tax period. 3985

(D) Refunds under this section are subject to offset under 3986
section 5753.061 of the Revised Code. 3987

Sec. 5753.061. As used in this section, "debt to the 3988
state" means unpaid taxes that are due the state, unpaid 3989

workers' compensation premiums that are due, unpaid unemployment 3990
compensation contributions that are due, unpaid unemployment 3991
compensation payments in lieu of contributions that are due, 3992
unpaid fees payable to the state or to the clerk of courts under 3993
section 4505.06 of the Revised Code, incorrect medical 3994
assistance payments, or any unpaid charge, penalty, or interest 3995
arising from any of the foregoing. A debt to the state is not a 3996
"debt to the state" as used in this section unless the liability 3997
underlying the debt to the state has become incontestable 3998
because the time for appealing, reconsidering, reassessing, or 3999
otherwise questioning the liability has expired or the liability 4000
has been finally determined to be valid. 4001

If a ~~casino operator taxpayer~~ who is entitled to a refund 4002
under section 5753.06 of the Revised Code owes a debt to the 4003
state, the amount refundable may be applied in satisfaction of 4004
the debt to the state. If the amount refundable is less than the 4005
amount of the debt to the state, the amount refundable may be 4006
applied in partial satisfaction of the debt. If the amount 4007
refundable is greater than the amount of the debt, the amount 4008
refundable remaining after satisfaction of the debt shall be 4009
refunded to the ~~casino operator taxpayer~~. 4010

Sec. 5753.07. (A) (1) The tax commissioner may issue an 4011
assessment, based on any information in the tax commissioner's 4012
possession, against a ~~casino operator taxpayer~~ who fails to pay 4013
the tax levied under section 5753.02 or 5753.021 of the Revised 4014
Code or to file a return under section 5753.04 of the Revised 4015
Code. The tax commissioner shall give the ~~casino operator~~ 4016
taxpayer written notice of the assessment under section 5703.37 4017
of the Revised Code. With the notice, the tax commissioner shall 4018
include instructions on how to petition for reassessment and on 4019
how to request a hearing with respect to the petition. 4020

(2) Unless the ~~casino operator taxpayer~~, within sixty days 4021
after service of the notice of assessment, files with the tax 4022
commissioner, either personally or by certified mail, a written 4023
petition signed by the ~~casino operator taxpayer~~, or by the 4024
~~casino operator's taxpayer's~~ authorized agent who has knowledge 4025
of the facts, the assessment becomes final, and the amount of 4026
the assessment is due and payable from the ~~casino operator~~ 4027
~~taxpayer~~ to the treasurer of state. The petition shall indicate 4028
the ~~casino operator's taxpayer's~~ objections to the assessment. 4029
Additional objections may be raised in writing if they are 4030
received by the tax commissioner before the date shown on the 4031
final determination. 4032

(3) If a petition for reassessment has been properly 4033
filed, the tax commissioner shall proceed under section 5703.60 4034
of the Revised Code. 4035

(4) After an assessment becomes final, if any portion of 4036
the assessment, including penalties and accrued interest, 4037
remains unpaid, the tax commissioner may file a certified copy 4038
of the entry making the assessment final in the office of the 4039
clerk of the court of common pleas of Franklin county or in the 4040
office of the clerk of the court of common pleas of the county 4041
in which the ~~casino operator taxpayer~~ resides, the ~~casino~~ 4042
~~operator's taxpayer's~~ casino facility or sports gaming facility 4043
is located, or the ~~casino operator's taxpayer's~~ principal place 4044
of business in this state is located. Immediately upon the 4045
filing of the entry, the clerk shall enter a judgment for the 4046
state against the taxpayer assessed in the amount shown on the 4047
entry. The judgment may be filed by the clerk in a loose-leaf 4048
book entitled, "special judgments for the gross casino revenue 4049
tax and sports gaming receipts tax." The judgment has the same 4050
effect as other judgments. Execution shall issue upon the 4051

judgment at the request of the tax commissioner, and all laws 4052
applicable to sales on execution apply to sales made under the 4053
judgment. 4054

(5) If the assessment is not paid in its entirety within 4055
sixty days after the day the assessment was issued, the portion 4056
of the assessment consisting of tax due shall bear interest at 4057
the rate per annum prescribed by section 5703.47 of the Revised 4058
Code from the day the tax commissioner issued the assessment 4059
until the assessment is paid or until it is certified to the 4060
attorney general for collection under section 131.02 of the 4061
Revised Code, whichever comes first. If the unpaid portion of 4062
the assessment is certified to the attorney general for 4063
collection, the entire unpaid portion of the assessment shall 4064
bear interest at the rate per annum prescribed by section 4065
5703.47 of the Revised Code from the date of certification until 4066
the date it is paid in its entirety. Interest shall be paid in 4067
the same manner as the tax levied under section 5753.02 or 4068
5753.021 of the Revised Code, as applicable, and may be 4069
collected by the issuance of an assessment under this section. 4070

(B) If the tax commissioner believes that collection of 4071
the tax levied under section 5753.02 or 5753.021 of the Revised 4072
Code will be jeopardized unless proceedings to collect or secure 4073
collection of the tax are instituted without delay, the 4074
commissioner may issue a jeopardy assessment against the ~~casino-~~ 4075
~~operator who~~ taxpayer that is liable for the tax. Immediately 4076
upon the issuance of a jeopardy assessment, the tax commissioner 4077
shall file an entry with the clerk of the court of common pleas 4078
in the manner prescribed by division (A) (4) of this section, and 4079
the clerk shall proceed as directed in that division. Notice of 4080
the jeopardy assessment shall be served on the ~~casino operator-~~ 4081
taxpayer or the ~~casino operator's~~ taxpayer's authorized agent 4082

under section 5703.37 of the Revised Code within five days after 4083
the filing of the entry with the clerk. The total amount 4084
assessed is immediately due and payable, unless the ~~casino-~~ 4085
~~operator~~ taxpayer assessed files a petition for reassessment 4086
under division (A) (2) of this section and provides security in a 4087
form satisfactory to the tax commissioner that is in an amount 4088
sufficient to satisfy the unpaid balance of the assessment. If a 4089
petition for reassessment has been filed, and if satisfactory 4090
security has been provided, the tax commissioner shall proceed 4091
under division (A) (3) of this section. Full or partial payment 4092
of the assessment does not prejudice the tax commissioner's 4093
consideration of the petition for reassessment. 4094

(C) The tax commissioner shall immediately forward to the 4095
treasurer of state all amounts the tax commissioner receives 4096
under this section, and the amounts forwarded shall be treated 4097
as if they were revenue arising from the tax levied under 4098
section 5753.02 or 5753.021 of the Revised Code, as applicable. 4099

(D) Except as otherwise provided in this division, no 4100
assessment shall be issued against a ~~casino operator~~ taxpayer 4101
for the tax levied under section 5753.02 or 5753.021 of the 4102
Revised Code more than four years after the due date for filing 4103
the return for the tax period for which the tax was reported, or 4104
more than four years after the return for the tax period was 4105
filed, whichever is later. This division does not bar an 4106
assessment against a ~~casino operator~~ taxpayer who fails to file 4107
a return as required by section 5753.04 of the Revised Code or 4108
who files a fraudulent return, or when the ~~casino operator-~~ 4109
taxpayer and the tax commissioner waive in writing the time 4110
limitation. 4111

(E) If the tax commissioner possesses information that 4112

indicates that the amount of tax a ~~casino operator taxpayer~~ is 4113
liable to pay under section 5753.02 or 5753.021 of the Revised 4114
Code exceeds the amount the ~~casino operator taxpayer~~ paid, the 4115
tax commissioner may audit a sample of the ~~casino operator's~~ 4116
~~taxpayer's~~ gross casino revenue or sports gaming receipts, as 4117
applicable, over a representative period of time to ascertain 4118
the amount of tax due, and may issue an assessment based on the 4119
audit. The tax commissioner shall make a good faith effort to 4120
reach agreement with the ~~casino operator taxpayer~~ in selecting a 4121
representative sample. The tax commissioner may apply a sampling 4122
method only if the tax commissioner has prescribed the method by 4123
rule. 4124

(F) If the whereabouts of a ~~casino operator taxpayer~~ who 4125
is liable for the tax levied under section 5753.02 or 5753.021 4126
of the Revised Code are unknown to the tax commissioner, the tax 4127
commissioner shall proceed under section 5703.37 of the Revised 4128
Code. 4129

~~(G) If a casino operator fails to pay the tax levied under 4130
section 5753.02 of the Revised Code within a period of one year 4131
after the due date for remitting the tax, the Ohio casino 4132
control commission may suspend the casino operator's license. 4133~~

Sec. 5753.08. If a ~~casino operator taxpayer~~ who is liable 4134
for the tax levied under section 5753.02 or 5753.021 of the 4135
Revised Code sells ~~the a~~ casino facility or sports gaming 4136
facility, disposes of ~~the a~~ casino facility or sports gaming 4137
facility in any manner other than in the regular course of 4138
business, or quits the casino gaming or sports gaming business, 4139
any tax owed by that person becomes immediately due and payable, 4140
and the person shall pay the tax due, including any applicable 4141
penalties and interest. The person's successor shall withhold a 4142

sufficient amount of the purchase money to cover the amounts due 4143
and unpaid until the predecessor produces a receipt from the tax 4144
commissioner showing that the amounts due have been paid or a 4145
certificate indicating that no taxes are due. If the successor 4146
fails to withhold purchase money, the successor is personally 4147
liable, up to the purchase money amount, for amounts that were 4148
unpaid during the operation of the business by the predecessor. 4149

Sec. 5753.10. The tax commissioner may prescribe 4150
requirements for the keeping of records and pertinent documents, 4151
for the filing of copies of federal income tax returns and 4152
determinations, and for computations reconciling federal income 4153
tax returns with the return required by section 5753.04 of the 4154
Revised Code. The tax commissioner may require a ~~casino operator~~ 4155
taxpayer, by rule or by notice served on the ~~casino operator~~ 4156
taxpayer, to keep records and other documents that the tax 4157
commissioner considers necessary to show the extent to which the 4158
~~casino operator taxpayer~~ is subject to this chapter. The records 4159
and other documents shall be open to inspection by the tax 4160
commissioner during business hours, and shall be preserved for a 4161
period of four years unless the tax commissioner, in writing, 4162
consents to their destruction within that period, or by order 4163
served on the ~~casino operator taxpayer~~ requires that they be 4164
kept longer. If the records are normally kept electronically by 4165
the ~~casino operator taxpayer~~, the ~~casino operator taxpayer~~ shall 4166
provide the records to the tax commissioner electronically at 4167
the tax commissioner's request. 4168

Any information required by the tax commissioner under 4169
this section is confidential under section 5703.21 of the 4170
Revised Code. 4171

Section 2. That existing sections 109.572, 718.031, 4172

3770.01, 3770.02, 3770.99, 3772.03, 5703.21, 5747.02, 5747.063, 4173
5747.064, 5747.08, 5747.20, 5751.01, 5753.01, 5753.03, 5753.04, 4174
5753.05, 5753.06, 5753.061, 5753.07, 5753.08, and 5753.10 of the 4175
Revised Code are hereby repealed. 4176

Section 3. Section 3770.331 of the Revised Code, as 4177
enacted by this act, shall take effect twelve months after the 4178
effective date of this act. 4179

Section 4. (A) There is the Sports Gaming Advisory Board, 4180
which shall consist of five members appointed by the Governor 4181
with the advice and consent of the Senate. Not more than three 4182
members of the Board shall be members of the same political 4183
party. 4184

Members of the Board shall serve without compensation. 4185

No member of the State Lottery Commission or the Ohio 4186
Casino Control Commission shall serve on the Board. 4187

Each member of the Board shall be a resident of this 4188
state. 4189

(B) The Sports Gaming Advisory Board shall serve in an 4190
advisory capacity to the State Lottery Commission and shall 4191
study and develop recommendations for the rules to be adopted by 4192
the State Lottery Commission under this act with respect to the 4193
sports gaming lottery. 4194

(C) The Sports Gaming Advisory Board shall make 4195
recommendations to the State Lottery Commission as it determines 4196
appropriate. The Board shall cease to exist on the date that is 4197
three years after the effective date of this act. 4198

Section 5. Notwithstanding the amendment of division (C) 4199
of section 3770.01 of the Revised Code by this act to require 4200

three members of the State Lottery Commission to possess gaming 4201
experience, no member of the Commission on the effective date of 4202
this act must be removed in order to be replaced by a person 4203
with gaming experience. The additional two members appointed to 4204
the Commission under this act shall have gaming experience, and 4205
shall be appointed to terms ending August 1, 2022. The next 4206
appointment made to replace a person serving on the Commission 4207
after the effective date of this act shall be of a third person 4208
with gaming experience. 4209

Section 6. The General Assembly, applying the principle 4210
stated in division (B) of section 1.52 of the Revised Code that 4211
amendments are to be harmonized if reasonably capable of 4212
simultaneous operation, finds that the following sections, 4213
presented in this act as composites of the sections as amended 4214
by the acts indicated, are the resulting versions of the 4215
sections in effect prior to the effective date of the sections 4216
as presented in this act: 4217

Section 109.572 of the Revised Code as amended by Am. Sub. 4218
H.B. 49, Sub. H.B. 199, Sub. H.B. 213, Am. Sub. S.B. 51, Sub. 4219
S.B. 229, Am. Sub. S.B. 255, and Sub. S.B. 263, all of the 132nd 4220
General Assembly. 4221

Section 3772.03 of the Revised Code as amended by both Am. 4222
Sub. H.B. 49 and Sub. H.B. 132 of the 132nd General Assembly. 4223