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

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, 14
5747.08, 5747.20, 5751.01, 5753.01, 5753.03, 15
5753.04, 5753.05, 5753.06, 5753.061, 5753.07, 5753.08, 16
and 5753.10 be amended and sections 3770.30, 3770.31, 3770.32, 3770.33, 3770.331, 3770.34, 3770.35, 17
3770.36, 3770.37, 3770.38, 3770.39, 3770.40, 5753.021, and 18
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 section 121.08, 3301.32, 3301.541, or 3319.39 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

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

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(1)(a) of this section;
(c) If the request is made pursuant to section 3319.39 of the Revised Code for an applicant who is a teacher, any offense specified in section 3319.31 of the Revised Code.

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

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2911.02, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 2913.41, 2913.47, 2913.51, 2919.25, 2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code;

(b) An existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(2)(a) of this section.
(3) On receipt of a request pursuant to section 173.27, 173.38, 173.381, 3701.881, 5164.34, 5164.341, 5164.342, 5123.081, or 5123.169 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check of the person for whom the request is made. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of, has pleaded guilty to, or (except in the case of a request pursuant to section 5164.34, 5164.341, or 5164.342 of the Revised Code) has been found eligible for intervention in lieu of conviction for any of the following, regardless of the date of the conviction, the date of entry of the guilty plea, or (except in the case of a request pursuant to section 5164.34, 5164.341, or 5164.342 of the Revised Code) the date the person was found eligible for intervention in lieu of conviction:

(a) A violation of section 959.13, 959.131, 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2903.341, 2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2905.32, 2905.33, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2909.02, 2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.05, 2913.11, 2913.21, 2913.31, 2913.32, 2913.40, 2913.41, 2913.42,
2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 2913.49, 2913.51, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 2919.121, 2919.123, 2919.22, 2919.23, 2919.24, 2919.25, 2921.03, 2921.11, 2921.12, 2921.13, 2921.21, 2921.24, 2921.32, 2921.321, 2921.34, 2921.35, 2921.36, 2921.51, 2923.12, 2923.122, 2923.123, 2923.13, 2923.161, 2923.162, 2923.21, 2923.32, 2923.42, 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, 2925.11, 2925.13, 2925.14, 2925.141, 2925.22, 2925.23, 2925.24, 2925.36, 2925.55, 2925.56, 2927.12, or 3716.11 of the Revised Code;

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

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

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

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

(4) On receipt of a request pursuant to section 2151.86 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that
indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

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

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

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

(a) A violation of section 2151.421, 2903.01, 2903.02,
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21,
2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32,
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08,
2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25,
2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02,
2909.03, 2909.04, 2909.05, 2911.01, 2911.02, 2911.11, 2911.12,
2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11,
2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.41,
2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47,
2913.48, 2913.49, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12,
2919.22, 2919.224, 2919.225, 2919.24, 2919.25, 2921.03, 2921.11,
2921.13, 2921.14, 2921.34, 2921.35, 2923.01, 2923.12, 2923.13,
2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or
3716.11 of the Revised Code, felonious sexual penetration in
violation of former section 2907.12 of the Revised Code, a
violation of section 2905.04 of the Revised Code as it existed
prior to July 1, 1996, a violation of section 2919.23 of the
Revised Code that would have been a violation of section 2905.04
of the Revised Code as it existed prior to July 1, 1996, had the
violation been committed prior to that date, a violation of
section 2925.11 of the Revised Code that is not a minor drug
possession offense, a violation of section 2923.02 or 2923.03 of
the Revised Code that relates to a crime specified in this division, or a second violation of section 4511.19 of the Revised Code within five years of the date of application for licensure or certification.

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

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

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996,
a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, or a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense;

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

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

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

(9) On receipt of a request for a criminal records check
from the treasurer of state under section 113.041 of the Revised
Code or from an individual under section 4701.08, 4715.101,
4717.061, 4725.121, 4725.501, 4729.071, 4729.53, 4729.90,
4729.92, 4730.101, 4730.14, 4730.28, 4731.081, 4731.15,
4731.171, 4731.222, 4731.281, 4731.296, 4731.531, 4732.091,
4734.202, 4740.061, 4741.10, 4747.051, 4753.061, 4755.70,
4757.101, 4759.061, 4760.032, 4760.06, 4761.051, 4762.031,
4762.06, 4774.031, 4774.06, 4776.021, 4778.04, 4778.07,
4779.091, or 4783.04 of the Revised Code, accompanied by a
completed form prescribed under division (C)(1) of this section
and a set of fingerprint impressions obtained in the manner
described in division (C)(2) of this section, the superintendent
of the bureau of criminal identification and investigation shall
conduct a criminal records check in the manner described in
division (B) of this section to determine whether any
information exists that indicates that the person who is the
subject of the request has been convicted of or pleaded guilty
to any criminal offense in this state or any other state.
Subject to division (F) of this section, the superintendent
shall send the results of a check requested under section
113.041 of the Revised Code to the treasurer of state and shall
send the results of a check requested under any of the other
listed sections to the licensing board specified by the
individual in the request.

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

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

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

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

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

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

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

(b) A disqualifying offense as specified in rules adopted
under division (B)(2)(b) of section 3796.04 of the Revised Code
if the person who is the subject of the request is an
administrator or other person responsible for the daily
operation of, or an owner or prospective owner, officer or prospective officer, or board member or prospective board member of, an entity seeking a license from the state board of pharmacy under Chapter 3796. of the Revised Code.

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

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

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

(15) On receipt of a request pursuant to section 4768.06 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal
identification and investigation shall conduct a criminal
records check in the manner described in division (B) of this
section to determine whether any information exists indicating
that the person who is the subject of the request has been
convicted of or pleaded guilty to a felony in this state or in
any other state.

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

(17) On receipt of a request for a criminal records check
under section 147.022 of the Revised Code, a completed form
prescribed under division (C)(1) of this section, and a set of
fingerprint impressions obtained in the manner prescribed in
division (C)(2) of this section, the superintendent of the
bureau of criminal identification and investigation shall
conduct a criminal records check in the manner described in
division (B) of this section to determine whether any
information exists that indicates that the person who is the
subject of the request previously has been convicted of or
pleaded guilty or no contest to any disqualifying offense, as
defined in section 147.011 of the Revised Code, or to any
offense under any existing or former law of this state, any
other state, or the United States that is substantially equivalent to such a disqualifying offense.

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

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

(1) The superintendent shall review or cause to be reviewed any relevant information gathered and compiled by the bureau under division (A) of section 109.57 of the Revised Code that relates to the person who is the subject of the criminal records check, including, if the criminal records check was requested under section 113.041, 121.08, 124.74, 173.27, 173.38, 173.381, 1121.23, 1315.141, 1321.37, 1321.53, 1733.47, 1761.26, 2151.86, 3301.32, 3301.541, 3319.39, 3701.881, 3712.09, 3721.121, 3770.32, 3772.07, 3796.11, 3796.13, 4729.071, 4729.53, 4729.90, 4729.92, 4749.03, 4749.06, 4763.05, 4764.07, 4768.06,
(2) If the request received by the superintendent asks for information from the federal bureau of investigation, the superintendent shall request from the federal bureau of investigation any information it has with respect to the person who is the subject of the criminal records check, including fingerprint-based checks of national crime information databases as described in 42 U.S.C. 671 if the request is made pursuant to section 2151.86 or 5104.013 of the Revised Code or if any other Revised Code section requires fingerprint-based checks of that nature, and shall review or cause to be reviewed any information the superintendent receives from that bureau. If a request under section 3319.39 of the Revised Code asks only for information from the federal bureau of investigation, the superintendent shall not conduct the review prescribed by division (B)(1) of this section.

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

(4) The superintendent shall include in the results of the criminal records check a list or description of the offenses listed or described in division (A)(1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), or (17) of this section, whichever division requires the superintendent to conduct the criminal records check. The superintendent shall
exclude from the results any information the dissemination of which is prohibited by federal law.

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

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

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

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

(2) The superintendent shall prescribe standard impression sheets to obtain the fingerprint impressions of any person for whom a criminal records check is to be conducted under this section. Any person for whom a records check is to be conducted under this section shall obtain the fingerprint impressions at a county sheriff's office, municipal police department, or any other entity with the ability to make fingerprint impressions on the standard impression sheets prescribed by the superintendent.
The office, department, or entity may charge the person a reasonable fee for making the impressions. The standard impression sheets the superintendent prescribes pursuant to this division may be in a tangible format, in an electronic format, or in both tangible and electronic formats.

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

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

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

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

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

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

(G) As used in this section:

(1) "Criminal records check" means any criminal records check conducted by the superintendent of the bureau of criminal identification and investigation in accordance with division (B) of this section.
(2) "Minor drug possession offense" has the same meaning as in section 2925.01 of the Revised Code.

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

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

Sec. 718.031. As used in this section, "sports gaming facility" and "sports gaming agent" have the same meanings as in section 3770.30 of the Revised Code.

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

(B) If a person's winnings at a casino facility or sports gaming facility are an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended, the casino operator or sports gaming agent shall deduct and withhold municipal income tax from the person's winnings at the rate of
the tax imposed by the municipal corporation in which the casino facility is located.

(C) Amounts deducted and withheld by a casino operator or sports gaming agent are held in trust for the benefit of the municipal corporation to which the tax is owed.

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

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

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

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

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

(a) A receipt from the tax administrator showing that the amounts deducted and withheld and penalties and interest thereon have been paid;
(b) A certificate from the tax administrator indicating that no amounts are due.

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

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

(D) If a person's prize award from a video lottery terminal is an amount for which reporting to the internal revenue service is required by section 6041 of the Internal Revenue Code, as amended, the video lottery sales agent shall deduct and withhold municipal income tax from the person's prize award at the rate of the tax imposed by the municipal corporation in which the video lottery terminal facility is located.

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

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

(2) On or before the tenth day of each month, the video lottery sales agent shall file a return electronically with the tax administrator of the municipal corporation providing the
names, addresses, and social security numbers of the persons from whose prize awards amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the prize award from which each such amount was withheld, and any other information required by the tax administrator. With the return, the video lottery sales agent shall remit electronically to the tax administrator all amounts deducted and withheld during the preceding month.

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

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

(5) Annually, on or before the thirty-first day of January, a video lottery sales agent shall issue an information return to each person with respect to whom an amount has been
deducted and withheld during the preceding calendar year. The information return shall show the total amount of municipal income tax deducted and withheld from the person's prize award by the video lottery sales agent during the preceding year. A video lottery sales agent shall provide to the tax administrator of the municipal corporation a copy of each information return issued under this division. The tax administrator may require that such copies be transmitted electronically.

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

(F) If a video lottery sales agent ceases to operate video lottery terminals, the amounts deducted and withheld along with any penalties and interest thereon are immediately due and payable. The successor of the video lottery sales agent that purchases the video lottery terminals from the agent shall withhold an amount from the purchase money that is sufficient to cover the amounts deducted and withheld and any penalties and interest thereon until the predecessor video lottery sales agent operator produces either of the following:

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

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

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

(G) The failure of a video lottery sales agent to deduct and withhold the required amount from a person's prize award does not relieve that person from liability for the municipal income tax with respect to that prize award.

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

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

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

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

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

Sec. 3770.01. (A) There is hereby created the state
lottery commission consisting of nine–eleven members appointed by the governor with the advice and consent of the senate. No more than five–six members of the commission shall be members of the same political party. Of the additional and new appointments made to the commission pursuant to the amendment of August 1, 1980, three shall be for terms ending August 1, 1981, three shall be for terms ending August 1, 1982, and three shall be for terms ending August 1, 1983. The additional two members first appointed to the commission after the effective date of this amendment shall be appointed to terms ending August 1, 2022.

Thereafter, terms of office shall be for three years, each term ending on the same day of the same month of the year as did the term which it succeeds.

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

(C) All members of the commission shall be citizens of the United States and residents of this state. The members of the commission shall represent the various geographic regions of the state. No member of the commission shall have any pecuniary interest in any contract or license awarded by the commission. One person appointed as a member of the commission shall have experience or training in the area of problem gambling or other addictions and in assistance to recovering gambling or other addicts. Each person appointed as a member of the commission,
except the member appointed as having experience or training in
the area of problem gambling or other addictions and in
assistance to recovering gambling or other addicts, shall have
prior experience or education in business administration,
management, sales, marketing, or advertising. Three persons
appointed as members of the commission shall have gaming
experience.

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

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

(F) The governor may remove any member of the commission
for malfeasance, misfeasance, or nonfeasance in office, giving
the member a copy of the charges against the member and
affording the member an opportunity to be publicly heard in
person or by counsel in the member's own defense upon not less
than ten days' notice. If the member is removed, the governor
shall file in the office of the secretary of state a complete
statement of all charges made against the member and the
governor's finding on the charges, together with a complete
report of the proceedings, and the governor's decision on the charges is final.

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

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

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

(2) The director shall be the commission's executive officer and shall be responsible for keeping all commission records and supervising and administering the state lottery in accordance with this chapter, and carrying out all commission rules adopted under section 3770.03 of the Revised Code.
(C)(1) The director shall appoint deputy directors as necessary and as many regional managers as are required. The director may also appoint necessary professional, technical, and clerical assistants. All such officers and employees shall be appointed and compensated pursuant to Chapter 124. of the Revised Code. Regional and assistant regional managers, sales representatives, and any lottery executive account representatives shall remain in the unclassified service. The assistant director shall act as director in the absence or disability of the director. If the director does not appoint an assistant director, the director shall designate a deputy director to act as director in the absence or disability of the director.

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

(D) The director shall request the bureau of criminal identification and investigation, the department of public safety, or any other state, local, or federal agency to supply the director with the criminal records of any job applicant and may periodically request the criminal records of commission employees. At or prior to the time of making such a request, the director shall require a job applicant or commission employee to obtain fingerprint cards prescribed by the superintendent of the bureau of criminal identification and investigation at a qualified law enforcement agency, and the director shall cause these fingerprint cards to be forwarded to the bureau of criminal identification and investigation and the federal bureau of investigation. The commission shall assume the cost of obtaining the fingerprint cards and shall pay to each agency supplying criminal records for each investigation under this
division a reasonable fee, as determined by the agency.

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

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

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

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

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

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

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

(2) If the governor directs the director to do so, the director shall enter into an agreement with other lottery jurisdictions to conduct statewide joint lottery games. If the governor signs the agreement personally or by means of an 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 abnormal irregularities in volume or odds swings that could signal suspicious activities that require further investigation. System requirements and specifications shall be developed according to industry standards and implemented by the state lottery commission as part of the minimum internal control standards.

(2) Promptly report to the state lottery commission and the 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 report any suspicious wagering to the appropriate state or federal authorities.

**Sec. 3770.30.** As used in this chapter:

"Casino operator" has the same meaning as defined in
section 3772.01 of the Revised Code.

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

"Commission" or "state lottery commission" means the state lottery commission created under section 3770.01 of the Revised Code.

"Director" means the director of the state lottery commission.

"Government" means any governmental unit of a national, state, or local body exercising governmental functions, other than the United States government.

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

"Sports event" or "sporting event" means any professional sport or athletic event, any collegiate sport or athletic event, motor race event, or any other special event the commission authorizes under this chapter.

"Sports gaming" means participating in the sports gaming lottery operated by the state lottery commission through the business of accepting wagers on sporting events and other events, the individual performance statistics of athletes in a sporting event or other events, or a combination of any of the same by any system or method of gaming the commission approves. "Sports gaming" includes purchasing lottery tickets whose prize determinations are based on exchange wagering, parlays, over-
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under, moneyline, pools, pari-mutuel sports wagering pools, and straight bets. "Sports gaming" does not include:

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

(B) Video lottery terminals authorized under this chapter;

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

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

(E) Fantasy contests authorized under Chapter 3774. of the Revised Code.

"Sports gaming agent" means a person licensed to offer sports gaming in this state. "Sports gaming agent" does not include a veteran's or fraternal organization that contracts with a sports gaming agent to offer sports gaming on a terminal in the organization's facility pursuant to section 3770.331 of the Revised Code.

"Sports gaming agent license" means authorization granted under this chapter by the commission to a person to operate sports gaming in a designated area or facility as determined by the commission.

"Sports gaming equipment" means any mechanical, electronic, or other device, mechanism, or equipment, and related supplies used or consumed in the operation of sports gaming at a sports gaming facility.

"Sports gaming facility" means a designated area on the premises of a casino facility, racing facility authorized to conduct a horse racing meeting in this state, or facility with
an approved sports gaming terminal under section 3770.331 of the Revised Code.

"Sports gaming license" means a sports gaming agent license issued under section 3770.33 of the Revised Code, a management services provider license issued under section 3770.34 of the Revised Code, or an occupational license issued under section 3770.35 of the Revised Code.

"Sports gaming receipts" has the same meaning as in section 5753.01 of the Revised Code.

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

"Wager" means purchasing a sports gaming lottery ticket through which a sum of money or thing of value is risked on an uncertain occurrence.

**Sec. 3770.31.** The commission shall adopt rules under Chapter 119. of the Revised Code as are necessary to complete the functions and address the subjects enumerated in division (A) of this section.

(A) The commission shall adopt, and as advisable and necessary may amend or repeal, rules that include all of the following:

(1) Procedures for accepting wagers on a sports event or series of sports events;

(2) The maximum wager that may be accepted by a sports
(3) The types of wagering tickets to be used;

(4) The manner in which tickets are issued;

(5) The type of records to be kept by licensees;

(6) The system to be used to place a wager;

(7) Protections for a player placing a wager;

(8) Measures to promote responsible sports gaming;

(9) Penalties and fines for violating this section or rules adopted under this section;

(10) Prohibiting sports gaming advertising targeting individuals under age twenty-one;

(11) Any other procedure or thing the commission determines necessary to ensure the integrity of sports gaming.

(B) The commission shall establish minimum internal control standards and may approve minimum internal control standards proposed by sports gaming agents for the administration of sports gaming operations, sports gaming equipment and systems, or other items used to conduct sports gaming, as well as maintenance of financial records and other required records.

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

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

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

(F) The commission may promulgate rules that establish standards for advertising on items that are used in the conduct of, or to promote, a sports gaming event. The commission may develop its own advertising or enter into a contract for advertising services. Any revenue derived from the sale of advertising on sports gaming items shall be deposited into the sports gaming revenue fund.

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

Sec. 3770.32. (A) No person may operate, conduct, or assist in operating or conducting sports gaming in this state without first obtaining the appropriate sports gaming license from the commission. The commission shall issue three types of
sports gaming licenses: sports gaming agent, management services provider, and occupational. No commission employee shall be issued a license under this chapter.

(B) Each person applying for a sports gaming license issued under this chapter shall submit one complete set of fingerprints directly to the superintendent of the bureau of criminal identification and investigation for the purpose of conducting a criminal records check. The person shall provide the fingerprints using a method the superintendent of the bureau of criminal identification and investigation prescribes pursuant to division (C)(2) of section 109.572 of the Revised Code and fill out the form the superintendent of the bureau of criminal identification and investigation prescribes pursuant to division (C)(1) of section 109.572 of the Revised Code. Upon receiving an application under this section, the director of the state lottery commission shall request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprint impressions in accordance with division (A)(18) of section 109.572 of the Revised Code. Any fee required under division (C)(3) of section 109.572 of the Revised Code shall be paid by the applicant, or in the case of an occupational license, by the applicant's employer. The commission may require additional criminal records checks from a licensee applying to renew a sports gaming license, and any applicant convicted of any disqualifying offense as described in division (A)(3) of section 3770.36 of the Revised Code shall not be issued a license.

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

(1) Each person associated with a corporate applicant, including any corporate holding company, parent company, or subsidiary company of the applicant that has the ability to control the activities of the corporate applicant or elect a majority of the board of directors of that corporation; this does not include any bank or other licensed lending institution that holds a mortgage or other lien acquired in the course of ordinary business;

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

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

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

(E) Each person issued a sports gaming license under this
chapter shall give the commission written notice within thirty days of any change to any information provided in the licensee's application for a license or renewal.

Sec. 3770.33. (A) A person may not offer sports gaming in this state without first obtaining a sports gaming agent license from the commission. A sports gaming agent license allows a person to offer sports gaming in a location approved by the commission.

(B) The commission shall issue a sports gaming agent license to an applicant that is a casino operator or video lottery sales agent after the applicant satisfies the following conditions:

(1) Submits a written application on a form furnished by the commission;

(2) Pays a nonrefundable application fee of one hundred thousand dollars;

(3) Agrees to a minimum capital investment as approved by the commission;

(4) Commits to employing a certain number of individuals on a full-time basis as approved by the commission; and

(5) Any other conditions for licensure required under this chapter and rules adopted under this chapter.

A sports gaming agent license has a term that is concurrent with the term of the licensee's casino operator license issued by the casino control commission under Chapter 3772. of the Revised Code and the rules adopted under that chapter, or video lottery sales agent license issued by the state lottery commission under this chapter and the rules.
adopted under this chapter.

Unless a sports gaming operator license is suspended or revoked, or the licensee's casino operator license or video lottery sales agent license is suspended or revoked, the sports gaming license may be renewed after the commission determines that the licensee is in compliance with this chapter and the rules adopted under this chapter. The licensee shall pay a nonrefundable renewal fee of one hundred thousand dollars or one per cent of the licensee's handle over the previous one-year license term, whichever is less.

(C) A sports gaming agent licensee may not enter into a management services provider contract to permit a person other than the licensee to act as the commission's agent in operating sports gaming, unless the management services provider contract meets all of the following conditions:

(1) The person is licensed under this chapter as a management services provider;

(2) The contract is in writing; and

(3) The commission has approved the contract.

Before a material change in a management services provider contract may take effect, the licensee shall submit the material change to the commission for its approval or rejection. The duties and responsibilities of a management services provider under a management services provider contract may not be assigned, delegated, subcontracted, or transferred to a third party without the prior approval of the commission. Third parties must be licensed as a management services provider under this chapter before providing services.

(D) A sports gaming agent licensee shall execute a surety
bond in an amount and in the form approved by the commission, to be given to the state, to guarantee the licensee faithfully makes all payments in accordance with this chapter and rules adopted under this chapter.

(E) Upon application for a license and annually thereafter, a sports gaming agent licensee shall submit to the commission an annual audit of the financial transactions and condition of the licensee's total operations prepared by a certified public accountant in accordance with generally accepted accounting principles and applicable federal and state laws.

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

(B) The commission shall adopt rules under Chapter 119. of the Revised Code to permit a veteran's or fraternal organization to contract with a sports gaming agent to offer sports gaming through the agent on a single terminal in the organization's facility. The rules shall incorporate all of the following:

1. Requiring the veteran's or fraternal organization to permit only individuals who are members of the organization to participate in sports gaming offered by the organization;

2. Requiring an organization seeking a sports gaming terminal to pay a nonrefundable one-thousand-dollar application fee;

3. Requiring 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 operate the sports gaming terminal;
(4) Establishing the compensation due to an organization with a sports gaming terminal, which shall be substantially similar to the compensation percentages paid to licensed lottery sales agents; and

(5) Any other procedure or thing the commission determines necessary to complete its duties under this section.

A contract entered into under this section has a term of one year. The contract may be renewed after the commission determines that the organization is in compliance with this chapter and the rules adopted under this chapter. The organization shall pay a nonrefundable renewal fee of one thousand dollars.

Sec. 3770.34. (A) A licensed sports gaming agent may contract with a person to conduct sports gaming at the agent's sports gaming facility in accordance with the rules adopted by the commission under this chapter. That person shall obtain a license as a management services provider under this section and any rules adopted under this chapter before the execution of any contract to that effect. Any person who shares in revenue, including any affiliate operating under a revenue share agreement, shall be licensed under this section.

(B) Each applicant for a management services provider license shall meet all requirements for licensure and pay a nonrefundable license and application fee of one thousand dollars. The commission may accept another jurisdiction's license, if the commission determines it has similar licensing requirements, as evidence that the applicant meets the requirements for a license issued under this section. The commission may adopt rules under Chapter 119. of the Revised Code establishing additional requirements to obtain a management
services provider license.

(C) A management services provider license shall be renewed annually. The commission shall renew a license for any licensee that remains in compliance with all requirements for a license and pays an annual renewal fee of one thousand dollars.

Sec. 3770.35. (A) All individuals employed to be engaged directly in sports gaming-related activities, or otherwise conducting or operating sports gaming, shall be licensed by the commission and maintain a valid occupational license at all times. The commission shall issue a license to be employed in the operation of sports gaming to an individual who meets the requirements of this section.

(B) An occupational license to be employed by a sports gaming facility permits the licensee to be employed in the capacity the commission designates during the duration of the license. The commission may establish, by rules adopted under Chapter 119. of the Revised Code, job classifications with different requirements.

(C) Applicants shall submit any required application forms established by the commission and pay a nonrefundable application fee of one hundred dollars. The employer may pay the fee on behalf of an applicant.

(D) Each licensed employee shall pay to the commission a nonrefundable annual renewal fee of one hundred dollars by the last day of June of each year. The employer may pay the fee on behalf of an applicant. In addition to a renewal fee, each licensed employee annually shall submit a renewal application on a form required by the commission.

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

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

(2) Been suspended from operating a gambling game, gaming device, or gaming operation, or had a license revoked by any government;

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

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

(B) The commission may deny a sports gaming agent license to any applicant, reprimand any licensee, or suspend or revoke a sports gaming agent license for any of the following:

(1) If the applicant or licensee has not demonstrated to the commission's satisfaction financial responsibility sufficient to adequately meet the requirements of the proposed enterprise;

(2) If the applicant or licensee 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; or

(3) If the applicant or licensee is a corporation that
sells more than five per cent of a licensee's voting stock, or
more than five per cent of the voting stock of a corporation
that controls the licensee, or sells a licensee'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
licensee under section 3770.33 of the Revised Code.

Sec. 3770.37. A sports gaming agent shall adopt
comprehensive house rules for game play governing sports gaming
transactions with its patrons. These comprehensive rules shall
be made public as part of the minimum internal control
standards. The rules shall specify the amounts to be paid on
winning wagers and the effect of schedule changes. House rules
shall be approved by the commission before implementation.

The house rules, together with any other information the
commission considers appropriate, shall be conspicuously
displayed in the sports gaming facility. A sports gaming agent
shall make copies readily available to patrons.

Sec. 3770.38. (A) A sports gaming agent licensed under
this chapter to conduct sports gaming shall do all of the
following:

(1) 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;

(2) Assist the commission in maximizing sports gaming
revenues; and

(3) Keep current in all payments and obligations to the
commission.

(B) A sports gaming agent licensee shall do all of the
following:

(1) 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;

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

(3) Ensure that sports gaming conducted at a sports gaming facility is within the sight and control of designated employees of the licensee and sports gaming is conducted under continuous observation by security equipment in conformity with specifications and requirements of the commission;

(4) Ensure that sports gaming occurs only in the sports gaming facilities approved by the commission. Sports gaming shall only be relocated or offered in accordance with the rules of the commission;

(5) Ensure that all sports gaming is conducted through a centralized lottery gaming system operated by the commission;

(6) Ensure that all sports wagering equipment owned or operated by the agent is connected to and operates through a centralized lottery gaming system operated by the commission;

(7) Conspicuously post a sign at each sports gaming facility indicating the minimum and maximum wagers permitted at that facility and comply with the posted limits;

(8) Maintain sufficient cash and other supplies to conduct sports gaming at all times; and

(9) Maintain daily records showing the sports gaming receipts of the licensee from sports gaming and timely file with the commission any additional reports required by rule or by
other provisions of the Revised Code.

Sec. 3770.39. (A) A sports gaming agent shall accept wagers on sports events and other events authorized under this chapter from individuals physically present in a sports gaming facility where authorized sports gaming occurs, or from a sports gaming facility with an approved sports gaming terminal under section 3770.331 of the Revised Code. An individual placing a wager shall be at least age twenty-one.

(B) The commission or sports gaming agent may ban any individual from entering a sports gaming facility or the grounds of a sports gaming facility or from participating in the play or operation of sports gaming. A log of all excluded players shall be kept by the commission and each licensee, and no player on the commission's exclusion list or the licensed agent's exclusion list shall engage in any sports gaming under this chapter.

(C) No sports gaming facility employee may engage in any sports gaming at the employer's facility.

(D) No commission employee may knowingly wager or be paid any prize from any wager placed at any sports gaming facility within this state or at any facility outside this state that is directly or indirectly owned or operated by a sports gaming licensee.

Sec. 3770.40. (A) All shipments of gambling devices, including any sports gaming devices or related materials, to licensed sports gaming facilities in this state are legal shipments of gambling devices into this state, as long as the registering, recording, and labeling of the devices or materials have been completed by the supplier in accordance with Chapter
As Introduced


(B) The state is exempt from Chapter 1194, 64 Stat. 1134, 15 U.S.C. sections 1171 to 1178.

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

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

(C) Any person not issued a sports gaming license under this chapter who knowingly engages in accepting, facilitating, or operating a sports gaming operation is guilty of a misdemeanor of the first degree.

(D) A sports gaming licensee who knowingly does any of the following commits a misdemeanor of the first degree on the first offense and a felony of the fifth degree for a subsequent offense:

   (1) Operates sports gaming without authority of the commission to do so;

   (2) Operates sports gaming in any location or by any manner that is not approved by the commission;

   (3) Conducts, carries on, operates, or allows any sports gaming to occur on premises or through any other device if equipment or material has been tampered with, or exposed to conditions in which it will be operated in a manner designed to
deceive the public;

(4) Employs an individual who does not hold a valid occupational license in a position or otherwise allows an individual to perform duties for which such license is required by this chapter or continues to employ an individual after the employee's occupational license is no longer valid;

(5) Acts or employs another person to act as if the person is not an agent or employee of the licensee in order to encourage participation in sports gaming at the sports gaming facility;

(6) Permits an individual under twenty-one years of age to enter or remain in a sports gaming facility or to engage in sports gaming at a sports gaming facility;

(7) Enters or attempts to enter a sports gaming facility while under twenty-one years of age; or

(8) Exchanges tokens, chips, electronic media, or other forms of credit used for wagering for anything of value except money or credits at a sports gaming facility authorized under this chapter.

(E) A person who knowingly does any of the following commits a felony of the fifth degree on a first offense and a felony of the fourth degree for a subsequent offense. If the person is a sports wagering licensee under this chapter, the commission shall revoke the person's license after the first offense.

(1) Offers, promises, or gives anything of value to anyone for the purpose of influencing the outcome of a race, sporting event, contest, or game upon which a wager may be made, or

places, increases, or decreases a wager after acquiring
knowledge, not available to the general public, that anyone has been offered, promised, or given anything of value for the purpose of influencing the outcome of the race, sporting event, contest, or game upon which the wager is placed, increased, or decreased, or attempts to do any of the same;

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

(3) Places a bet or aids any other individual in placing a bet on a sporting event or other sports gaming game or offering authorized under this chapter after unlawfully acquiring knowledge of the outcome on which winnings from that bet are contingent;

(4) Claims, collects, or takes anything of value from a sports gaming facility with intent to defraud or attempts such action without having made a wager in which such amount or value is legitimately won or owed;

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

(6) The person, not a sports gaming agent or facility under this chapter or an employee or agent of a sports gaming agent or facility acting in furtherance of the licensee's interest, has in the person's possession on the grounds of a sports gaming facility, or on grounds contiguous to the sports gaming facility, any device intended to be used to violate this chapter or any rule adopted under this chapter.

(F) Each sports gaming licensee shall post notice of the prohibitions in divisions (B) and (C) of this section in a manner determined by the commission.
(G) The commission shall levy and collect penalties for noncriminal violations of this chapter.

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

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

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

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

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

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

(3) Prescribing the information to be furnished by an applicant or licensee as described in section 3772.11 of the
(4) Describing the certification standards and duties of an independent testing laboratory certified under section 3772.31 of the Revised Code and the relationship between the commission, the laboratory, the gaming-related vendor, and the casino operator;

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

(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;

(7) The design of gaming supplies, devices, and equipment to be distributed by gaming-related vendors;

(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;

(9) Tournament play in any casino facility;

(10) Establishing and implementing a voluntary exclusion program that provides all of the following:

(a) Except as provided by commission rule, a person who participates in the program shall agree to refrain from entering a casino facility.
(b) The name of a person participating in the program shall be included on a list of persons excluded from all casino facilities.

(c) Except as provided by commission rule, no person who participates in the program shall petition the commission for admittance into a casino facility.

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

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

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

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

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

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

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

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

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

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

(17) Prescribing the manner in which winnings, compensation from casino gaming, and gross revenue must be computed and reported by a licensee as described in Chapter 5753. of the Revised Code;
(18) Prescribing conditions under which a licensee's license may be suspended or revoked as described in section 3772.04 of the Revised Code;

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

(20) Prescribing technical standards and requirements that are to be met by security and surveillance equipment that is used at and standards and requirements to be met by personnel who are employed at casino facilities, and standards and requirements for the provision of security at and surveillance of casino facilities;

(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;

(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;

(23) Defining penalties for violation of commission rules and a process for imposing such penalties;

(24) Establishing standards for decertifying contractors that violate statutes or rules of this state or the federal government;

(25) Establishing standards for the repair of casino gaming equipment;
(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;

(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 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 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 sports gaming conducted under Chapter 3770. of the Revised Code.

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

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

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

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

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

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

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

(1) A statement describing the receipts and disbursements of the commission;

(2) Relevant financial data regarding casino gaming, including gross revenues and disbursements made under this chapter;

(3) Actions taken by the commission;

(4) An update on casino operators’, management companies’, and holding companies’ compulsive and problem gambling plans and the voluntary exclusion program and list;

(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;

(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.

(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.

(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 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 relating to sports gaming, and 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 regulate, investigate, and penalize those...
persons. The commission shall enforce any sports gaming rules adopted by the 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 officer or employee or in any other capacity under appointment or employment of the department.

(B)(1) For purposes of an audit pursuant to section 117.15 of the Revised Code, or an audit of the department pursuant to Chapter 117. of the Revised Code, or an audit, pursuant to that chapter, the objective of which is to express an opinion on a financial report or statement prepared or issued pursuant to division (A)(7) or (9) of section 126.21 of the Revised Code, the officers and employees of the auditor of state charged with conducting the audit shall have access to and the right to examine any state tax returns and state tax return information in the possession of the department to the extent that the access and examination are necessary for purposes of the audit. Any information acquired as the result of that access and examination shall not be divulged for any purpose other than as required for the audit or unless the officers and employees are required to testify in a court or proceeding under compulsion of legal process. Whoever violates this provision shall thereafter be disqualified from acting as an officer or employee or in any other capacity under appointment or employment of the auditor of state.
(2) For purposes of an internal audit pursuant to section 126.45 of the Revised Code, the officers and employees of the office of internal audit in the office of budget and management charged with directing the internal audit shall have access to and the right to examine any state tax returns and state tax return information in the possession of the department to the extent that the access and examination are necessary for purposes of the internal audit. Any information acquired as the result of that access and examination shall not be divulged for any purpose other than as required for the internal audit or unless the officers and employees are required to testify in a court or proceeding under compulsion of legal process. Whoever violates this provision shall thereafter be disqualified from acting as an officer or employee or in any other capacity under appointment or employment of the office of internal audit.

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

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

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

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

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

(3) Disclosing to the motor vehicle repair board any information in the possession of the department that is necessary for the board to verify the existence of an applicant's valid vendor's license and current state tax identification number under section 4775.07 of the Revised Code;

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

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

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

(7) Providing information regarding the name, account number, or business address of a holder of a vendor's license issued pursuant to section 5739.17 of the Revised Code, a holder of a direct payment permit issued pursuant to section 5739.031 of the Revised Code, or a seller having a use tax account maintained pursuant to section 5741.17 of the Revised Code, or information regarding the active or inactive status of a vendor's license, direct payment permit, or seller's use tax account;
(8) Releasing invoices or invoice information furnished under section 4301.433 of the Revised Code pursuant to that section;

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

(10) Providing to a county auditor sales or use tax return or audit information under section 333.06 of the Revised Code;

(11) Subject to section 4301.441 of the Revised Code, disclosing to the appropriate state agency information in the possession of the department of taxation that is necessary to verify a permit holder's gallonage or noncompliance with taxes levied under Chapter 4301. or 4305. of the Revised Code;

(12) Disclosing to the department of natural resources information in the possession of the department of taxation that is necessary for the department of taxation to verify the taxpayer's compliance with section 5749.02 of the Revised Code or to allow the department of natural resources to enforce Chapter 1509. of the Revised Code;

(13) Disclosing to the department of job and family services, industrial commission, and bureau of workers' compensation information in the possession of the department of taxation solely for the purpose of identifying employers that misclassify employees as independent contractors or that fail to properly report and pay employer tax liabilities. The department of taxation shall disclose only such information that is necessary to verify employer compliance with law administered by
those agencies.

(14) Disclosing to the Ohio casino control commission information in the possession of the department of taxation that is necessary to verify a casino operator's compliance with section 5747.063 or 5753.02 of the Revised Code and sections related thereto;

(15) Disclosing to the state lottery commission information in the possession of the department of taxation that is necessary to verify a sports gaming or lottery sales agent's compliance with section 5747.063, 5747.064, or 5753.021 of the Revised Code and sections related thereto.

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

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

(18) Disclosing to the division of liquor control information in the possession of the department of taxation that is necessary for the division and department to comply with the requirements of sections 4303.26 and 4303.271 of the Revised Code.

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

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

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

(3) In the case of individuals, for taxable years beginning in 2017 or thereafter, the tax imposed by this section on income other than taxable business income shall be measured by Ohio adjusted gross income, less taxable business income and less an exemption for the taxpayer, the taxpayer's spouse, and each dependent as provided in section 5747.025 of the Revised Code. If the balance thus obtained is equal to or less than ten thousand five hundred dollars, no tax shall be imposed on that balance. If the balance thus obtained is greater than ten thousand five hundred dollars, the tax is hereby levied as follows:

<table>
<thead>
<tr>
<th>OHIO ADJUSTED GROSS</th>
<th>INCOME LESS TAXABLE</th>
<th>BUSINESS INCOME AND EXEMPTIONS</th>
<th>(INDIVIDUALS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OR</td>
<td>MODIFIED OHIO</td>
<td>TAXABLE INCOME (TRUSTS)</td>
<td>OR</td>
</tr>
<tr>
<td>OHIO TAXABLE INCOME (ESTATES)</td>
<td>TAX</td>
<td>More than $10,500 but $77.96 plus 1.980% of the amount</td>
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<tr>
<td></td>
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<td>not more than $15,800 in excess of $10,500</td>
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<td>More than $15,800 but $182.90 plus 2.476% of the amount</td>
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<tr>
<td></td>
<td></td>
<td>not more than $21,100 in excess of $15,800</td>
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</tbody>
</table>
More than $21,100 but $314.13 plus 2.969% of the amount in excess of $21,100

More than $42,100 but $937.62 plus 3.465% of the amount in excess of $42,100

More than $84,200 but $2,396.39 plus 3.960% of the amount in excess of $84,200

More than $105,300 but $3,231.95 plus 4.597% of the amount in excess of $105,300

More than $210,600 $8,072.59 plus 4.997% of the amount in excess of $210,600

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

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

(5) Except as otherwise provided in this division, in August of each year, the tax commissioner shall make a new adjustment to the income amounts prescribed in divisions (A)(2) and (3) of this section by multiplying the percentage increase in the gross domestic product deflator computed that year under section 5747.025 of the Revised Code by each of the income amounts resulting from the adjustment under this division in the preceding year, adding the resulting product to the
corresponding income amount resulting from the adjustment in the preceding year, and rounding the resulting sum to the nearest multiple of fifty dollars. The tax commissioner also shall recompute each of the tax dollar amounts to the extent necessary to reflect the new adjustment of the income amounts. To recompute the tax dollar amount corresponding to the lowest tax rate in division (A)(3) of this section, the commissioner shall multiply the tax rate prescribed in division (A)(2) of this section by the income amount specified in that division and as adjusted according to this paragraph. The rates of taxation shall not be adjusted.

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

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

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

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

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

(2) A resident trust may claim a credit against the tax computed under division (D) of this section equal to the lesser of (a) the tax paid to another state or the District of Columbia on the resident trust's modified nonbusiness income, other than the portion of the resident trust's nonbusiness income that is qualifying investment income as defined in section 5747.012 of the Revised Code, or (b) the effective tax rate, based on modified Ohio taxable income, multiplied by the resident trust's modified nonbusiness income other than the portion of the resident trust's nonbusiness income that is qualifying investment income. The credit applies before any other applicable credits.

(3) The credits enumerated in divisions (A)(1) to (9) and (A)(18) to (20) of section 5747.98 of the Revised Code do not apply to a trust subject to division (D) of this section. Any credits enumerated in other divisions of section 5747.98 of the Revised Code apply to a trust subject to division (D) of this section. To the extent that the trust distributes income for the taxable year for which a credit is available to the trust, the credit shall be shared by the trust and its beneficiaries. The tax commissioner and the trust shall be guided by applicable regulations of the United States treasury regarding the sharing of credits.
For the purposes of this section, "trust" means any trust described in Subchapter J of Chapter 1 of the Internal Revenue Code, excluding trusts that are not irrevocable as defined in division (I)(3)(b) of section 5747.01 of the Revised Code and that have no modified Ohio taxable income for the taxable year, charitable remainder trusts, qualified funeral trusts and preneed funeral contract trusts established pursuant to sections 4717.31 to 4717.38 of the Revised Code that are not qualified funeral trusts, endowment and perpetual care trusts, qualified settlement trusts and funds, designated settlement trusts and funds, and trusts exempted from taxation under section 501(a) of the Internal Revenue Code.

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

Sec. 5747.063. The requirements imposed under this section are in addition to the municipal income tax withholding requirements under section 718.031 of the Revised Code. As used in this section, "sports gaming facility" and "sports gaming agent" have the same meanings as in section 3770.30 of the Revised Code.

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

(2) If a person's winnings at a casino facility or sports gaming facility require reporting to the internal revenue service under division (A)(1) of this section, the casino operator or sports gaming agent also shall require the person to state in writing, under penalty of falsification, whether the person is in default under a support order.

(B) Amounts deducted and withheld by a casino operator or sports gaming agent are held in trust for the benefit of the state.

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

preceding month.

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

(b) A casino operator or sports gaming agent shall maintain copies of receipts issued under division (A)(1) of this section and of written statements provided under division (A)(2) of this section and shall make these copies available to the tax commissioner upon request.

(c) A casino operator or sports gaming agent shall maintain the information described in divisions (B)(2)(a) and (b) of this section in accordance with section 5747.17 of the Revised Code and any rules adopted pursuant thereto.

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

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

(b) If a casino operator or sports gaming agent sells the casino facility or sports gaming facility, or otherwise quits the casino or sports gaming business, the amounts deducted and withheld and any penalties and interest thereon are immediately due and payable. The successor shall withhold an amount of the purchase money that is sufficient to cover the amounts deducted and withheld and penalties and interest thereon until the predecessor casino operator or sports gaming agent produces either a receipt from the commissioner showing that the amounts deducted and withheld and penalties and interest thereon have been paid or a certificate from the commissioner indicating that no amounts deducted and withheld or penalties and interest thereon are due. If the successor fails to withhold purchase money, the successor is personally liable for payment of the amounts deducted and withheld and penalties and interest thereon, up to the amount of the purchase money.

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

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

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

(E) The failure of a casino operator or sports gaming agent to deduct and withhold the required amount from a person's winnings does not relieve the person from liability for the tax imposed by section 5747.02 of the Revised Code with respect to those winnings. And compliance with this section does not relieve a casino operator, a sports gaming agent, or a person who has winnings at a casino facility or sports gaming facility from compliance with relevant provisions of federal tax laws.

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

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

Sec. 5747.08. An annual return with respect to the tax imposed by section 5747.02 of the Revised Code and each tax
imposed under Chapter 5748. of the Revised Code shall be made by every taxpayer for any taxable year for which the taxpayer is liable for the tax imposed by that section or under that chapter, unless the total credits allowed under division (E) of section 5747.05 and divisions (F) and (G) of section 5747.055 of the Revised Code for the year are equal to or exceed the tax imposed by section 5747.02 of the Revised Code, in which case no return shall be required unless the taxpayer is liable for a tax imposed pursuant to Chapter 5748. of the Revised Code.

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

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

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

(D)(1)(a) Except as otherwise provided in division (D)(1)(b) of this section, any pass-through entity may file a single return on behalf of one or more of the entity's investors other than an investor that is a person subject to the tax imposed under section 5733.06 of the Revised Code. The single return shall set forth the name, address, and social security number or other identifying number of each of those pass-through entity investors and shall indicate the distributive share of each of those pass-through entity investor's income taxable in this
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
inheritor from filing the annual return under this section, utilizing the refundable credit equal to the investor's proportionate share of the tax paid by the pass-through entity on behalf of the investor under division (I) of this section, and making the payment of taxes imposed under section 5747.02 of the Revised Code. Nothing in division (D) of this section shall be construed to provide to such an investor or pass-through entity any additional deduction or credit, other than the credit provided by division (I) of this section, solely on account of the entity's filing a return in accordance with this section. Such a pass-through entity also shall make the filing and payment of estimated taxes on behalf of the pass-through entity investors other than an investor that is a person subject to the tax imposed under section 5733.06 of the Revised Code.

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

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

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

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

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

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

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

(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;

(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;

(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;

(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;

(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;

(m) The earned income tax credit under section 5747.71 of the Revised Code.

(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return.

(4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by
that return. Nothing in this division shall be construed to limit or alter the liability, if any, imposed on pass-through entity investors for unpaid or underpaid taxes, interest, interest penalty, or penalties as a result of the pass-through entity's making the election provided for under division (D) of this section. For the purposes of division (D) of this section, "correct tax due" means the tax that would have been paid by the pass-through entity had the single return been filed in a manner reflecting the commissioner's findings. Nothing in division (D) of this section shall be construed to make or hold a pass-through entity liable for tax attributable to a pass-through entity investor's income from a source other than the pass-through entity electing to file the single return.

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

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

(F) Each return or notice required to be filed under this section shall contain the signature of the taxpayer or the
taxpayer's duly authorized agent and of the person who prepared
the return for the taxpayer, and shall include the taxpayer's
social security number. Each return shall be verified by a
declaration under the penalties of perjury. The tax commissioner
shall prescribe the form that the signature and declaration
shall take.

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

Upon good cause shown, the commissioner may extend the
period for filing any notice or return required to be filed
under this section and may adopt rules relating to extensions.
If the extension results in an extension of time for the payment
of any state or school district income tax liability with
respect to which the return is filed, the taxpayer shall pay at
the time the tax liability is paid an amount of interest
computed at the rate per annum prescribed by section 5703.47 of
the Revised Code on that liability from the time that payment is
due without extension to the time of actual payment. Except as
provided in section 5747.132 of the Revised Code, in addition to
all other interest charges and penalties, all taxes imposed
under this chapter or Chapter 5748. of the Revised Code and
remaining unpaid after they become due, except combined amounts
due of one dollar or less, bear interest at the rate per annum
prescribed by section 5703.47 of the Revised Code until paid or
until the day an assessment is issued under section 5747.13 of
the Revised Code, whichever occurs first.
If the commissioner considers it necessary in order to ensure the payment of the tax imposed by section 5747.02 of the Revised Code or any tax imposed under Chapter 5748. of the Revised Code, the commissioner may require returns and payments to be made otherwise than as provided in this section.

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

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

(I) If a pass-through entity elects to file a single return under division (D) of this section and if any investor is required to file the annual return and make the payment of taxes required by this chapter on account of the investor's other income that is not included in a single return filed by a pass-through entity or any other investor elects to file the annual return, the investor is entitled to a refundable credit equal to the investor's proportionate share of the tax paid by the pass-through entity on behalf of the investor. The investor shall claim the credit for the investor's taxable year in which or with which ends the taxable year of the pass-through entity. Nothing in this chapter shall be construed to allow any credit provided in this chapter to be claimed more than once. For the
purpose of computing any interest, penalty, or interest penalty, the investor shall be deemed to have paid the refundable credit provided by this division on the day that the pass-through entity paid the estimated tax or the tax giving rise to the credit.

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

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

(L) The tax commissioner may adopt rules to administer
this section.

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

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

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

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

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

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

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

(b) Capital gains or losses from the sale or other transfer of tangible personal property are allocable to this state if, at the time of such sale or other transfer, the property had its physical location in this state.
(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 processing in the state, or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent is utilized in this state if the taxpayer's domicile was in this state at the time such royalties were paid or accrued.

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

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

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

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

(d) All earnings, profit, income, and gain from the direct or indirect interest in any right in or to any lottery prize
awards paid or to be paid to any person by the state lottery commission pursuant to Chapter 3770. of the Revised Code shall be allocated to this state.

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

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

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

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

Sec. 5751.01. As used in this chapter:
(A) "Person" means, but is not limited to, individuals, combinations of individuals of any form, receivers, assignees, trustees in bankruptcy, firms, companies, joint-stock companies, business trusts, estates, partnerships, limited liability partnerships, limited liability companies, associations, joint ventures, clubs, societies, for-profit corporations, S corporations, qualified subchapter S subsidiaries, qualified subchapter S trusts, trusts, entities that are disregarded for federal income tax purposes, and any other entities.

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

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

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

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

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

(2) A public utility that paid the excise tax imposed by section 5727.24 or 5727.30 of the Revised Code based on one or more measurement periods that include the entire tax period
under this chapter, except that a public utility that is a combined company is a taxpayer with regard to the following gross receipts:

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

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

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

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

(3) A financial institution, 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;

(4) A person directly or indirectly owned by one or more
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
measurement periods that include the entire tax period under
this chapter;

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

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

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

(F) Except as otherwise provided in divisions (F)(2), (3),
and (4) of this section, "gross receipts" means the total amount
realized by a person, without deduction for the cost of goods
sold or other expenses incurred, that contributes to the
production of gross income of the person, including the fair
market value of any property and any services received, and any
debt transferred or forgiven as consideration.

(1) The following are examples of gross receipts:

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

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

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

(d) Any combination of the foregoing amounts.

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

(a) Interest income except interest on credit sales;

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

(c) Receipts from the sale, exchange, or other disposition
of an asset described in section 1221 or 1231 of the Internal
Revenue Code, without regard to the length of time the person
held the asset. Notwithstanding section 1221 of the Internal
Revenue Code, receipts from hedging transactions also are
excluded to the extent the transactions are entered into
primarily to protect a financial position, such as managing the
risk of exposure to (i) foreign currency fluctuations that
affect assets, liabilities, profits, losses, equity, or
investments in foreign operations; (ii) interest rate
fluctuations; or (iii) commodity price fluctuations. As used in
division (F)(2)(c) of this section, "hedging transaction" has the same meaning as used in section 1221 of the Internal Revenue Code and also includes transactions accorded hedge accounting treatment under statement of financial accounting standards number 133 of the financial accounting standards board. For the purposes of division (F)(2)(c) of this section, the actual transfer of title of real or tangible personal property to another entity is not a hedging transaction.

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

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

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

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

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

   (i) Proceeds received on the account of payments from
   insurance policies, except those proceeds received for the loss
   of business revenue;

   (j) Gifts or charitable contributions received; membership
   dues received by trade, professional, homeowners', or
   condominium associations; and payments received for educational
   courses, meetings, meals, or similar payments to a trade,
   professional, or other similar association; and fundraising
   receipts received by any person when any excess receipts are
   donated or used exclusively for charitable purposes;

   (k) Damages received as the result of litigation in excess
   of amounts that, if received without litigation, would be gross
   receipts;

   (l) Property, money, and other amounts received or
   acquired by an agent on behalf of another in excess of the
   agent's commission, fee, or other remuneration;

   (m) Tax refunds, other tax benefit recoveries, and
   reimbursements for the tax imposed under this chapter made by
   entities that are part of the same combined taxpayer or
   consolidated elected taxpayer group, and reimbursements made by
   entities that are not members of a combined taxpayer or
   consolidated elected taxpayer group that are required to be made
   for economic parity among multiple owners of an entity whose tax
   obligation under this chapter is required to be reported and
   paid entirely by one owner, pursuant to the requirements of
   sections 5751.011 and 5751.012 of the Revised Code;

   (n) Pension reversions;

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

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

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

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

(t) Receipts realized by a new motor vehicle dealer or used motor vehicle dealer, as defined in section 4517.01 of the Revised Code, from the sale or other transfer of a motor vehicle, as defined in that section, to another motor vehicle
dealer for the purpose of resale by the transferee motor vehicle dealer, but only if the sale or other transfer was based upon the transferee's need to meet a specific customer's preference for a motor vehicle;

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

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

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

(x) Property, money, and other amounts received by a professional employer organization, as defined in section 4125.01 of the Revised Code, from a client employer, as defined in that section, in excess of the administrative fee charged by
the professional employer organization to the client employer;
(y) In the case of amounts retained as commissions by a permit holder under Chapter 3769. of the Revised Code, an amount equal to the amounts specified under that chapter that must be paid to or collected by the tax commissioner as a tax and the amounts specified under that chapter to be used as purse money;
(z) Qualifying distribution center receipts.
(i) For purposes of division (F)(2)(z) of this section:
(I) "Qualifying distribution center receipts" means receipts of a supplier from qualified property that is delivered to a qualified distribution center, multiplied by a quantity that equals one minus the Ohio delivery percentage. If the qualified distribution center is a refining facility, "supplier" includes all dealers, brokers, processors, sellers, vendors, cosigners, and distributors of qualified property.
(II) "Qualified property" means tangible personal property delivered to a qualified distribution center that is shipped to that qualified distribution center solely for further shipping by the qualified distribution center to another location in this state or elsewhere or, in the case of gold, silver, platinum, or palladium delivered to a refining facility solely for refining to a grade and fineness acceptable for delivery to a registered commodities exchange. "Further shipping" includes storing and repackaging property into smaller or larger bundles, so long as the property is not subject to further manufacturing or processing. "Refining" is limited to extracting impurities from gold, silver, platinum, or palladium through smelting or some other process at a refining facility.
(III) "Qualified distribution center" means a warehouse, a
facility similar to a warehouse, or a refining facility in this state that, for the qualifying year, is operated by a person that is not part of a combined taxpayer group and that has a qualifying certificate. All warehouses or facilities similar to warehouses that are operated by persons in the same taxpayer group and that are located within one mile of each other shall be treated as one qualified distribution center. All refining facilities that are operated by persons in the same taxpayer group and that are located in the same or adjacent counties may be treated as one qualified distribution center.

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

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

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

The applicant must substantiate to the commissioner's satisfaction that, for the qualifying period, all persons operating the distribution center have more than fifty per cent of the cost of the qualified property shipped to a location such that it would be sitused outside this state under the provisions of division (E) of section 5751.033 of the Revised Code. The applicant must also substantiate that the distribution center
cumulatively had costs from its suppliers equal to or exceeding five hundred million dollars during the qualifying period. (For purposes of division (F)(2)(z)(i)(VI) of this section, "supplier" excludes any person that is part of the consolidated elected taxpayer group, if applicable, of the operator of the qualified distribution center.) The commissioner may require the applicant to have an independent certified public accountant certify that the calculation of the minimum thresholds required for a qualified distribution center by the operator of a distribution center has been made in accordance with generally accepted accounting principles. The commissioner shall issue or deny the issuance of a certificate within sixty days after the receipt of the application. A denial is subject to appeal under section 5717.02 of the Revised Code. If the operator files a timely appeal under section 5717.02 of the Revised Code, the operator shall be granted a qualifying certificate effective for the remainder of the qualifying year or until the appeal is finalized, whichever is earlier. If the operator does not prevail in the appeal, the operator shall pay the ineligible operator's supplier tax liability.

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

(VIII) "Refining facility" means one or more buildings located in a county in the Appalachian region of this state as defined by section 107.21 of the Revised Code and utilized for refining or smelting gold, silver, platinum, or palladium to a grade and fineness acceptable for delivery to a registered commodities exchange.
(IX) "Registered commodities exchange" means a board of trade, such as New York mercantile exchange, inc. or commodity exchange, inc., designated as a contract market by the commodity futures trading commission under the "Commodity Exchange Act," 7 U.S.C. 1 et seq., as amended.

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

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

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

(III) An operator may appeal a determination under division (F)(2)(z)(ii)(I) or (II) of this section that the ineligible operator is liable for the operator's supplier tax liability as a result of not qualifying as a qualified distribution center, as provided in section 5717.02 of the Revised Code.
(iii) When filing an application for a qualifying certificate under division (F)(2)(z)(i)(VI) of this section, the operator of a qualified distribution center also shall provide documentation, as the commissioner requires, for the commissioner to ascertain the Ohio delivery percentage. The commissioner, upon issuing the qualifying certificate, also shall certify the Ohio delivery percentage. The operator of the qualified distribution center may appeal the commissioner's certification of the Ohio delivery percentage in the same manner as an appeal is taken from the denial of a qualifying certificate under division (F)(2)(z)(i)(VI) of this section.

(iv)(I) In the case where the distribution center is new and not open for the entire qualifying period, the operator shall make a good faith estimate of an Ohio delivery percentage for use by suppliers in their reports of taxable gross receipts for the remainder of the qualifying period. The operator of the facility shall disclose to the suppliers that such Ohio delivery percentage is an estimate and is subject to recalculation. By the due date of the next application for a qualifying certificate, the operator shall determine the actual Ohio delivery percentage for the estimated qualifying period and proceed as provided in division (F)(2)(z)(iii) of this section with respect to the calculation and recalculation of the Ohio delivery percentage. The supplier is required to file, within sixty days after receiving notice from the operator of the qualified distribution center, amended reports for the impacted calendar quarter or quarters or calendar year, whichever the case may be. Any additional tax liability or tax overpayment shall be subject to interest but shall not be subject to the imposition of any penalty so long as the amended returns are timely filed.
(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.
first one hundred thousand dollars of the annual application fees collected each calendar year shall be credited to the revenue enhancement fund. The remainder of the annual application fees collected shall be distributed in the same manner required under section 5751.20 of the Revised Code.

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

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

(bb) Cash discounts allowed and taken;

(cc) Returns and allowances;

(dd) Bad debts from receipts on the basis of which the tax imposed by this chapter was paid in a prior quarterly tax payment period. For the purpose of this division, "bad debts" means any debts that have become worthless or uncollectible between the preceding and current quarterly tax payment periods, have been uncollected for at least six months, and that may be claimed as a deduction under section 166 of the Internal Revenue Code and the regulations adopted under that section, or that could be claimed as such if the taxpayer kept its accounts on the accrual basis. "Bad debts" does not include repossessed property, uncollectible amounts on property that remains in the possession of the taxpayer until the full purchase price is paid, or expenses in attempting to collect any account receivable or for any portion of the debt recovered;
(ee) Any amount realized from the sale of an account receivable to the extent the receipts from the underlying transaction giving rise to the account receivable were included in the gross receipts of the taxpayer;

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

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

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

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

   (ii) Any person that owns, leases, or operates real or tangible personal property constituting or located within a uranium enrichment zone may apply to the tax commissioner to have the uranium enrichment zone certified for the purpose of excluding qualified uranium receipts under division (F)(2)(gg) of this section. The application shall include such information that the tax commissioner prescribes. Within sixty days after receiving the application, the tax commissioner shall certify
the zone for that purpose if the commissioner determines that
the property qualifies as a uranium enrichment zone as defined
in division (F)(2)(gg) of this section, or, if the tax
commissioner determines that the property does not qualify, the
commissioner shall deny the application or request additional
information from the applicant. If the tax commissioner denies
an application, the commissioner shall state the reasons for the
denial. The applicant may appeal the denial of an application to
the board of tax appeals pursuant to section 5717.02 of the
Revised Code. If the applicant files a timely appeal, the tax
commissioner shall conditionally certify the applicant's
property. The conditional certification shall expire when all of
the applicant's appeals are exhausted. Until final resolution of
the appeal, the applicant shall retain the applicant's records
in accordance with section 5751.12 of the Revised Code,
notwithstanding any time limit on the preservation of records
under that section.

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

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

(jj) Qualifying integrated supply chain receipts.

As used in division (F)(2)(jj) of this section:
(i) "Qualifying integrated supply chain receipts" means receipts of a qualified integrated supply chain vendor from the sale of qualified property delivered to, or integrated supply chain services provided to, another qualified integrated supply chain vendor or to a retailer that is a member of the integrated supply chain. "Qualifying integrated supply chain receipts" does not include receipts of a person that is not a qualified integrated supply chain vendor from the sale of raw materials to a member of an integrated supply chain, or receipts of a member of an integrated supply chain from the sale of qualified property or integrated supply chain services to a person that is not a member of the integrated supply chain.

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

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

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

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

(iii) "Qualified integrated supply chain vendor" means a person that is a member of an integrated supply chain and that provides integrated supply chain services within a qualified integrated supply chain district to a retailer that is a member of the integrated supply chain or to another qualified integrated supply chain vendor that is located within the same such district as the person but does not share a common owner with that person.
(iv) "Qualified product" means a personal care, health, or beauty product or an aromatic product, including a candle. "Qualified product" does not include a drug that may be dispensed only pursuant to a prescription, durable medical equipment, mobility enhancing equipment, or a prosthetic device, as those terms are defined in section 5739.01 of the Revised Code.

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

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

The retailer shall notify the commissioner of any changes to the list, including additions to or subtractions from the list or changes in the name or legal entity of vendors certified.
on the list, within sixty days after the date the retailer becomes aware of the change. Within thirty days after receiving that notification, the commissioner shall issue a revised certificate to the retailer and to each vendor certified on the list. The revised certificate shall include the effective date of the change.

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

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

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

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

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

(II) The parcel or parcels are located wholly in the
corporate limits of a municipal corporation with a population greater than seven thousand five hundred and less than eight thousand based on the 2010 federal decennial census that is partly located in the county described in division (F)(2)(jj)(viii)(I) of this section, as those corporate limits existed on September 29, 2015.

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

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

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

(mm) In the case of amounts collected by a sports gaming agent from sports gaming, amounts in excess of the agent's sports gaming receipts. In this division, "sports gaming agent"
has the same meaning as in section 3770.30 of the Revised Code.

"sports gaming receipts" has the same meaning as in section 5753.01 of the Revised Code.

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

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

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

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

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

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

(2) Holds a certificate of compliance with the laws of
this state authorizing the person to do business in this state;

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

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

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

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

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

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

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

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

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

(4) Has at any time during the calendar year within this
state at least twenty-five per cent of the person's total
property, total payroll, or total gross receipts.

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

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

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

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

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

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

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

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

(1) A person receiving a fee to sell financial instruments;
(2) A person retaining only a commission from a transaction with the other proceeds from the transaction being remitted to another person;

(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;

(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;

(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.

(Q) "Received" includes amounts accrued under the accrual method of accounting.

(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.

Sec. 5753.01. As used in Chapter 5753. of the Revised Code and for no other purpose under Title LVII of the Revised Code:

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

(B) "Casino gaming" has the same meaning as in section 3772.01 of the Revised Code.

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

(D) "Gross casino revenue" means the total amount of money
exchanged for the purchase of chips, tokens, tickets, electronic cards, or similar objects by casino patrons, less winnings paid to wagerers. "Gross casino revenue" does not include the issuance to casino patrons or wagering by casino patrons of any promotional gaming credit as defined in section 3772.01 of the Revised Code. When issuance of the promotional gaming credit requires money exchanged as a match from the patron, the excludible portion of the promotional gaming credit does not include the portion of the wager purchased by the patron.

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

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

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

(H) "Sports gaming receipts" means the total gross receipts received by a sports gaming agent from the operation of sports gaming in this state, less winnings paid to the wagerers.

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

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

(K) "Tax period" means one twenty-four-hour period with regard to which a casino operator taxpayer is required to pay the tax levied by this chapter section 5753.02 or 5753.021 of the Revised Code.
Sec. 5753.021. For the purposes of funding the education needs of this state, funding efforts to alleviate problem gambling and addiction, and of defraying the costs of enacting and administering the law governing sports gaming and the tax levied by this section, a tax is hereby levied on the sports gaming receipts of a sports gaming agent at the rate of ten percent of the sports gaming receipts received by the agent from the operation of sports gaming in this state.

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

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

(1) The casino tax revenue fund;
(2) The gross casino revenue county fund;
(3) The gross casino revenue county student fund;
(4) The gross casino revenue host city fund;
(5) The Ohio state racing commission fund;
(6) The Ohio law enforcement training fund;
(7) The problem casino gambling and addictions fund;
(8) The casino control commission fund;
(9) The casino tax administration fund;
(10) The peace officer training academy fund;
(11) The criminal justice services casino tax revenue fund.
(B) All moneys collected from the tax levied under this chapter section 5753.02 of the Revised Code shall be deposited into the casino tax revenue fund.

(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 and attributable to the tax levied under section 5753.02 of the Revised Code.

(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:

(1) Fifty-one per cent to the gross casino revenue county fund to make payments as required by Section 6(C)(3)(a) of Article XV, Ohio Constitution;

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

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

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

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

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

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

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

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

Payments from the gross casino revenue county student fund as required under section 5753.11 of the Revised Code shall be made by the last day of January and by the last day of August of each year, beginning in 2013. The tax commissioner shall make the data available to the director of budget and management for this purpose.
Of the money credited to the Ohio law enforcement training fund, the director of budget and management shall distribute eighty-five per cent of the money to the police officer training academy fund for the purpose of supporting the law enforcement training efforts of the Ohio peace officer training academy and fifteen per cent of the money to the criminal justice services casino tax revenue fund for the purpose of supporting the law enforcement training efforts of the division of criminal justice services.

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

(2) On or before the last day of the month following the end of each calendar quarter, the tax commissioner shall provide for payment from the funds referenced in divisions (D)(1) and (3) of this section to each county and municipal corporation as prescribed in those divisions.

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

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

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

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

1. The sports gaming revenue fund;
2. The lottery commission sports gaming fund;
3. The casino control commission sports gaming fund;
4. The problem sports gaming and addiction fund;
5. The sports gaming tax administration fund.

(B) All moneys collected from the tax levied under section 5753.021 of the Revised Code and any fines and fees collected under Chapter 3770. of the Revised Code relating to sports gaming shall be deposited into the sports gaming revenue fund.

(C) From the sports gaming 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 and attributable to the tax levied under section 5753.021 of the Revised Code.

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

1. To the lottery commission sports gaming fund, both of the following amounts:
(a) The amount necessary to reimburse the state lottery commission's actual operating costs and expenses incurred in administering the provisions of Chapter 3770. of the Revised Code that relate to sports gaming. The amount transferred under division (D)(1)(a) of this section shall not exceed ten per cent of the revenue credited to the sports gaming revenue fund in the preceding month.

(b) The amount necessary to pay any bonuses, compensation, or reimbursements due to veteran's and fraternal organizations with sports gaming terminals.

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

(3) To the sports gaming tax administration fund, the amount necessary to reimburse the department of taxation's actual expenses incurred in administering the tax levied under section 5753.021 of the Revised Code.

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

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

(2) Two per cent to the problem sports gaming and addiction fund to support the state's efforts to alleviate problem sports gaming,
(F) All interest generated by the funds created under this section shall be credited back to the fund.

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

(B) If a sports gaming agent's sports gaming receipts for a tax period are less than zero because the winnings paid by the agent to wagerers exceeds the agent's total gross receipts from the operation of sports gaming for that tax period, the tax commissioner shall allow the agent to carry forward the deficit to subsequent tax periods until the agent's sports gaming receipts are greater than zero.

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

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

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

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

(3) If a casino operator taxpayer fails to file a return electronically or to remit the tax electronically, the tax commissioner may impose an additional penalty of fifty dollars or ten per cent of the tax due as shown on the return, whichever is greater.

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

(C) The tax commissioner shall collect any penalty or interest as if it were the tax levied by section 5753.02 or 5753.021 of the Revised Code, as applicable. Penalties and interest shall be treated as if they were revenue arising from the applicable tax levied by section 5753.02 of the Revised Code.
(D) The tax commissioner may abate all or a portion of any penalty imposed under this section and may adopt rules governing abatements.

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

Sec. 5753.06. (A) A casino operator taxpayer may apply to the tax commissioner for refund of the amount of taxes under section 5753.02 or 5753.021 of the Revised Code that were overpaid, paid illegally or erroneously, or paid on an illegal or erroneous assessment. The application shall be on a form prescribed by the tax commissioner. The casino operator taxpayer shall provide the amount of the requested refund along with the claimed reasons for, and documentation to support, the issuance of a refund. The casino operator taxpayer shall file the application with the tax commissioner within four years after the date the payment was made, unless the applicant has waived the time limitation under division (D) of section 5753.07 of the Revised Code. In the latter event, the four-year limitation is extended for the same period of time as the waiver.

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

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

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

Sec. 5753.061. As used in this section, "debt to the state" means unpaid taxes that are due the state, unpaid workers' compensation premiums that are due, unpaid unemployment compensation contributions that are due, unpaid unemployment compensation payments in lieu of contributions that are due, unpaid fees payable to the state or to the clerk of courts under section 4505.06 of the Revised Code, incorrect medical assistance payments, or any unpaid charge, penalty, or interest arising from any of the foregoing. A debt to the state is not a "debt to the state" as used in this section unless the liability underlying the debt to the state has become incontestable because the time for appealing, reconsidering, reassessing, or otherwise questioning the liability has expired or the liability has been finally determined to be valid.

If a casino operator taxpayer who is entitled to a refund under section 5753.06 of the Revised Code owes a debt to the state, the amount refundable may be applied in satisfaction of
the debt to the state. If the amount refundable is less than the amount of the debt to the state, the amount refundable may be applied in partial satisfaction of the debt. If the amount refundable is greater than the amount of the debt, the amount refundable remaining after satisfaction of the debt shall be refunded to the casino operator taxpayer.

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

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

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

(4) After an assessment becomes final, if any portion of the assessment, including penalties and accrued interest, remains unpaid, the tax commissioner may file a certified copy of the entry making the assessment final in the office of the clerk of the court of common pleas of Franklin county or in the office of the clerk of the court of common pleas of the county in which the casino operator taxpayer resides, the casino operator's taxpayer's casino facility or sports gaming facility is located, or the casino operator's taxpayer's principal place of business in this state is located. Immediately upon the filing of the entry, the clerk shall enter a judgment for the state against the taxpayer assessed in the amount shown on the entry. The judgment may be filed by the clerk in a loose-leaf book entitled, "special judgments for the gross casino revenue tax and sports gaming receipts tax." The judgment has the same effect as other judgments. Execution shall issue upon the judgment at the request of the tax commissioner, and all laws applicable to sales on execution apply to sales made under the judgment.

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

(B) If the tax commissioner believes that collection of
the tax levied under section 5753.02 or 5753.021 of the Revised
Code will be jeopardized unless proceedings to collect or secure
collection of the tax are instituted without delay, the
commissioner may issue a jeopardy assessment against the casino-
operator that is liable for the tax. Immediately
upon the issuance of a jeopardy assessment, the tax commissioner
shall file an entry with the clerk of the court of common pleas
in the manner prescribed by division (A)(4) of this section, and
the clerk shall proceed as directed in that division. Notice of
the jeopardy assessment shall be served on the casino operator
or the casino operator's authorized agent
under section 5703.37 of the Revised Code within five days after
the filing of the entry with the clerk. The total amount
assessed is immediately due and payable, unless the casino-
operator assessed files a petition for reassessment
under division (A)(2) of this section and provides security in a
form satisfactory to the tax commissioner that is in an amount
sufficient to satisfy the unpaid balance of the assessment. If a
petition for reassessment has been filed, and if satisfactory
security has been provided, the tax commissioner shall proceed
under division (A)(3) of this section. Full or partial payment
of the assessment does not prejudice the tax commissioner's
consideration of the petition for reassessment.

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

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

(E) If the tax commissioner possesses information that indicates that the amount of tax a casino operator taxpayer is liable to pay under section 5753.02 or 5753.021 of the Revised Code exceeds the amount the casino operator taxpayer paid, the tax commissioner may audit a sample of the casino operator's taxpayer's gross casino revenue or sports gaming receipts, as applicable, over a representative period of time to ascertain the amount of tax due, and may issue an assessment based on the audit. The tax commissioner shall make a good faith effort to reach agreement with the casino operator taxpayer in selecting a representative sample. The tax commissioner may apply a sampling method only if the tax commissioner has prescribed the method by rule.

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

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

Sec. 5753.08. If a casino operator taxpayer who is liable
for the tax levied under section 5753.02 or 5753.021 of the
Revised Code sells the a casino facility or sports gaming
facility, disposes of the a casino facility or sports gaming
facility in any manner other than in the regular course of
business, or quits the casino gaming or sports gaming business,
any tax owed by that person becomes immediately due and payable,
and the person shall pay the tax due, including any applicable
penalties and interest. The person's successor shall withhold a
sufficient amount of the purchase money to cover the amounts due
and unpaid until the predecessor produces a receipt from the tax
commissioner showing that the amounts due have been paid or a
certificate indicating that no taxes are due. If the successor
fails to withhold purchase money, the successor is personally
liable, up to the purchase money amount, for amounts that were
unpaid during the operation of the business by the predecessor.

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

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

Section 2. That existing sections 109.572, 718.031,
3770.01, 3770.02, 3770.99, 3772.03, 5703.21, 5747.02, 5747.063,
5747.08, 5747.20, 5751.01, 5753.01, 5753.03, 5753.04, 5753.05,
5753.06, 5753.061, 5753.07, 5753.08, and 5753.10 of the Revised
Code are hereby repealed.

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

Section 4. (A) There is hereby created the sports gaming
advisory board. The board shall consist of eleven members. The
governor shall appoint seven members with the advice and consent
of the senate, not more than four of whom shall be of the same
political party. The speaker of the house of representatives
shall appoint two members of the house of representatives as
members, both of whom shall not be members of the same political
party. The president of the senate shall appoint two members of
the senate as members, both of whom shall not be members of the
same political party.

All members shall serve without compensation.

A member of the state lottery commission or Ohio casino
control commission may not be appointed to the sports gaming
advisory board while the person is a member of either of those
commissions.

Each member shall be a resident of this state.

(B) The board shall serve in an advisory capacity to the
state lottery commission and shall study and develop
recommendations for the rules to be adopted by the commission
under this act with respect to the sports gaming lottery.

(C) The board shall make recommendations to the state
lottery commission as it determines appropriate. The board shall
cease to exist on the date that is three years after the
effective date of this act.

Section 5. Notwithstanding the amendment of division (C)
of section 3770.01 of the Revised Code by this act to require
three members of the state lottery commission to possess gaming
experience, no member of the commission on the effective date of
this act must be removed in order to be replaced by a person
with gaming experience. The additional two members appointed to
the commission under this act shall have gaming experience, and
shall be appointed to terms ending August 1, 2022. The next
appointment made to replace a person serving on the commission
on the effective date of this act shall be of a third person
with gaming experience.

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


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