

As Passed by the Senate

131st General Assembly

Regular Session

2015-2016

H. B. No. 466

Representative Smith, R.

Cosponsors: Representatives Schaffer, Dever, Hambley, Rogers, Amstutz, Anielski, Antani, Antonio, Arndt, Baker, Blessing, Boccieri, Boose, Boyce, Brenner, Brown, Buchy, Burkley, Celebrezze, Conditt, Craig, Cupp, Derickson, DeVitis, Duffey, Fedor, Green, Grossman, Hayes, Henne, Johnson, T., Leland, Lepore-Hagan, Manning, McClain, McColley, O'Brien, M., O'Brien, S., Patterson, Pelanda, Perales, Reece, Reineke, Retherford, Roegner, Romanchuk, Ruhl, Ryan, Schuring, Sears, Sheehy, Sprague, Strahorn, Sweeney, Terhar, Thompson, Young, Speaker Rosenberger

Senators Jordan, Beagle, Balderson, Coley, Eklund, Faber, Hackett, Hottinger, Hughes, Oelslager, Patton, Peterson, Schiavoni, Seitz, Tavares, Uecker

A BILL

To amend section 5739.01 of the Revised Code to 1
specifically exempt digital advertising services 2
from sales and use tax. 3

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

Section 1. That section 5739.01 of the Revised Code be 4
amended to read as follows: 5

Sec. 5739.01. As used in this chapter: 6

(A) "Person" includes individuals, receivers, assignees, 7
trustees in bankruptcy, estates, firms, partnerships, 8
associations, joint-stock companies, joint ventures, clubs, 9
societies, corporations, the state and its political 10
subdivisions, and combinations of individuals of any form. 11

(B) "Sale" and "selling" include all of the following 12
transactions for a consideration in any manner, whether 13
absolutely or conditionally, whether for a price or rental, in 14
money or by exchange, and by any means whatsoever: 15

(1) All transactions by which title or possession, or 16
both, of tangible personal property, is or is to be transferred, 17
or a license to use or consume tangible personal property is or 18
is to be granted; 19

(2) All transactions by which lodging by a hotel is or is 20
to be furnished to transient guests; 21

(3) All transactions by which: 22

(a) An item of tangible personal property is or is to be 23
repaired, except property, the purchase of which would not be 24
subject to the tax imposed by section 5739.02 of the Revised 25
Code; 26

(b) An item of tangible personal property is or is to be 27
installed, except property, the purchase of which would not be 28
subject to the tax imposed by section 5739.02 of the Revised 29
Code or property that is or is to be incorporated into and will 30
become a part of a production, transmission, transportation, or 31
distribution system for the delivery of a public utility 32
service; 33

(c) The service of washing, cleaning, waxing, polishing, 34
or painting a motor vehicle is or is to be furnished; 35

(d) Until August 1, 2003, industrial laundry cleaning 36
services are or are to be provided and, on and after August 1, 37
2003, laundry and dry cleaning services are or are to be 38
provided; 39

(e) Automatic data processing, computer services, or 40
electronic information services are or are to be provided for 41
use in business when the true object of the transaction is the 42
receipt by the consumer of automatic data processing, computer 43
services, or electronic information services rather than the 44
receipt of personal or professional services to which automatic 45
data processing, computer services, or electronic information 46
services are incidental or supplemental. Notwithstanding any 47
other provision of this chapter, such transactions that occur 48
between members of an affiliated group are not sales. An 49
"affiliated group" means two or more persons related in such a 50
way that one person owns or controls the business operation of 51
another member of the group. In the case of corporations with 52
stock, one corporation owns or controls another if it owns more 53
than fifty per cent of the other corporation's common stock with 54
voting rights. 55

(f) Telecommunications service, including prepaid calling 56
service, prepaid wireless calling service, or ancillary service, 57
is or is to be provided, but not including coin-operated 58
telephone service; 59

(g) Landscaping and lawn care service is or is to be 60
provided; 61

(h) Private investigation and security service is or is to 62
be provided; 63

(i) Information services or tangible personal property is 64
provided or ordered by means of a nine hundred telephone call; 65

(j) Building maintenance and janitorial service is or is 66
to be provided; 67

(k) Employment service is or is to be provided; 68

(l) Employment placement service is or is to be provided;	69
(m) Exterminating service is or is to be provided;	70
(n) Physical fitness facility service is or is to be provided;	71 72
(o) Recreation and sports club service is or is to be provided;	73 74
(p) On and after August 1, 2003, satellite broadcasting service is or is to be provided;	75 76
(q) On and after August 1, 2003, personal care service is or is to be provided to an individual. As used in this division, "personal care service" includes skin care, the application of cosmetics, manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician or licensed chiropractor, or the cutting, coloring, or styling of an individual's hair.	77 78 79 80 81 82 83 84 85
(r) On and after August 1, 2003, the transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102;	86 87 88 89 90 91 92 93
(s) On and after August 1, 2003, motor vehicle towing service is or is to be provided. As used in this division, "motor vehicle towing service" means the towing or conveyance of a wrecked, disabled, or illegally parked motor vehicle.	94 95 96 97

(t) On and after August 1, 2003, snow removal service is 98
or is to be provided. As used in this division, "snow removal 99
service" means the removal of snow by any mechanized means, but 100
does not include the providing of such service by a person that 101
has less than five thousand dollars in sales of such service 102
during the calendar year. 103

(u) Electronic publishing service is or is to be provided 104
to a consumer for use in business, except that such transactions 105
occurring between members of an affiliated group, as defined in 106
division (B) (3) (e) of this section, are not sales. 107

(4) All transactions by which printed, imprinted, 108
overprinted, lithographic, multilithic, blueprinted, 109
photostatic, or other productions or reproductions of written or 110
graphic matter are or are to be furnished or transferred; 111

(5) The production or fabrication of tangible personal 112
property for a consideration for consumers who furnish either 113
directly or indirectly the materials used in the production of 114
fabrication work; and include the furnishing, preparing, or 115
serving for a consideration of any tangible personal property 116
consumed on the premises of the person furnishing, preparing, or 117
serving such tangible personal property. Except as provided in 118
section 5739.03 of the Revised Code, a construction contract 119
pursuant to which tangible personal property is or is to be 120
incorporated into a structure or improvement on and becoming a 121
part of real property is not a sale of such tangible personal 122
property. The construction contractor is the consumer of such 123
tangible personal property, provided that the sale and 124
installation of carpeting, the sale and installation of 125
agricultural land tile, the sale and erection or installation of 126
portable grain bins, or the provision of landscaping and lawn 127

care service and the transfer of property as part of such 128
service is never a construction contract. 129

As used in division (B) (5) of this section: 130

(a) "Agricultural land tile" means fired clay or concrete 131
tile, or flexible or rigid perforated plastic pipe or tubing, 132
incorporated or to be incorporated into a subsurface drainage 133
system appurtenant to land used or to be used primarily in 134
production by farming, agriculture, horticulture, or 135
floriculture. The term does not include such materials when they 136
are or are to be incorporated into a drainage system appurtenant 137
to a building or structure even if the building or structure is 138
used or to be used in such production. 139

(b) "Portable grain bin" means a structure that is used or 140
to be used by a person engaged in farming or agriculture to 141
shelter the person's grain and that is designed to be 142
disassembled without significant damage to its component parts. 143

(6) All transactions in which all of the shares of stock 144
of a closely held corporation are transferred, or an ownership 145
interest in a pass-through entity, as defined in section 5733.04 146
of the Revised Code, is transferred, if the corporation or pass- 147
through entity is not engaging in business and its entire assets 148
consist of boats, planes, motor vehicles, or other tangible 149
personal property operated primarily for the use and enjoyment 150
of the shareholders or owners; 151

(7) All transactions in which a warranty, maintenance or 152
service contract, or similar agreement by which the vendor of 153
the warranty, contract, or agreement agrees to repair or 154
maintain the tangible personal property of the consumer is or is 155
to be provided; 156

(8) The transfer of copyrighted motion picture films used 157
solely for advertising purposes, except that the transfer of 158
such films for exhibition purposes is not a sale; 159

(9) On and after August 1, 2003, all transactions by which 160
tangible personal property is or is to be stored, except such 161
property that the consumer of the storage holds for sale in the 162
regular course of business; 163

(10) All transactions in which "guaranteed auto 164
protection" is provided whereby a person promises to pay to the 165
consumer the difference between the amount the consumer receives 166
from motor vehicle insurance and the amount the consumer owes to 167
a person holding title to or a lien on the consumer's motor 168
vehicle in the event the consumer's motor vehicle suffers a 169
total loss under the terms of the motor vehicle insurance policy 170
or is stolen and not recovered, if the protection and its price 171
are included in the purchase or lease agreement; 172

(11) (a) Except as provided in division (B) (11) (b) of this 173
section, on and after October 1, 2009, all transactions by which 174
health care services are paid for, reimbursed, provided, 175
delivered, arranged for, or otherwise made available by a 176
medicaid health insuring corporation pursuant to the 177
corporation's contract with the state. 178

(b) If the centers for medicare and medicaid services of 179
the United States department of health and human services 180
determines that the taxation of transactions described in 181
division (B) (11) (a) of this section constitutes an impermissible 182
health care-related tax under the "Social Security Act," section 183
1903(w), 42 U.S.C. 1396b(w), and regulations adopted thereunder, 184
the medicaid director shall notify the tax commissioner of that 185
determination. Beginning with the first day of the month 186

following that notification, the transactions described in 187
division (B) (11) (a) of this section are not sales for the 188
purposes of this chapter or Chapter 5741. of the Revised Code. 189
The tax commissioner shall order that the collection of taxes 190
under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 191
5741.021, 5741.022, and 5741.023 of the Revised Code shall cease 192
for transactions occurring on or after that date. 193

(12) All transactions by which a specified digital product 194
is provided for permanent use or less than permanent use, 195
regardless of whether continued payment is required. 196

Except as provided in this section, "sale" and "selling" 197
do not include transfers of interest in leased property where 198
the original lessee and the terms of the original lease 199
agreement remain unchanged, or professional, insurance, or 200
personal service transactions that involve the transfer of 201
tangible personal property as an inconsequential element, for 202
which no separate charges are made. 203

(C) "Vendor" means the person providing the service or by 204
whom the transfer effected or license given by a sale is or is 205
to be made or given and, for sales described in division (B) (3) 206
(i) of this section, the telecommunications service vendor that 207
provides the nine hundred telephone service; if two or more 208
persons are engaged in business at the same place of business 209
under a single trade name in which all collections on account of 210
sales by each are made, such persons shall constitute a single 211
vendor. 212

Physicians, dentists, hospitals, and veterinarians who are 213
engaged in selling tangible personal property as received from 214
others, such as eyeglasses, mouthwashes, dentifrices, or similar 215
articles, are vendors. Veterinarians who are engaged in 216

transferring to others for a consideration drugs, the dispensing 217
of which does not require an order of a licensed veterinarian or 218
physician under federal law, are vendors. 219

(D) (1) "Consumer" means the person for whom the service is 220
provided, to whom the transfer effected or license given by a 221
sale is or is to be made or given, to whom the service described 222
in division (B) (3) (f) or (i) of this section is charged, or to 223
whom the admission is granted. 224

(2) Physicians, dentists, hospitals, and blood banks 225
operated by nonprofit institutions and persons licensed to 226
practice veterinary medicine, surgery, and dentistry are 227
consumers of all tangible personal property and services 228
purchased by them in connection with the practice of medicine, 229
dentistry, the rendition of hospital or blood bank service, or 230
the practice of veterinary medicine, surgery, and dentistry. In 231
addition to being consumers of drugs administered by them or by 232
their assistants according to their direction, veterinarians 233
also are consumers of drugs that under federal law may be 234
dispensed only by or upon the order of a licensed veterinarian 235
or physician, when transferred by them to others for a 236
consideration to provide treatment to animals as directed by the 237
veterinarian. 238

(3) A person who performs a facility management, or 239
similar service contract for a contractee is a consumer of all 240
tangible personal property and services purchased for use in 241
connection with the performance of such contract, regardless of 242
whether title to any such property vests in the contractee. The 243
purchase of such property and services is not subject to the 244
exception for resale under division (E) (1) of this section. 245

(4) (a) In the case of a person who purchases printed 246

matter for the purpose of distributing it or having it 247
distributed to the public or to a designated segment of the 248
public, free of charge, that person is the consumer of that 249
printed matter, and the purchase of that printed matter for that 250
purpose is a sale. 251

(b) In the case of a person who produces, rather than 252
purchases, printed matter for the purpose of distributing it or 253
having it distributed to the public or to a designated segment 254
of the public, free of charge, that person is the consumer of 255
all tangible personal property and services purchased for use or 256
consumption in the production of that printed matter. That 257
person is not entitled to claim exemption under division (B)(42) 258
(f) of section 5739.02 of the Revised Code for any material 259
incorporated into the printed matter or any equipment, supplies, 260
or services primarily used to produce the printed matter. 261

(c) The distribution of printed matter to the public or to 262
a designated segment of the public, free of charge, is not a 263
sale to the members of the public to whom the printed matter is 264
distributed or to any persons who purchase space in the printed 265
matter for advertising or other purposes. 266

(5) A person who makes sales of any of the services listed 267
in division (B)(3) of this section is the consumer of any 268
tangible personal property used in performing the service. The 269
purchase of that property is not subject to the resale exception 270
under division (E)(1) of this section. 271

(6) A person who engages in highway transportation for 272
hire is the consumer of all packaging materials purchased by 273
that person and used in performing the service, except for 274
packaging materials sold by such person in a transaction 275
separate from the service. 276

(7) In the case of a transaction for health care services 277
under division (B) (11) of this section, a medicaid health 278
insuring corporation is the consumer of such services. The 279
purchase of such services by a medicaid health insuring 280
corporation is not subject to the exception for resale under 281
division (E) (1) of this section or to the exemptions provided 282
under divisions (B) (12), (18), (19), and (22) of section 5739.02 283
of the Revised Code. 284

(E) "Retail sale" and "sales at retail" include all sales, 285
except those in which the purpose of the consumer is to resell 286
the thing transferred or benefit of the service provided, by a 287
person engaging in business, in the form in which the same is, 288
or is to be, received by the person. 289

(F) "Business" includes any activity engaged in by any 290
person with the object of gain, benefit, or advantage, either 291
direct or indirect. "Business" does not include the activity of 292
a person in managing and investing the person's own funds. 293

(G) "Engaging in business" means commencing, conducting, 294
or continuing in business, and liquidating a business when the 295
liquidator thereof holds itself out to the public as conducting 296
such business. Making a casual sale is not engaging in business. 297

(H) (1) (a) "Price," except as provided in divisions (H) (2), 298
(3), and (4) of this section, means the total amount of 299
consideration, including cash, credit, property, and services, 300
for which tangible personal property or services are sold, 301
leased, or rented, valued in money, whether received in money or 302
otherwise, without any deduction for any of the following: 303

(i) The vendor's cost of the property sold; 304

(ii) The cost of materials used, labor or service costs, 305

interest, losses, all costs of transportation to the vendor, all	306
taxes imposed on the vendor, including the tax imposed under	307
Chapter 5751. of the Revised Code, and any other expense of the	308
vendor;	309
(iii) Charges by the vendor for any services necessary to	310
complete the sale;	311
(iv) On and after August 1, 2003, delivery charges. As	312
used in this division, "delivery charges" means charges by the	313
vendor for preparation and delivery to a location designated by	314
the consumer of tangible personal property or a service,	315
including transportation, shipping, postage, handling, crating,	316
and packing.	317
(v) Installation charges;	318
(vi) Credit for any trade-in.	319
(b) "Price" includes consideration received by the vendor	320
from a third party, if the vendor actually receives the	321
consideration from a party other than the consumer, and the	322
consideration is directly related to a price reduction or	323
discount on the sale; the vendor has an obligation to pass the	324
price reduction or discount through to the consumer; the amount	325
of the consideration attributable to the sale is fixed and	326
determinable by the vendor at the time of the sale of the item	327
to the consumer; and one of the following criteria is met:	328
(i) The consumer presents a coupon, certificate, or other	329
document to the vendor to claim a price reduction or discount	330
where the coupon, certificate, or document is authorized,	331
distributed, or granted by a third party with the understanding	332
that the third party will reimburse any vendor to whom the	333
coupon, certificate, or document is presented;	334

(ii) The consumer identifies the consumer's self to the seller as a member of a group or organization entitled to a price reduction or discount. A preferred customer card that is available to any patron does not constitute membership in such a group or organization.

(iii) The price reduction or discount is identified as a third party price reduction or discount on the invoice received by the consumer, or on a coupon, certificate, or other document presented by the consumer.

(c) "Price" does not include any of the following:

(i) Discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a vendor and taken by a consumer on a sale;

(ii) Interest, financing, and carrying charges from credit extended on the sale of tangible personal property or services, if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(iii) Any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the consumer. For the purpose of this division, the tax imposed under Chapter 5751. of the Revised Code is not a tax directly on the consumer, even if the tax or a portion thereof is separately stated.

(iv) Notwithstanding divisions (H) (1) (b) (i) to (iii) of this section, any discount allowed by an automobile manufacturer to its employee, or to the employee of a supplier, on the purchase of a new motor vehicle from a new motor vehicle dealer in this state.

(v) The dollar value of a gift card that is not sold by a

vendor or purchased by a consumer and that is redeemed by the 364
consumer in purchasing tangible personal property or services if 365
the vendor is not reimbursed and does not receive compensation 366
from a third party to cover all or part of the gift card value. 367
For the purposes of this division, a gift card is not sold by a 368
vendor or purchased by a consumer if it is distributed pursuant 369
to an awards, loyalty, or promotional program. Past and present 370
purchases of tangible personal property or services by the 371
consumer shall not be treated as consideration exchanged for a 372
gift card. 373

(2) In the case of a sale of any new motor vehicle by a 374
new motor vehicle dealer, as defined in section 4517.01 of the 375
Revised Code, in which another motor vehicle is accepted by the 376
dealer as part of the consideration received, "price" has the 377
same meaning as in division (H)(1) of this section, reduced by 378
the credit afforded the consumer by the dealer for the motor 379
vehicle received in trade. 380

(3) In the case of a sale of any watercraft or outboard 381
motor by a watercraft dealer licensed in accordance with section 382
1547.543 of the Revised Code, in which another watercraft, 383
watercraft and trailer, or outboard motor is accepted by the 384
dealer as part of the consideration received, "price" has the 385
same meaning as in division (H)(1) of this section, reduced by 386
the credit afforded the consumer by the dealer for the 387
watercraft, watercraft and trailer, or outboard motor received 388
in trade. As used in this division, "watercraft" includes an 389
outdrive unit attached to the watercraft. 390

(4) In the case of transactions for health care services 391
under division (B)(11) of this section, "price" means the amount 392
of managed care premiums received each month by a medicaid 393

health insuring corporation. 394

(I) "Receipts" means the total amount of the prices of the 395
sales of vendors, provided that the dollar value of gift cards 396
distributed pursuant to an awards, loyalty, or promotional 397
program, and cash discounts allowed and taken on sales at the 398
time they are consummated are not included, minus any amount 399
deducted as a bad debt pursuant to section 5739.121 of the 400
Revised Code. "Receipts" does not include the sale price of 401
property returned or services rejected by consumers when the 402
full sale price and tax are refunded either in cash or by 403
credit. 404

(J) "Place of business" means any location at which a 405
person engages in business. 406

(K) "Premises" includes any real property or portion 407
thereof upon which any person engages in selling tangible 408
personal property at retail or making retail sales and also 409
includes any real property or portion thereof designated for, or 410
devoted to, use in conjunction with the business engaged in by 411
such person. 412

(L) "Casual sale" means a sale of an item of tangible 413
personal property that was obtained by the person making the 414
sale, through purchase or otherwise, for the person's own use 415
and was previously subject to any state's taxing jurisdiction on 416
its sale or use, and includes such items acquired for the 417
seller's use that are sold by an auctioneer employed directly by 418
the person for such purpose, provided the location of such sales 419
is not the auctioneer's permanent place of business. As used in 420
this division, "permanent place of business" includes any 421
location where such auctioneer has conducted more than two 422
auctions during the year. 423

(M) "Hotel" means every establishment kept, used, 424
maintained, advertised, or held out to the public to be a place 425
where sleeping accommodations are offered to guests, in which 426
five or more rooms are used for the accommodation of such 427
guests, whether the rooms are in one or several structures, 428
except as otherwise provided in division (G) of section 5739.09 429
of the Revised Code. 430

(N) "Transient guests" means persons occupying a room or 431
rooms for sleeping accommodations for less than thirty 432
consecutive days. 433

(O) "Making retail sales" means the effecting of 434
transactions wherein one party is obligated to pay the price and 435
the other party is obligated to provide a service or to transfer 436
title to or possession of the item sold. "Making retail sales" 437
does not include the preliminary acts of promoting or soliciting 438
the retail sales, other than the distribution of printed matter 439
which displays or describes and prices the item offered for 440
sale, nor does it include delivery of a predetermined quantity 441
of tangible personal property or transportation of property or 442
personnel to or from a place where a service is performed. 443

(P) "Used directly in the rendition of a public utility 444
service" means that property that is to be incorporated into and 445
will become a part of the consumer's production, transmission, 446
transportation, or distribution system and that retains its 447
classification as tangible personal property after such 448
incorporation; fuel or power used in the production, 449
transmission, transportation, or distribution system; and 450
tangible personal property used in the repair and maintenance of 451
the production, transmission, transportation, or distribution 452
system, including only such motor vehicles as are specially 453

designed and equipped for such use. Tangible personal property 454
and services used primarily in providing highway transportation 455
for hire are not used directly in the rendition of a public 456
utility service. In this definition, "public utility" includes a 457
citizen of the United States holding, and required to hold, a 458
certificate of public convenience and necessity issued under 49 459
U.S.C. 41102. 460

(Q) "Refining" means removing or separating a desirable 461
product from raw or contaminated materials by distillation or 462
physical, mechanical, or chemical processes. 463

(R) "Assembly" and "assembling" mean attaching or fitting 464
together parts to form a product, but do not include packaging a 465
product. 466

(S) "Manufacturing operation" means a process in which 467
materials are changed, converted, or transformed into a 468
different state or form from which they previously existed and 469
includes refining materials, assembling parts, and preparing raw 470
materials and parts by mixing, measuring, blending, or otherwise 471
committing such materials or parts to the manufacturing process. 472
"Manufacturing operation" does not include packaging. 473

(T) "Fiscal officer" means, with respect to a regional 474
transit authority, the secretary-treasurer thereof, and with 475
respect to a county that is a transit authority, the fiscal 476
officer of the county transit board if one is appointed pursuant 477
to section 306.03 of the Revised Code or the county auditor if 478
the board of county commissioners operates the county transit 479
system. 480

(U) "Transit authority" means a regional transit authority 481
created pursuant to section 306.31 of the Revised Code or a 482

county in which a county transit system is created pursuant to 483
section 306.01 of the Revised Code. For the purposes of this 484
chapter, a transit authority must extend to at least the entire 485
area of a single county. A transit authority that includes 486
territory in more than one county must include all the area of 487
the most populous county that is a part of such transit 488
authority. County population shall be measured by the most 489
recent census taken by the United States census bureau. 490

(V) "Legislative authority" means, with respect to a 491
regional transit authority, the board of trustees thereof, and 492
with respect to a county that is a transit authority, the board 493
of county commissioners. 494

(W) "Territory of the transit authority" means all of the 495
area included within the territorial boundaries of a transit 496
authority as they from time to time exist. Such territorial 497
boundaries must at all times include all the area of a single 498
county or all the area of the most populous county that is a 499
part of such transit authority. County population shall be 500
measured by the most recent census taken by the United States 501
census bureau. 502

(X) "Providing a service" means providing or furnishing 503
anything described in division (B) (3) of this section for 504
consideration. 505

(Y) (1) (a) "Automatic data processing" means processing of 506
others' data, including keypunching or similar data entry 507
services together with verification thereof, or providing access 508
to computer equipment for the purpose of processing data. 509

(b) "Computer services" means providing services 510
consisting of specifying computer hardware configurations and 511

evaluating technical processing characteristics, computer 512
programming, and training of computer programmers and operators, 513
provided in conjunction with and to support the sale, lease, or 514
operation of taxable computer equipment or systems. 515

(c) "Electronic information services" means providing 516
access to computer equipment by means of telecommunications 517
equipment for the purpose of either of the following: 518

(i) Examining or acquiring data stored in or accessible to 519
the computer equipment; 520

(ii) Placing data into the computer equipment to be 521
retrieved by designated recipients with access to the computer 522
equipment. 523

For transactions occurring on or after the effective date 524
of the amendment of this section by H.B. 157 of the 127th 525
general assembly, December 21, 2007, "electronic information 526
services" does not include electronic publishing as defined in 527
division (LLL) of this section. 528

(d) "Automatic data processing, computer services, or 529
electronic information services" shall not include personal or 530
professional services. 531

(2) As used in divisions (B) (3) (e) and (Y) (1) of this 532
section, "personal and professional services" means all services 533
other than automatic data processing, computer services, or 534
electronic information services, including but not limited to: 535

(a) Accounting and legal services such as advice on tax 536
matters, asset management, budgetary matters, quality control, 537
information security, and auditing and any other situation where 538
the service provider receives data or information and studies, 539
alters, analyzes, interprets, or adjusts such material; 540

(b) Analyzing business policies and procedures;	541
(c) Identifying management information needs;	542
(d) Feasibility studies, including economic and technical analysis of existing or potential computer hardware or software needs and alternatives;	543 544 545
(e) Designing policies, procedures, and custom software for collecting business information, and determining how data should be summarized, sequenced, formatted, processed, controlled, and reported so that it will be meaningful to management;	546 547 548 549 550
(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled;	551 552 553
(g) Testing of business procedures;	554
(h) Training personnel in business procedure applications;	555
(i) Providing credit information to users of such information by a consumer reporting agency, as defined in the "Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or as hereafter amended, including but not limited to gathering, organizing, analyzing, recording, and furnishing such information by any oral, written, graphic, or electronic medium;	556 557 558 559 560 561 562
(j) Providing debt collection services by any oral, written, graphic, or electronic means;	563 564
<u>(k) Providing digital advertising services.</u>	565
The services listed in divisions (Y) (2) (a) to (j) <u>(k)</u> of this section are not automatic data processing or computer	566 567

services. 568

(Z) "Highway transportation for hire" means the 569
transportation of personal property belonging to others for 570
consideration by any of the following: 571

(1) The holder of a permit or certificate issued by this 572
state or the United States authorizing the holder to engage in 573
transportation of personal property belonging to others for 574
consideration over or on highways, roadways, streets, or any 575
similar public thoroughfare; 576

(2) A person who engages in the transportation of personal 577
property belonging to others for consideration over or on 578
highways, roadways, streets, or any similar public thoroughfare 579
but who could not have engaged in such transportation on 580
December 11, 1985, unless the person was the holder of a permit 581
or certificate of the types described in division (Z) (1) of this 582
section; 583

(3) A person who leases a motor vehicle to and operates it 584
for a person described by division (Z) (1) or (2) of this 585
section. 586

(AA) (1) "Telecommunications service" means the electronic 587
transmission, conveyance, or routing of voice, data, audio, 588
video, or any other information or signals to a point, or 589
between or among points. "Telecommunications service" includes 590
such transmission, conveyance, or routing in which computer 591
processing applications are used to act on the form, code, or 592
protocol of the content for purposes of transmission, 593
conveyance, or routing without regard to whether the service is 594
referred to as voice-over internet protocol service or is 595
classified by the federal communications commission as enhanced 596

or value-added. "Telecommunications service" does not include 597
any of the following: 598

(a) Data processing and information services that allow 599
data to be generated, acquired, stored, processed, or retrieved 600
and delivered by an electronic transmission to a consumer where 601
the consumer's primary purpose for the underlying transaction is 602
the processed data or information; 603

(b) Installation or maintenance of wiring or equipment on 604
a customer's premises; 605

(c) Tangible personal property; 606

(d) Advertising, including directory advertising; 607

(e) Billing and collection services provided to third 608
parties; 609

(f) Internet access service; 610

(g) Radio and television audio and video programming 611
services, regardless of the medium, including the furnishing of 612
transmission, conveyance, and routing of such services by the 613
programming service provider. Radio and television audio and 614
video programming services include, but are not limited to, 615
cable service, as defined in 47 U.S.C. 522(6), and audio and 616
video programming services delivered by commercial mobile radio 617
service providers, as defined in 47 C.F.R. 20.3; 618

(h) Ancillary service; 619

(i) Digital products delivered electronically, including 620
software, music, video, reading materials, or ring tones. 621

(2) "Ancillary service" means a service that is associated 622
with or incidental to the provision of telecommunications 623

service, including conference bridging service, detailed 624
telecommunications billing service, directory assistance, 625
vertical service, and voice mail service. As used in this 626
division: 627

(a) "Conference bridging service" means an ancillary 628
service that links two or more participants of an audio or video 629
conference call, including providing a telephone number. 630
"Conference bridging service" does not include 631
telecommunications services used to reach the conference bridge. 632

(b) "Detailed telecommunications billing service" means an 633
ancillary service of separately stating information pertaining 634
to individual calls on a customer's billing statement. 635

(c) "Directory assistance" means an ancillary service of 636
providing telephone number or address information. 637

(d) "Vertical service" means an ancillary service that is 638
offered in connection with one or more telecommunications 639
services, which offers advanced calling features that allow 640
customers to identify callers and manage multiple calls and call 641
connections, including conference bridging service. 642

(e) "Voice mail service" means an ancillary service that 643
enables the customer to store, send, or receive recorded 644
messages. "Voice mail service" does not include any vertical 645
services that the customer may be required to have in order to 646
utilize the voice mail service. 647

(3) "900 service" means an inbound toll telecommunications 648
service purchased by a subscriber that allows the subscriber's 649
customers to call in to the subscriber's prerecorded 650
announcement or live service, and which is typically marketed 651
under the name "900 service" and any subsequent numbers 652

designated by the federal communications commission. "900 653
service" does not include the charge for collection services 654
provided by the seller of the telecommunications service to the 655
subscriber, or services or products sold by the subscriber to 656
the subscriber's customer. 657

(4) "Prepaid calling service" means the right to access 658
exclusively telecommunications services, which must be paid for 659
in advance and which enables the origination of calls using an 660
access number or authorization code, whether manually or 661
electronically dialed, and that is sold in predetermined units 662
or dollars of which the number declines with use in a known 663
amount. 664

(5) "Prepaid wireless calling service" means a 665
telecommunications service that provides the right to utilize 666
mobile telecommunications service as well as other non- 667
telecommunications services, including the download of digital 668
products delivered electronically, and content and ancillary 669
services, that must be paid for in advance and that is sold in 670
predetermined units or dollars of which the number declines with 671
use in a known amount. 672

(6) "Value-added non-voice data service" means a 673
telecommunications service in which computer processing 674
applications are used to act on the form, content, code, or 675
protocol of the information or data primarily for a purpose 676
other than transmission, conveyance, or routing. 677

(7) "Coin-operated telephone service" means a 678
telecommunications service paid for by inserting money into a 679
telephone accepting direct deposits of money to operate. 680

(8) "Customer" has the same meaning as in section 5739.034 681

of the Revised Code. 682

(BB) "Laundry and dry cleaning services" means removing 683
soil or dirt from towels, linens, articles of clothing, or other 684
fabric items that belong to others and supplying towels, linens, 685
articles of clothing, or other fabric items. "Laundry and dry 686
cleaning services" does not include the provision of self- 687
service facilities for use by consumers to remove soil or dirt 688
from towels, linens, articles of clothing, or other fabric 689
items. 690

(CC) "Magazines distributed as controlled circulation 691
publications" means magazines containing at least twenty-four 692
pages, at least twenty-five per cent editorial content, issued 693
at regular intervals four or more times a year, and circulated 694
without charge to the recipient, provided that such magazines 695
are not owned or controlled by individuals or business concerns 696
which conduct such publications as an auxiliary to, and 697
essentially for the advancement of the main business or calling 698
of, those who own or control them. 699

(DD) "Landscaping and lawn care service" means the 700
services of planting, seeding, sodding, removing, cutting, 701
trimming, pruning, mulching, aerating, applying chemicals, 702
watering, fertilizing, and providing similar services to 703
establish, promote, or control the growth of trees, shrubs, 704
flowers, grass, ground cover, and other flora, or otherwise 705
maintaining a lawn or landscape grown or maintained by the owner 706
for ornamentation or other nonagricultural purpose. However, 707
"landscaping and lawn care service" does not include the 708
providing of such services by a person who has less than five 709
thousand dollars in sales of such services during the calendar 710
year. 711

(EE) "Private investigation and security service" means 712
the performance of any activity for which the provider of such 713
service is required to be licensed pursuant to Chapter 4749. of 714
the Revised Code, or would be required to be so licensed in 715
performing such services in this state, and also includes the 716
services of conducting polygraph examinations and of monitoring 717
or overseeing the activities on or in, or the condition of, the 718
consumer's home, business, or other facility by means of 719
electronic or similar monitoring devices. "Private investigation 720
and security service" does not include special duty services 721
provided by off-duty police officers, deputy sheriffs, and other 722
peace officers regularly employed by the state or a political 723
subdivision. 724

(FF) "Information services" means providing conversation, 725
giving consultation or advice, playing or making a voice or 726
other recording, making or keeping a record of the number of 727
callers, and any other service provided to a consumer by means 728
of a nine hundred telephone call, except when the nine hundred 729
telephone call is the means by which the consumer makes a 730
contribution to a recognized charity. 731

(GG) "Research and development" means designing, creating, 732
or formulating new or enhanced products, equipment, or 733
manufacturing processes, and also means conducting scientific or 734
technological inquiry and experimentation in the physical 735
sciences with the goal of increasing scientific knowledge which 736
may reveal the bases for new or enhanced products, equipment, or 737
manufacturing processes. 738

(HH) "Qualified research and development equipment" means 739
capitalized tangible personal property, and leased personal 740
property that would be capitalized if purchased, used by a 741

person primarily to perform research and development. Tangible 742
personal property primarily used in testing, as defined in 743
division (A) (4) of section 5739.011 of the Revised Code, or used 744
for recording or storing test results, is not qualified research 745
and development equipment unless such property is primarily used 746
by the consumer in testing the product, equipment, or 747
manufacturing process being created, designed, or formulated by 748
the consumer in the research and development activity or in 749
recording or storing such test results. 750

(II) "Building maintenance and janitorial service" means 751
cleaning the interior or exterior of a building and any tangible 752
personal property located therein or thereon, including any 753
services incidental to such cleaning for which no separate 754
charge is made. However, "building maintenance and janitorial 755
service" does not include the providing of such service by a 756
person who has less than five thousand dollars in sales of such 757
service during the calendar year. As used in this division, 758
"cleaning" does not include sanitation services necessary for an 759
establishment described in 21 U.S.C. 608 to comply with rules 760
and regulations adopted pursuant to that section. 761

(JJ) "Employment service" means providing or supplying 762
personnel, on a temporary or long-term basis, to perform work or 763
labor under the supervision or control of another, when the 764
personnel so provided or supplied receive their wages, salary, 765
or other compensation from the provider or supplier of the 766
employment service or from a third party that provided or 767
supplied the personnel to the provider or supplier. "Employment 768
service" does not include: 769

(1) Acting as a contractor or subcontractor, where the 770
personnel performing the work are not under the direct control 771

of the purchaser.	772
(2) Medical and health care services.	773
(3) Supplying personnel to a purchaser pursuant to a contract of at least one year between the service provider and the purchaser that specifies that each employee covered under the contract is assigned to the purchaser on a permanent basis.	774 775 776 777
(4) Transactions between members of an affiliated group, as defined in division (B) (3) (e) of this section.	778 779
(5) Transactions where the personnel so provided or supplied by a provider or supplier to a purchaser of an employment service are then provided or supplied by that purchaser to a third party as an employment service, except "employment service" does include the transaction between that purchaser and the third party.	780 781 782 783 784 785
(KK) "Employment placement service" means locating or finding employment for a person or finding or locating an employee to fill an available position.	786 787 788
(LL) "Exterminating service" means eradicating or attempting to eradicate vermin infestations from a building or structure, or the area surrounding a building or structure, and includes activities to inspect, detect, or prevent vermin infestation of a building or structure.	789 790 791 792 793
(MM) "Physical fitness facility service" means all transactions by which a membership is granted, maintained, or renewed, including initiation fees, membership dues, renewal fees, monthly minimum fees, and other similar fees and dues, by a physical fitness facility such as an athletic club, health spa, or gymnasium, which entitles the member to use the facility for physical exercise.	794 795 796 797 798 799 800

(NN) "Recreation and sports club service" means all 801
transactions by which a membership is granted, maintained, or 802
renewed, including initiation fees, membership dues, renewal 803
fees, monthly minimum fees, and other similar fees and dues, by 804
a recreation and sports club, which entitles the member to use 805
the facilities of the organization. "Recreation and sports club" 806
means an organization that has ownership of, or controls or 807
leases on a continuing, long-term basis, the facilities used by 808
its members and includes an aviation club, gun or shooting club, 809
yacht club, card club, swimming club, tennis club, golf club, 810
country club, riding club, amateur sports club, or similar 811
organization. 812

(OO) "Livestock" means farm animals commonly raised for 813
food, food production, or other agricultural purposes, 814
including, but not limited to, cattle, sheep, goats, swine, 815
poultry, and captive deer. "Livestock" does not include 816
invertebrates, amphibians, reptiles, domestic pets, animals for 817
use in laboratories or for exhibition, or other animals not 818
commonly raised for food or food production. 819

(PP) "Livestock structure" means a building or structure 820
used exclusively for the housing, raising, feeding, or 821
sheltering of livestock, and includes feed storage or handling 822
structures and structures for livestock waste handling. 823

(QQ) "Horticulture" means the growing, cultivation, and 824
production of flowers, fruits, herbs, vegetables, sod, 825
mushrooms, and nursery stock. As used in this division, "nursery 826
stock" has the same meaning as in section 927.51 of the Revised 827
Code. 828

(RR) "Horticulture structure" means a building or 829
structure used exclusively for the commercial growing, raising, 830

or overwintering of horticultural products, and includes the 831
area used for stocking, storing, and packing horticultural 832
products when done in conjunction with the production of those 833
products. 834

(SS) "Newspaper" means an unbound publication bearing a 835
title or name that is regularly published, at least as 836
frequently as biweekly, and distributed from a fixed place of 837
business to the public in a specific geographic area, and that 838
contains a substantial amount of news matter of international, 839
national, or local events of interest to the general public. 840

(TT) "Professional racing team" means a person that 841
employs at least twenty full-time employees for the purpose of 842
conducting a motor vehicle racing business for profit. The 843
person must conduct the business with the purpose of racing one 844
or more motor racing vehicles in at least ten competitive 845
professional racing events each year that comprise all or part 846
of a motor racing series sanctioned by one or more motor racing 847
sanctioning organizations. A "motor racing vehicle" means a 848
vehicle for which the chassis, engine, and parts are designed 849
exclusively for motor racing, and does not include a stock or 850
production model vehicle that may be modified for use in racing. 851
For the purposes of this division: 852

(1) A "competitive professional racing event" is a motor 853
vehicle racing event sanctioned by one or more motor racing 854
sanctioning organizations, at which aggregate cash prizes in 855
excess of eight hundred thousand dollars are awarded to the 856
competitors. 857

(2) "Full-time employee" means an individual who is 858
employed for consideration for thirty-five or more hours a week, 859
or who renders any other standard of service generally accepted 860

by custom or specified by contract as full-time employment. 861

(UU) (1) "Lease" or "rental" means any transfer of the 862
possession or control of tangible personal property for a fixed 863
or indefinite term, for consideration. "Lease" or "rental" 864
includes future options to purchase or extend, and agreements 865
described in 26 U.S.C. 7701(h) (1) covering motor vehicles and 866
trailers where the amount of consideration may be increased or 867
decreased by reference to the amount realized upon the sale or 868
disposition of the property. "Lease" or "rental" does not 869
include: 870

(a) A transfer of possession or control of tangible 871
personal property under a security agreement or a deferred 872
payment plan that requires the transfer of title upon completion 873
of the required payments; 874

(b) A transfer of possession or control of tangible 875
personal property under an agreement that requires the transfer 876
of title upon completion of required payments and payment of an 877
option price that does not exceed the greater of one hundred 878
dollars or one per cent of the total required payments; 879

(c) Providing tangible personal property along with an 880
operator for a fixed or indefinite period of time, if the 881
operator is necessary for the property to perform as designed. 882
For purposes of this division, the operator must do more than 883
maintain, inspect, or set up the tangible personal property. 884

(2) "Lease" and "rental," as defined in division (UU) of 885
this section, shall not apply to leases or rentals that exist 886
before June 26, 2003. 887

(3) "Lease" and "rental" have the same meaning as in 888
division (UU) (1) of this section regardless of whether a 889

transaction is characterized as a lease or rental under 890
generally accepted accounting principles, the Internal Revenue 891
Code, Title XIII of the Revised Code, or other federal, state, 892
or local laws. 893

(VV) "Mobile telecommunications service" has the same 894
meaning as in the "Mobile Telecommunications Sourcing Act," Pub. 895
L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as 896
amended, and, on and after August 1, 2003, includes related fees 897
and ancillary services, including universal service fees, 898
detailed billing service, directory assistance, service 899
initiation, voice mail service, and vertical services, such as 900
caller ID and three-way calling. 901

(WW) "Certified service provider" has the same meaning as 902
in section 5740.01 of the Revised Code. 903

(XX) "Satellite broadcasting service" means the 904
distribution or broadcasting of programming or services by 905
satellite directly to the subscriber's receiving equipment 906
without the use of ground receiving or distribution equipment, 907
except the subscriber's receiving equipment or equipment used in 908
the uplink process to the satellite, and includes all service 909
and rental charges, premium channels or other special services, 910
installation and repair service charges, and any other charges 911
having any connection with the provision of the satellite 912
broadcasting service. 913

(YY) "Tangible personal property" means personal property 914
that can be seen, weighed, measured, felt, or touched, or that 915
is in any other manner perceptible to the senses. For purposes 916
of this chapter and Chapter 5741. of the Revised Code, "tangible 917
personal property" includes motor vehicles, electricity, water, 918
gas, steam, and prewritten computer software. 919

(ZZ) "Direct mail" means printed material delivered or 920
distributed by United States mail or other delivery service to a 921
mass audience or to addressees on a mailing list provided by the 922
consumer or at the direction of the consumer when the cost of 923
the items are not billed directly to the recipients. "Direct 924
mail" includes tangible personal property supplied directly or 925
indirectly by the consumer to the direct mail vendor for 926
inclusion in the package containing the printed material. 927
"Direct mail" does not include multiple items of printed 928
material delivered to a single address. 929

(AAA) "Computer" means an electronic device that accepts 930
information in digital or similar form and manipulates it for a 931
result based on a sequence of instructions. 932

(BBB) "Computer software" means a set of coded 933
instructions designed to cause a computer or automatic data 934
processing equipment to perform a task. 935

(CCC) "Delivered electronically" means delivery of 936
computer software from the seller to the purchaser by means 937
other than tangible storage media. 938

(DDD) "Prewritten computer software" means computer 939
software, including prewritten upgrades, that is not designed 940
and developed by the author or other creator to the 941
specifications of a specific purchaser. The combining of two or 942
more prewritten computer software programs or prewritten 943
portions thereof does not cause the combination to be other than 944
prewritten computer software. "Prewritten computer software" 945
includes software designed and developed by the author or other 946
creator to the specifications of a specific purchaser when it is 947
sold to a person other than the purchaser. If a person modifies 948
or enhances computer software of which the person is not the 949

author or creator, the person shall be deemed to be the author 950
or creator only of such person's modifications or enhancements. 951
Prewritten computer software or a prewritten portion thereof 952
that is modified or enhanced to any degree, where such 953
modification or enhancement is designed and developed to the 954
specifications of a specific purchaser, remains prewritten 955
computer software; provided, however, that where there is a 956
reasonable, separately stated charge or an invoice or other 957
statement of the price given to the purchaser for the 958
modification or enhancement, the modification or enhancement 959
shall not constitute prewritten computer software. 960

(EEE) (1) "Food" means substances, whether in liquid, 961
concentrated, solid, frozen, dried, or dehydrated form, that are 962
sold for ingestion or chewing by humans and are consumed for 963
their taste or nutritional value. "Food" does not include 964
alcoholic beverages, dietary supplements, soft drinks, or 965
tobacco. 966

(2) As used in division (EEE) (1) of this section: 967

(a) "Alcoholic beverages" means beverages that are 968
suitable for human consumption and contain one-half of one per 969
cent or more of alcohol by volume. 970

(b) "Dietary supplements" means any product, other than 971
tobacco, that is intended to supplement the diet and that is 972
intended for ingestion in tablet, capsule, powder, softgel, 973
gelcap, or liquid form, or, if not intended for ingestion in 974
such a form, is not represented as conventional food for use as 975
a sole item of a meal or of the diet; that is required to be 976
labeled as a dietary supplement, identifiable by the "supplement 977
facts" box found on the label, as required by 21 C.F.R. 101.36; 978
and that contains one or more of the following dietary 979

ingredients:	980
(i) A vitamin;	981
(ii) A mineral;	982
(iii) An herb or other botanical;	983
(iv) An amino acid;	984
(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake;	985 986
(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (EEE) (2) (b) (i) to (v) of this section.	987 988 989
(c) "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or that contains greater than fifty per cent vegetable or fruit juice by volume.	990 991 992 993 994
(d) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.	995 996
(FFF) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food, dietary supplements, or alcoholic beverages that is recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, and supplements to them; is intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or is intended to affect the structure or any function of the body.	997 998 999 1000 1001 1002 1003 1004 1005
(GGG) "Prescription" means an order, formula, or recipe	1006

issued in any form of oral, written, electronic, or other means 1007
of transmission by a duly licensed practitioner authorized by 1008
the laws of this state to issue a prescription. 1009

(HHH) "Durable medical equipment" means equipment, 1010
including repair and replacement parts for such equipment, that 1011
can withstand repeated use, is primarily and customarily used to 1012
serve a medical purpose, generally is not useful to a person in 1013
the absence of illness or injury, and is not worn in or on the 1014
body. "Durable medical equipment" does not include mobility 1015
enhancing equipment. 1016

(III) "Mobility enhancing equipment" means equipment, 1017
including repair and replacement parts for such equipment, that 1018
is primarily and customarily used to provide or increase the 1019
ability to move from one place to another and is appropriate for 1020
use either in a home or a motor vehicle, that is not generally 1021
used by persons with normal mobility, and that does not include 1022
any motor vehicle or equipment on a motor vehicle normally 1023
provided by a motor vehicle manufacturer. "Mobility enhancing 1024
equipment" does not include durable medical equipment. 1025

(JJJ) "Prosthetic device" means a replacement, corrective, 1026
or supportive device, including repair and replacement parts for 1027
the device, worn on or in the human body to artificially replace 1028
a missing portion of the body, prevent or correct physical 1029
deformity or malfunction, or support a weak or deformed portion 1030
of the body. As used in this division, "prosthetic device" does 1031
not include corrective eyeglasses, contact lenses, or dental 1032
prosthesis. 1033

(KKK) (1) "Fractional aircraft ownership program" means a 1034
program in which persons within an affiliated group sell and 1035
manage fractional ownership program aircraft, provided that at 1036

least one hundred airworthy aircraft are operated in the program	1037
and the program meets all of the following criteria:	1038
(a) Management services are provided by at least one	1039
program manager within an affiliated group on behalf of the	1040
fractional owners.	1041
(b) Each program aircraft is owned or possessed by at	1042
least one fractional owner.	1043
(c) Each fractional owner owns or possesses at least a	1044
one-sixteenth interest in at least one fixed-wing program	1045
aircraft.	1046
(d) A dry-lease aircraft interchange arrangement is in	1047
effect among all of the fractional owners.	1048
(e) Multi-year program agreements are in effect regarding	1049
the fractional ownership, management services, and dry-lease	1050
aircraft interchange arrangement aspects of the program.	1051
(2) As used in division (KKK)(1) of this section:	1052
(a) "Affiliated group" has the same meaning as in division	1053
(B)(3)(e) of this section.	1054
(b) "Fractional owner" means a person that owns or	1055
possesses at least a one-sixteenth interest in a program	1056
aircraft and has entered into the agreements described in	1057
division (KKK)(1)(e) of this section.	1058
(c) "Fractional ownership program aircraft" or "program	1059
aircraft" means a turbojet aircraft that is owned or possessed	1060
by a fractional owner and that has been included in a dry-lease	1061
aircraft interchange arrangement and agreement under divisions	1062
(KKK)(1)(d) and (e) of this section, or an aircraft a program	1063
manager owns or possesses primarily for use in a fractional	1064

aircraft ownership program. 1065

(d) "Management services" means administrative and 1066
aviation support services furnished under a fractional aircraft 1067
ownership program in accordance with a management services 1068
agreement under division (KKK) (1) (e) of this section, and 1069
offered by the program manager to the fractional owners, 1070
including, at a minimum, the establishment and implementation of 1071
safety guidelines; the coordination of the scheduling of the 1072
program aircraft and crews; program aircraft maintenance; 1073
program aircraft insurance; crew training for crews employed, 1074
furnished, or contracted by the program manager or the 1075
fractional owner; the satisfaction of record-keeping 1076
requirements; and the development and use of an operations 1077
manual and a maintenance manual for the fractional aircraft 1078
ownership program. 1079

(e) "Program manager" means the person that offers 1080
management services to fractional owners pursuant to a 1081
management services agreement under division (KKK) (1) (e) of this 1082
section. 1083

(LLL) "Electronic publishing" means providing access to 1084
one or more of the following primarily for business customers, 1085
including the federal government or a state government or a 1086
political subdivision thereof, to conduct research: news; 1087
business, financial, legal, consumer, or credit materials; 1088
editorials, columns, reader commentary, or features; photos or 1089
images; archival or research material; legal notices, identity 1090
verification, or public records; scientific, educational, 1091
instructional, technical, professional, trade, or other literary 1092
materials; or other similar information which has been gathered 1093
and made available by the provider to the consumer in an 1094

electronic format. Providing electronic publishing includes the 1095
functions necessary for the acquisition, formatting, editing, 1096
storage, and dissemination of data or information that is the 1097
subject of a sale. 1098

(MMM) "Medicaid health insuring corporation" means a 1099
health insuring corporation that holds a certificate of 1100
authority under Chapter 1751. of the Revised Code and is under 1101
contract with the department of job and family services pursuant 1102
to section 5111.17 of the Revised Code. 1103

(NNN) "Managed care premium" means any premium, 1104
capitation, or other payment a medicaid health insuring 1105
corporation receives for providing or arranging for the 1106
provision of health care services to its members or enrollees 1107
residing in this state. 1108

(OOO) "Captive deer" means deer and other cervidae that 1109
have been legally acquired, or their offspring, that are 1110
privately owned for agricultural or farming purposes. 1111

(PPP) "Gift card" means a document, card, certificate, or 1112
other record, whether tangible or intangible, that may be 1113
redeemed by a consumer for a dollar value when making a purchase 1114
of tangible personal property or services. 1115

(QQQ) "Specified digital product" means an electronically 1116
transferred digital audiovisual work, digital audio work, or 1117
digital book. 1118

As used in division (QQQ) of this section: 1119

(1) "Digital audiovisual work" means a series of related 1120
images that, when shown in succession, impart an impression of 1121
motion, together with accompanying sounds, if any. 1122

(2) "Digital audio work" means a work that results from 1123
the fixation of a series of musical, spoken, or other sounds, 1124
including digitized sound files that are downloaded onto a 1125
device and that may be used to alert the customer with respect 1126
to a communication. 1127

(3) "Digital book" means a work that is generally 1128
recognized in the ordinary and usual sense as a book. 1129

(4) "Electronically transferred" means obtained by the 1130
purchaser by means other than tangible storage media. 1131

(RRR) "Digital advertising services" means providing 1132
access, by means of telecommunications equipment, to computer 1133
equipment that is used to enter, upload, download, review, 1134
manipulate, store, add, or delete data for the purpose of 1135
electronically displaying, delivering, placing, or transferring 1136
promotional advertisements to potential customers about products 1137
or services or about industry or business brands. 1138

Section 2. That existing section 5739.01 of the Revised 1139
Code is hereby repealed. 1140

Section 3. The amendment by this act of section 5739.01 of 1141
the Revised Code applies on and after the first day of the first 1142
month that begins at least thirty days after the effective date 1143
of this act. 1144