

As Introduced

**130th General Assembly
Regular Session
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H. B. No. 51

Representatives McGregor, Patmon

Cosponsors: Representatives Wachtmann, Amstutz

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A B I L L

To amend sections 9.33, 153.65, 718.01, 2937.221, 1
3354.13, 3355.10, 3357.12, 5503.31, 5503.32, 2
5513.01, 5533.31, 5537.01, 5537.02, 5537.03, 3
5537.04, 5537.05, 5537.051, 5537.06, 5537.07, 4
5537.08, 5537.09, 5537.11, 5537.12, 5537.13, 5
5537.14, 5537.15, 5537.16, 5537.17, 5537.19, 6
5537.20, 5537.21, 5537.22, 5537.24, 5537.25, 7
5537.26, 5537.27, 5537.28, 5537.30, 5728.01, 8
5735.05, 5735.23, 5739.02, 5747.01, and 5751.01; 9
to enact section 5537.18; and to repeal sections 10
126.60, 126.601, 126.602, 126.603, 126.604, and 11
126.605 of the Revised Code to authorize the Ohio 12
Turnpike Commission to issue revenue bonds for 13
infrastructure projects, to rename the Ohio 14
Turnpike Commission as the Ohio Turnpike and 15
Infrastructure Commission, to repeal authority 16
allowing the Director of Budget and Management and 17
the Director of Transportation to execute a 18
contract with a private entity for the purpose of 19
outsourcing turnpike-related highway services, to 20
make other changes in the law governing the Ohio 21
Turnpike Commission, and to make an appropriation. 22

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

Section 101.01. That sections 9.33, 153.65, 718.01, 2937.221, 23
3354.13, 3355.10, 3357.12, 5503.31, 5503.32, 5513.01, 5533.31, 24
5537.01, 5537.02, 5537.03, 5537.04, 5537.05, 5537.051, 5537.06, 25
5537.07, 5537.08, 5537.09, 5537.11, 5537.12, 5537.13, 5537.14, 26
5537.15, 5537.16, 5537.17, 5537.19, 5537.20, 5537.21, 5537.22, 27
5537.24, 5537.25, 5537.26, 5537.27, 5537.28, 5537.30, 5728.01, 28
5735.05, 5735.23, 5739.02, 5747.01, and 5751.01 be amended and 29
section 5537.18 of the Revised Code be enacted to read as follows: 30
31

Sec. 9.33. As used in sections 9.33 to 9.335 of the Revised 32
Code: 33

(A) "Construction manager" means a person with substantial 34
discretion and authority to plan, coordinate, manage, and direct 35
all phases of a project for the construction, demolition, 36
alteration, repair, or reconstruction of any public building, 37
structure, or other improvement, but does not mean the person who 38
provides the professional design services or who actually performs 39
the construction, demolition, alteration, repair, or 40
reconstruction work on the project. 41

(B)(1) "Construction manager at risk" means a person with 42
substantial discretion and authority to plan, coordinate, manage, 43
direct, and construct all phases of a project for the 44
construction, demolition, alteration, repair, or reconstruction of 45
any public building, structure, or other improvement and who 46
provides the public authority a guaranteed maximum price as 47
determined in section 9.334 of the Revised Code. 48

(2) As used in division (B)(1) of this section: 49

(a) "Construct" includes performing, or subcontracting for 50

performing, construction, demolition, alteration, repair, or 51
reconstruction. 52

(b) "Manage" includes approving bidders and awarding 53
subcontracts for furnishing materials regarding, or for 54
performing, construction, demolition, alteration, repair, or 55
reconstruction. 56

(C) "Construction management contract" means a contract 57
between a public authority and another person obligating the 58
person to provide construction management services. 59

(D) "Construction management services" or "management 60
services" means the range of services that either a construction 61
manager or a construction manager at risk may provide. 62

(E) "Qualified" means having the following qualifications: 63

(1) Competence to perform the required management services as 64
indicated by the technical training, education, and experience of 65
the construction manager's or construction manager at risk's 66
personnel, especially the technical training, education, and 67
experience of the construction manager's or construction manager 68
at risk's employees who would be assigned to perform the services; 69

(2) Ability in terms of workload and the availability of 70
qualified personnel, equipment, and facilities to perform the 71
required management services competently and expeditiously; 72

(3) Past performance as reflected by the evaluations of 73
previous clients with respect to factors such as control of costs, 74
quality of work, and meeting of deadlines; 75

(4) Financial responsibility as evidenced by the capability 76
to provide a letter of credit pursuant to Chapter 1305. of the 77
Revised Code, a surety bond, certified check, or cashier's check 78
in an amount equal to the value of the construction management 79
contract, or by other means acceptable to the public authority; 80

(5) Other similar factors. 81

(F)(1) "Public authority" means the state, any state 82
institution of higher education as defined in section 3345.011 of 83
the Revised Code, any county, township, municipal corporation, 84
school district, or other political subdivision, or any public 85
agency, authority, board, commission, instrumentality, or special 86
purpose district of the state or of a political subdivision. 87

~~(2) "Public authority" does not include the Ohio turnpike 88
commission. 89~~

(G) "Open book pricing method" means a method in which a 90
construction manager at risk provides the public authority, at the 91
public authority's request, all books, records, documents, and 92
other data in its possession pertaining to the bidding, pricing, 93
or performance of a construction management contract awarded to 94
the construction manager at risk. 95

Sec. 153.65. As used in sections 153.65 to 153.73 of the 96
Revised Code: 97

(A)(1) "Public authority" means the state, a state 98
institution of higher education as defined in section 3345.011 of 99
the Revised Code, a county, township, municipal corporation, 100
school district, or other political subdivision, or any public 101
agency, authority, board, commission, instrumentality, or special 102
purpose district of the state or of a political subdivision. 103

~~(2) "Public authority" does not include the Ohio turnpike 104
commission. 105~~

(B) "Professional design firm" means any person legally 106
engaged in rendering professional design services. 107

(C) "Professional design services" means services within the 108
scope of practice of an architect or landscape architect 109
registered under Chapter 4703. of the Revised Code or a 110

professional engineer or surveyor registered under Chapter 4733. 111
of the Revised Code. 112

(D) "Qualifications" means all of the following: 113

(1)(a) For a professional design firm, competence to perform 114
the required professional design services as indicated by the 115
technical training, education, and experience of the firm's 116
personnel, especially the technical training, education, and 117
experience of the employees within the firm who would be assigned 118
to perform the services; 119

(b) For a design-build firm, competence to perform the 120
required design-build services as indicated by the technical 121
training, education, and experience of the design-build firm's 122
personnel and key consultants, especially the technical training, 123
education, and experience of the employees and consultants of the 124
design-build firm who would be assigned to perform the services, 125
including the proposed architect or engineer of record. 126

(2) Ability of the firm in terms of its workload and the 127
availability of qualified personnel, equipment, and facilities to 128
perform the required professional design services or design-build 129
services competently and expeditiously; 130

(3) Past performance of the firm as reflected by the 131
evaluations of previous clients with respect to such factors as 132
control of costs, quality of work, and meeting of deadlines; 133

(4) Any other relevant factors as determined by the public 134
authority; 135

(5) With respect to a design-build firm, compliance with 136
sections 4703.182, 4703.332, and 4733.16 of the Revised Code, 137
including the use of a licensed design professional for all design 138
services. 139

(E) "Design-build contract" means a contract between a public 140

authority and another person that obligates the person to provide 141
design-build services. 142

(F) "Design-build firm" means a person capable of providing 143
design-build services. 144

(G) "Design-build services" means services that form an 145
integrated delivery system for which a person is responsible to a 146
public authority for both the design and construction, demolition, 147
alteration, repair, or reconstruction of a public improvement. 148

(H) "Architect or engineer of record" means the architect or 149
engineer that serves as the final signatory on the plans and 150
specifications for the design-build project. 151

(I) "Criteria architect or engineer" means the architect or 152
engineer retained by a public authority to prepare conceptual 153
plans and specifications, to assist the public authority in 154
connection with the establishment of the design criteria for a 155
design-build project, and, if requested by the public authority, 156
to serve as the representative of the public authority and 157
provide, during the design-build project, other design and 158
construction administration services on behalf of the public 159
authority, including but not limited to, confirming that the 160
design prepared by the design-build firm reflects the original 161
design intent established in the design criteria package. 162

(J) "Open book pricing method" means a method in which a 163
design-build firm provides the public authority, at the public 164
authority's request, all books, records, documents, contracts, 165
subcontracts, purchase orders, and other data in its possession 166
pertaining to the bidding, pricing, or performance of a contract 167
for design-build services awarded to the design-build firm. 168

Sec. 718.01. (A) As used in this chapter: 169

(1) "Adjusted federal taxable income" means a C corporation's 170

federal taxable income before net operating losses and special 171
deductions as determined under the Internal Revenue Code, adjusted 172
as follows: 173

(a) Deduct intangible income to the extent included in 174
federal taxable income. The deduction shall be allowed regardless 175
of whether the intangible income relates to assets used in a trade 176
or business or assets held for the production of income. 177

(b) Add an amount equal to five per cent of intangible income 178
deducted under division (A)(1)(a) of this section, but excluding 179
that portion of intangible income directly related to the sale, 180
exchange, or other disposition of property described in section 181
1221 of the Internal Revenue Code; 182

(c) Add any losses allowed as a deduction in the computation 183
of federal taxable income if the losses directly relate to the 184
sale, exchange, or other disposition of an asset described in 185
section 1221 or 1231 of the Internal Revenue Code; 186

(d)(i) Except as provided in division (A)(1)(d)(ii) of this 187
section, deduct income and gain included in federal taxable income 188
to the extent the income and gain directly relate to the sale, 189
exchange, or other disposition of an asset described in section 190
1221 or 1231 of the Internal Revenue Code; 191

(ii) Division (A)(1)(d)(i) of this section does not apply to 192
the extent the income or gain is income or gain described in 193
section 1245 or 1250 of the Internal Revenue Code. 194

(e) Add taxes on or measured by net income allowed as a 195
deduction in the computation of federal taxable income; 196

(f) In the case of a real estate investment trust and 197
regulated investment company, add all amounts with respect to 198
dividends to, distributions to, or amounts set aside for or 199
credited to the benefit of investors and allowed as a deduction in 200
the computation of federal taxable income; 201

(g) Deduct, to the extent not otherwise deducted or excluded 202
in computing federal taxable income, any income ~~derived from~~ 203
~~providing public services under a contract through a project owned~~ 204
~~by the state, as described in section 126.604 of the Revised Code~~ 205
~~or~~ derived from a transfer agreement or from the enterprise 206
transferred under that agreement under section 4313.02 of the 207
Revised Code. 208

If the taxpayer is not a C corporation and is not an 209
individual, the taxpayer shall compute adjusted federal taxable 210
income as if the taxpayer were a C corporation, except guaranteed 211
payments and other similar amounts paid or accrued to a partner, 212
former partner, member, or former member shall not be allowed as a 213
deductible expense; amounts paid or accrued to a qualified 214
self-employed retirement plan with respect to an owner or 215
owner-employee of the taxpayer, amounts paid or accrued to or for 216
health insurance for an owner or owner-employee, and amounts paid 217
or accrued to or for life insurance for an owner or owner-employee 218
shall not be allowed as a deduction. 219

Nothing in division (A)(1) of this section shall be construed 220
as allowing the taxpayer to add or deduct any amount more than 221
once or shall be construed as allowing any taxpayer to deduct any 222
amount paid to or accrued for purposes of federal self-employment 223
tax. 224

Nothing in this chapter shall be construed as limiting or 225
removing the ability of any municipal corporation to administer, 226
audit, and enforce the provisions of its municipal income tax. 227

(2) "Internal Revenue Code" means the Internal Revenue Code 228
of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. 229

(3) "Schedule C" means internal revenue service schedule C 230
filed by a taxpayer pursuant to the Internal Revenue Code. 231

(4) "Form 2106" means internal revenue service form 2106 232

filed by a taxpayer pursuant to the Internal Revenue Code. 233

(5) "Intangible income" means income of any of the following 234
types: income yield, interest, capital gains, dividends, or other 235
income arising from the ownership, sale, exchange, or other 236
disposition of intangible property including, but not limited to, 237
investments, deposits, money, or credits as those terms are 238
defined in Chapter 5701. of the Revised Code, and patents, 239
copyrights, trademarks, tradenames, investments in real estate 240
investment trusts, investments in regulated investment companies, 241
and appreciation on deferred compensation. "Intangible income" 242
does not include prizes, awards, or other income associated with 243
any lottery winnings or other similar games of chance. 244

(6) "S corporation" means a corporation that has made an 245
election under subchapter S of Chapter 1 of Subtitle A of the 246
Internal Revenue Code for its taxable year. 247

(7) For taxable years beginning on or after January 1, 2004, 248
"net profit" for a taxpayer other than an individual means 249
adjusted federal taxable income and "net profit" for a taxpayer 250
who is an individual means the individual's profit required to be 251
reported on schedule C, schedule E, or schedule F, other than any 252
amount allowed as a deduction under division (E)(2) or (3) of this 253
section or amounts described in division (H) of this section. 254

(8) "Taxpayer" means a person subject to a tax on income 255
levied by a municipal corporation. Except as provided in division 256
(L) of this section, "taxpayer" does not include any person that 257
is a disregarded entity or a qualifying subchapter S subsidiary 258
for federal income tax purposes, but "taxpayer" includes any other 259
person who owns the disregarded entity or qualifying subchapter S 260
subsidiary. 261

(9) "Taxable year" means the corresponding tax reporting 262
period as prescribed for the taxpayer under the Internal Revenue 263

Code.	264
(10) "Tax administrator" means the individual charged with	265
direct responsibility for administration of a tax on income levied	266
by a municipal corporation and includes:	267
(a) The central collection agency and the regional income tax	268
agency and their successors in interest, and other entities	269
organized to perform functions similar to those performed by the	270
central collection agency and the regional income tax agency;	271
(b) A municipal corporation acting as the agent of another	272
municipal corporation; and	273
(c) Persons retained by a municipal corporation to administer	274
a tax levied by the municipal corporation, but only if the	275
municipal corporation does not compensate the person in whole or	276
in part on a contingency basis.	277
(11) "Person" includes individuals, firms, companies,	278
business trusts, estates, trusts, partnerships, limited liability	279
companies, associations, corporations, governmental entities, and	280
any other entity.	281
(12) "Schedule E" means internal revenue service schedule E	282
filed by a taxpayer pursuant to the Internal Revenue Code.	283
(13) "Schedule F" means internal revenue service schedule F	284
filed by a taxpayer pursuant to the Internal Revenue Code.	285
(B) No municipal corporation shall tax income at other than a	286
uniform rate.	287
(C) No municipal corporation shall levy a tax on income at a	288
rate in excess of one per cent without having obtained the	289
approval of the excess by a majority of the electors of the	290
municipality voting on the question at a general, primary, or	291
special election. The legislative authority of the municipal	292
corporation shall file with the board of elections at least ninety	293

days before the day of the election a copy of the ordinance 294
together with a resolution specifying the date the election is to 295
be held and directing the board of elections to conduct the 296
election. The ballot shall be in the following form: "Shall the 297
Ordinance providing for a ... per cent levy on income for (Brief 298
description of the purpose of the proposed levy) be passed? 299

	FOR THE INCOME TAX	
	AGAINST THE INCOME TAX	"

In the event of an affirmative vote, the proceeds of the levy 304
may be used only for the specified purpose. 305

(D)(1) Except as otherwise provided in this section, no 306
municipal corporation shall exempt from a tax on income 307
compensation for personal services of individuals over eighteen 308
years of age or the net profit from a business or profession. 309

(2)(a) For taxable years beginning on or after January 1, 310
2004, no municipal corporation shall tax the net profit from a 311
business or profession using any base other than the taxpayer's 312
adjusted federal taxable income. 313

(b) Division (D)(2)(a) of this section does not apply to any 314
taxpayer required to file a return under section 5745.03 of the 315
Revised Code or to the net profit from a sole proprietorship. 316

(E)(1) The legislative authority of a municipal corporation 317
may, by ordinance or resolution, exempt from withholding and from 318
a tax on income the following: 319

(a) Compensation arising from the sale, exchange, or other 320
disposition of a stock option, the exercise of a stock option, or 321
the sale, exchange, or other disposition of stock purchased under 322
a stock option; or 323

(b) Compensation attributable to a nonqualified deferred 324
compensation plan or program described in section 3121(v)(2)(C) of 325
the Internal Revenue Code. 326

(2) The legislative authority of a municipal corporation may 327
adopt an ordinance or resolution that allows a taxpayer who is an 328
individual to deduct, in computing the taxpayer's municipal income 329
tax liability, an amount equal to the aggregate amount the 330
taxpayer paid in cash during the taxable year to a health savings 331
account of the taxpayer, to the extent the taxpayer is entitled to 332
deduct that amount on internal revenue service form 1040. 333

(3) The legislative authority of a municipal corporation may 334
adopt an ordinance or resolution that allows a taxpayer who has a 335
net profit from a business or profession that is operated as a 336
sole proprietorship to deduct from that net profit the amount that 337
the taxpayer paid during the taxable year for medical care 338
insurance premiums for the taxpayer, the taxpayer's spouse, and 339
dependents as defined in section 5747.01 of the Revised Code. The 340
deduction shall be allowed to the same extent the taxpayer is 341
entitled to deduct the premiums on internal revenue service form 342
1040. The deduction allowed under this division shall be net of 343
any related premium refunds, related premium reimbursements, or 344
related insurance premium dividends received by the taxpayer 345
during the taxable year. 346

(F) If an individual's taxable income includes income against 347
which the taxpayer has taken a deduction for federal income tax 348
purposes as reportable on the taxpayer's form 2106, and against 349
which a like deduction has not been allowed by the municipal 350
corporation, the municipal corporation shall deduct from the 351
taxpayer's taxable income an amount equal to the deduction shown 352
on such form allowable against such income, to the extent not 353
otherwise so allowed as a deduction by the municipal corporation. 354

(G)(1) In the case of a taxpayer who has a net profit from a 355

business or profession that is operated as a sole proprietorship, 356
no municipal corporation may tax or use as the base for 357
determining the amount of the net profit that shall be considered 358
as having a taxable situs in the municipal corporation, an amount 359
other than the net profit required to be reported by the taxpayer 360
on schedule C or F from such sole proprietorship for the taxable 361
year. 362

(2) In the case of a taxpayer who has a net profit from 363
rental activity required to be reported on schedule E, no 364
municipal corporation may tax or use as the base for determining 365
the amount of the net profit that shall be considered as having a 366
taxable situs in the municipal corporation, an amount other than 367
the net profit from rental activities required to be reported by 368
the taxpayer on schedule E for the taxable year. 369

(H) A municipal corporation shall not tax any of the 370
following: 371

(1) The military pay or allowances of members of the armed 372
forces of the United States and of members of their reserve 373
components, including the Ohio national guard; 374

(2) The income of religious, fraternal, charitable, 375
scientific, literary, or educational institutions to the extent 376
that such income is derived from tax-exempt real estate, 377
tax-exempt tangible or intangible property, or tax-exempt 378
activities; 379

(3) Except as otherwise provided in division (I) of this 380
section, intangible income; 381

(4) Compensation paid under section 3501.28 or 3501.36 of the 382
Revised Code to a person serving as a precinct election official, 383
to the extent that such compensation does not exceed one thousand 384
dollars annually. Such compensation in excess of one thousand 385
dollars may be subjected to taxation by a municipal corporation. A 386

municipal corporation shall not require the payer of such 387
compensation to withhold any tax from that compensation. 388

(5) Compensation paid to an employee of a transit authority, 389
regional transit authority, or regional transit commission created 390
under Chapter 306. of the Revised Code for operating a transit bus 391
or other motor vehicle for the authority or commission in or 392
through the municipal corporation, unless the bus or vehicle is 393
operated on a regularly scheduled route, the operator is subject 394
to such a tax by reason of residence or domicile in the municipal 395
corporation, or the headquarters of the authority or commission is 396
located within the municipal corporation; 397

(6) The income of a public utility, when that public utility 398
is subject to the tax levied under section 5727.24 or 5727.30 of 399
the Revised Code, except a municipal corporation may tax the 400
following, subject to Chapter 5745. of the Revised Code: 401

(a) Beginning January 1, 2002, the income of an electric 402
company or combined company; 403

(b) Beginning January 1, 2004, the income of a telephone 404
company. 405

As used in division (H)(6) of this section, "combined 406
company," "electric company," and "telephone company" have the 407
same meanings as in section 5727.01 of the Revised Code. 408

(7) On and after January 1, 2003, items excluded from federal 409
gross income pursuant to section 107 of the Internal Revenue Code; 410

(8) On and after January 1, 2001, compensation paid to a 411
nonresident individual to the extent prohibited under section 412
718.011 of the Revised Code; 413

(9)(a) Except as provided in division (H)(9)(b) and (c) of 414
this section, an S corporation shareholder's distributive share of 415
net profits of the S corporation, other than any part of the 416

distributive share of net profits that represents wages as defined 417
in section 3121(a) of the Internal Revenue Code or net earnings 418
from self-employment as defined in section 1402(a) of the Internal 419
Revenue Code. 420

(b) If, pursuant to division (H) of former section 718.01 of 421
the Revised Code as it existed before March 11, 2004, a majority 422
of the electors of a municipal corporation voted in favor of the 423
question at an election held on November 4, 2003, the municipal 424
corporation may continue after 2002 to tax an S corporation 425
shareholder's distributive share of net profits of an S 426
corporation. 427

(c) If, on December 6, 2002, a municipal corporation was 428
imposing, assessing, and collecting a tax on an S corporation 429
shareholder's distributive share of net profits of the S 430
corporation to the extent the distributive share would be 431
allocated or apportioned to this state under divisions (B)(1) and 432
(2) of section 5733.05 of the Revised Code if the S corporation 433
were a corporation subject to taxes imposed under Chapter 5733. of 434
the Revised Code, the municipal corporation may continue to impose 435
the tax on such distributive shares to the extent such shares 436
would be so allocated or apportioned to this state only until 437
December 31, 2004, unless a majority of the electors of the 438
municipal corporation voting on the question of continuing to tax 439
such shares after that date vote in favor of that question at an 440
election held November 2, 2004. If a majority of those electors 441
vote in favor of the question, the municipal corporation may 442
continue after December 31, 2004, to impose the tax on such 443
distributive shares only to the extent such shares would be so 444
allocated or apportioned to this state. 445

(d) For the purposes of division (D) of section 718.14 of the 446
Revised Code, a municipal corporation shall be deemed to have 447
elected to tax S corporation shareholders' distributive shares of 448

net profits of the S corporation in the hands of the shareholders 449
if a majority of the electors of a municipal corporation vote in 450
favor of a question at an election held under division (H)(9)(b) 451
or (c) of this section. The municipal corporation shall specify by 452
ordinance or rule that the tax applies to the distributive share 453
of a shareholder of an S corporation in the hands of the 454
shareholder of the S corporation. 455

(10) Employee compensation that is not "qualifying wages" as 456
defined in section 718.03 of the Revised Code; 457

(11) Beginning August 1, 2007, compensation paid to a person 458
employed within the boundaries of a United States air force base 459
under the jurisdiction of the United States air force that is used 460
for the housing of members of the United States air force and is a 461
center for air force operations, unless the person is subject to 462
taxation because of residence or domicile. If the compensation is 463
subject to taxation because of residence or domicile, municipal 464
income tax shall be payable only to the municipal corporation of 465
residence or domicile. 466

(I) Any municipal corporation that taxes any type of 467
intangible income on March 29, 1988, pursuant to Section 3 of 468
Amended Substitute Senate Bill No. 238 of the 116th general 469
assembly, may continue to tax that type of income after 1988 if a 470
majority of the electors of the municipal corporation voting on 471
the question of whether to permit the taxation of that type of 472
intangible income after 1988 vote in favor thereof at an election 473
held on November 8, 1988. 474

(J) Nothing in this section or section 718.02 of the Revised 475
Code shall authorize the levy of any tax on income that a 476
municipal corporation is not authorized to levy under existing 477
laws or shall require a municipal corporation to allow a deduction 478
from taxable income for losses incurred from a sole proprietorship 479
or partnership. 480

(K)(1) Nothing in this chapter prohibits a municipal corporation from allowing, by resolution or ordinance, a net operating loss carryforward.

(2) Nothing in this chapter requires a municipal corporation to allow a net operating loss carryforward.

(L)(1) A single member limited liability company that is a disregarded entity for federal tax purposes may elect to be a separate taxpayer from its single member in all Ohio municipal corporations in which it either filed as a separate taxpayer or did not file for its taxable year ending in 2003, if all of the following conditions are met:

(a) The limited liability company's single member is also a limited liability company;

(b) The limited liability company and its single member were formed and doing business in one or more Ohio municipal corporations for at least five years before January 1, 2004;

(c) Not later than December 31, 2004, the limited liability company and its single member each make an election to be treated as a separate taxpayer under division (L) of this section;

(d) The limited liability company was not formed for the purpose of evading or reducing Ohio municipal corporation income tax liability of the limited liability company or its single member;

(e) The Ohio municipal corporation that is the primary place of business of the sole member of the limited liability company consents to the election.

(2) For purposes of division (L)(1)(e) of this section, a municipal corporation is the primary place of business of a limited liability company if, for the limited liability company's taxable year ending in 2003, its income tax liability is greater

in that municipal corporation than in any other municipal 511
corporation in Ohio, and that tax liability to that municipal 512
corporation for its taxable year ending in 2003 is at least four 513
hundred thousand dollars. 514

Sec. 2937.221. (A) A person arrested without warrant for any 515
violation listed in division (B) of this section, and having a 516
current valid Ohio driver's or commercial driver's license, if the 517
person has been notified of the possible consequences of the 518
person's actions as required by division (C) of this section, may 519
post bond by depositing the license with the arresting officer if 520
the officer and person so choose, or with the local court having 521
jurisdiction if the court and person so choose. The license may be 522
used as bond only during the period for which it is valid. 523

When an arresting officer accepts the driver's or commercial 524
driver's license as bond, the officer shall note the date, time, 525
and place of the court appearance on "the violator's notice to 526
appear," and the notice shall serve as a valid Ohio driver's or 527
commercial driver's license until the date and time appearing 528
thereon. The arresting officer immediately shall forward the 529
license to the appropriate court. 530

When a local court accepts the license as bond or continues 531
the case to another date and time, it shall provide the person 532
with a card in a form approved by the registrar of motor vehicles 533
setting forth the license number, name, address, the date and time 534
of the court appearance, and a statement that the license is being 535
held as bond. The card shall serve as a valid license until the 536
date and time contained in the card. 537

The court may accept other bond at any time and return the 538
license to the person. The court shall return the license to the 539
person when judgment is satisfied, including, but not limited to, 540
compliance with any court orders, unless a suspension or 541

cancellation is part of the penalty imposed. 542

Neither "the violator's notice to appear" nor a court- 543
granted card shall continue driving privileges beyond the 544
expiration date of the license. 545

If the person arrested fails to appear in court at the date 546
and time set by the court or fails to satisfy the judgment of the 547
court, including, but not limited to, compliance with all court 548
orders within the time allowed by the court, the court may declare 549
the forfeiture of the person's license. Thirty days after the 550
declaration of the forfeiture, the court shall forward the 551
person's license to the registrar. The court also shall enter 552
information relative to the forfeiture on a form approved and 553
furnished by the registrar and send the form to the registrar. The 554
registrar shall suspend the person's license and send written 555
notification of the suspension to the person at the person's last 556
known address. No valid driver's or commercial driver's license 557
shall be granted to the person until the court having jurisdiction 558
orders that the forfeiture be terminated. The court shall inform 559
the registrar of the termination of the forfeiture by entering 560
information relative to the termination on a form approved and 561
furnished by the registrar and sending the form to the registrar. 562
Upon the termination, the person shall pay to the bureau of motor 563
vehicles a reinstatement fee of fifteen dollars to cover the costs 564
of the bureau in administering this section. The registrar shall 565
deposit the fees so paid into the state bureau of motor vehicles 566
fund created by section 4501.25 of the Revised Code. 567

In addition, upon receipt from the court of the copy of the 568
declaration of forfeiture, neither the registrar nor any deputy 569
registrar shall accept any application for the registration or 570
transfer of registration of any motor vehicle owned by or leased 571
in the name of the person named in the declaration of forfeiture 572
until the court having jurisdiction over the offense that led to 573

the suspension issues an order terminating the forfeiture. 574
However, for a motor vehicle leased in the name of a person named 575
in a declaration of forfeiture, the registrar shall not implement 576
the preceding sentence until the registrar adopts procedures for 577
that implementation under section 4503.39 of the Revised Code. 578
Upon receipt by the registrar of such an order, the registrar also 579
shall take the measures necessary to permit the person to register 580
a motor vehicle the person owns or leases or to transfer the 581
registration of a motor vehicle the person owns or leases if the 582
person later makes a proper application and otherwise is eligible 583
to be issued or to transfer a motor vehicle registration. 584

(B) Division (A) of this section applies to persons arrested 585
for violation of: 586

(1) Any of the provisions of Chapter 4511. or 4513. of the 587
Revised Code, except sections 4511.19, 4511.20, 4511.251, and 588
4513.36 of the Revised Code; 589

(2) Any municipal ordinance substantially similar to a 590
section included in division (B)(1) of this section; 591

(3) Any bylaw, rule, or regulation of the Ohio turnpike and 592
infrastructure commission substantially similar to a section 593
included in division (B)(1) of this section. 594

Division (A) of this section does not apply to those persons 595
issued a citation for the commission of a minor misdemeanor under 596
section 2935.26 of the Revised Code. 597

(C) No license shall be accepted as bond by an arresting 598
officer or by a court under this section until the officer or 599
court has notified the person that, if the person deposits the 600
license with the officer or court and either does not appear on 601
the date and at the time set by the officer or the court, if the 602
court sets a time, or does not satisfy any judgment rendered, 603
including, but not limited to, compliance with all court orders, 604

the license will be suspended, and the person will not be eligible 605
for reissuance of the license or issuance of a new license, or the 606
issuance of a certificate of registration for a motor vehicle 607
owned or leased by the person until the person appears and 608
complies with any order issued by the court. The person also is 609
subject to any criminal penalties that may apply to the person. 610

(D) The registrar shall not restore the person's driving or 611
vehicle registration privileges until the person pays the 612
reinstatement fee as provided in this section. 613

Sec. 3354.13. The ownership of a community college created 614
and established pursuant to provisions of sections 3354.02 and 615
3354.04 of the Revised Code, including all right, title, and 616
interest in and to all property, both real and personal, 617
pertaining thereto, shall be vested in the board of trustees of 618
the community college district in which such college is situated, 619
except as may be provided in a contract entered into under the 620
authority of division (A) of section 3354.09 of the Revised Code. 621
The board may acquire by appropriation any land, rights, rights of 622
way, franchises, easements, or other property necessary or proper 623
for the construction or the efficient operation of any facility of 624
the community college district, pursuant to the procedure provided 625
in section 5537.06 of the Revised Code, with respect to the Ohio 626
turnpike and infrastructure commission, and insofar as such 627
procedure is applicable. 628

Any instrument by which real property is acquired pursuant to 629
this section shall identify the agency of the state that has the 630
use and benefit of the real property as specified in section 631
5301.012 of the Revised Code. 632

Sec. 3355.10. The ownership of the university branch campus, 633
created and established pursuant to sections 3355.01 to 3355.14 of 634

the Revised Code, including all right, title, and interest in and 635
to all property, both real and personal, pertaining thereto, shall 636
be vested in the managing authority of the university branch 637
district. The board may acquire by appropriation any land, rights, 638
rights of way, franchises, easements, or other property necessary 639
or proper for the construction or the efficient operation of any 640
facility of the university branch district, pursuant to section 641
5537.06 of the Revised Code, with respect to the Ohio turnpike and 642
infrastructure commission, and insofar as such procedure is 643
applicable. 644

University branch district bonds, issued pursuant to section 645
3355.08 of the Revised Code, are lawful investments of banks, 646
savings banks, trust companies, trustees, boards of trustees of 647
sinking funds of municipal corporations, school districts, 648
counties, the administrator of workers' compensation, the state 649
teachers retirement system, the public employees retirement 650
system, and the school employees retirement system, and also are 651
acceptable as security for the deposit of public moneys. 652

Any instrument by which real property is acquired pursuant to 653
this section shall identify the agency of the state that has the 654
use and benefit of the real property as specified in section 655
5301.012 of the Revised Code. 656

Sec. 3357.12. The ownership of a technical college, created 657
and established pursuant to section 3357.07 of the Revised Code, 658
including all right, title, and interest in and to all property, 659
both real and personal, pertaining thereto, shall be vested in the 660
board of trustees of the technical college district in which such 661
college is situated. The board may acquire by appropriation any 662
land, rights, rights-of-way, franchises, easements, or other 663
property necessary or proper for the construction or the efficient 664
operation of any facility of the technical college district, 665

pursuant to the procedure provided in section 5537.06 of the 666
Revised Code, with respect to the Ohio turnpike and infrastructure 667
commission, and insofar as such procedure is applicable. 668

Any instrument by which real property is acquired pursuant to 669
this section shall identify the agency of the state that has the 670
use and benefit of the real property as specified in section 671
5301.012 of the Revised Code. 672

Sec. 5503.31. The state highway patrol shall have the same 673
authority as is conferred upon it by section 5503.02 of the 674
Revised Code with respect to the enforcement of state laws on 675
other roads and highways and on other state properties, to enforce 676
on all turnpike projects the laws of the state and the bylaws, 677
rules, and regulations of the Ohio turnpike and infrastructure 678
commission. The patrol, the superintendent of the patrol, and all 679
state highway patrol troopers shall have the same authority to 680
make arrests on all turnpike projects for violations of state laws 681
and of bylaws, rules, and regulations of the Ohio turnpike and 682
infrastructure commission as is conferred upon them by section 683
5503.02 of the Revised Code to make arrests on, and in connection 684
with offenses committed on, other roads and highways and on other 685
state properties. 686

Sec. 5503.32. The director of public safety may from time to 687
time enter into contracts with the Ohio turnpike and 688
infrastructure commission with respect to the policing of turnpike 689
projects by the state highway patrol. The contracts shall provide 690
for the reimbursement of the state by the commission for the costs 691
incurred by the patrol in policing turnpike projects, including, 692
but not limited to, the salaries of employees of the patrol 693
assigned to the policing, the current costs of funding retirement 694
pensions for the employees of the patrol and of providing workers' 695
compensation for them, the cost of training state highway patrol 696

troopers and radio operators assigned to turnpike projects, and 697
the cost of equipment and supplies used by the patrol in such 698
policing, and of housing for such troopers and radio operators, to 699
the extent that the equipment, supplies, and housing are not 700
directly furnished by the commission. Each contract may provide 701
for the ascertainment of such costs, and shall be of any duration, 702
not in excess of five years, and may contain any other terms, that 703
the director and the commission may agree upon. The patrol shall 704
not be obligated to furnish policing services on any turnpike 705
project beyond the extent required by the contract. All payments 706
pursuant to any contract in reimbursement of the costs of the 707
policing shall be deposited in the state treasury to the credit of 708
the turnpike policing fund, which is hereby created. All 709
investment earnings of the fund shall be credited to the fund. 710

Sec. 5513.01. (A) All purchases of machinery, materials, 711
supplies, or other articles that the director of transportation 712
makes shall be in the manner provided in this section. In all 713
cases except those in which the director provides written 714
authorization for purchases by district deputy directors of 715
transportation, all such purchases shall be made at the central 716
office of the department of transportation in Columbus. Before 717
making any purchase at that office, the director, as provided in 718
this section, shall give notice to bidders of the director's 719
intention to purchase. Where the expenditure does not exceed the 720
amount applicable to the purchase of supplies specified in 721
division (B) of section 125.05 of the Revised Code, as adjusted 722
pursuant to division (D) of that section, the director shall give 723
such notice as the director considers proper, or the director may 724
make the purchase without notice. Where the expenditure exceeds 725
the amount applicable to the purchase of supplies specified in 726
division (B) of section 125.05 of the Revised Code, as adjusted 727
pursuant to division (D) of that section, the director shall give 728

notice by posting for not less than ten days a written, typed, or 729
printed invitation to bidders on a bulletin board, which shall be 730
located in a place in the offices assigned to the department and 731
open to the public during business hours. Producers or 732
distributors of any product may notify the director, in writing, 733
of the class of articles for the furnishing of which they desire 734
to bid and their post-office addresses, in which case copies of 735
all invitations to bidders relating to the purchase of such 736
articles shall be mailed to such persons by the director by 737
regular first class mail at least ten days prior to the time fixed 738
for taking bids. The director also may mail copies of all 739
invitations to bidders to news agencies or other agencies or 740
organizations distributing information of this character. Requests 741
for invitations shall not be valid nor require action by the 742
director unless renewed, either annually or after such shorter 743
period as the director may prescribe by a general rule. The 744
invitation to bidders shall contain a brief statement of the 745
general character of the article that it is intended to purchase, 746
the approximate quantity desired, and a statement of the time and 747
place where bids will be received, and may relate to and describe 748
as many different articles as the director thinks proper, it being 749
the intent and purpose of this section to authorize the inclusion 750
in a single invitation of as many different articles as the 751
director desires to invite bids upon at any given time. 752
Invitations issued during each calendar year shall be given 753
consecutive numbers, and the number assigned to each invitation 754
shall appear on all copies thereof. In all cases where notice is 755
required by this section, sealed bids shall be taken, on forms 756
prescribed and furnished by the director, and modification of bids 757
after they have been opened shall not be permitted. 758

(B) The director may permit the Ohio turnpike and 759
infrastructure commission, any political subdivision, and any 760
state university or college to participate in contracts into which 761

the director has entered for the purchase of machinery, materials, 762
supplies, or other articles. The turnpike and infrastructure 763
commission and any political subdivision or state university or 764
college desiring to participate in such purchase contracts shall 765
file with the director a certified copy of the bylaws or rules of 766
the turnpike and infrastructure commission or the ordinance or 767
resolution of the legislative authority, board of trustees, or 768
other governing board requesting authorization to participate in 769
such contracts and agreeing to be bound by such terms and 770
conditions as the director prescribes. Purchases made by the 771
turnpike and infrastructure commission, political subdivisions, or 772
state universities or colleges under this division are exempt from 773
any competitive bidding required by law for the purchase of 774
machinery, materials, supplies, or other articles. 775

(C) As used in this section: 776

(1) "Political subdivision" means any county, township, 777
municipal corporation, conservancy district, township park 778
district, park district created under Chapter 1545. of the Revised 779
Code, port authority, regional transit authority, regional airport 780
authority, regional water and sewer district, county transit 781
board, or school district as defined in section 5513.04 of the 782
Revised Code. 783

(2) "State university or college" has the same meaning as in 784
division (A)(1) of section 3345.32 of the Revised Code. 785

(3) "Ohio turnpike and infrastructure commission" means the 786
commission created by section 5537.02 of the Revised Code. 787

Sec. 5533.31. The road known as interstate route eighty, 788
extending across Ohio from the Pennsylvania border in Trumbull 789
county to the Indiana border in Williams county, shall be known as 790
the "Christopher Columbus highway." 791

The director of transportation may erect suitable markers 792
upon the portions of such highway under ~~his~~ the director's 793
jurisdiction indicating its name, and the Ohio turnpike and 794
infrastructure commission may erect suitable markers on the 795
portions of such highway under its jurisdiction indicating its 796
name. 797

Sec. 5537.01. As used in this chapter: 798

(A) "Commission" means the Ohio turnpike and infrastructure 799
commission created by section 5537.02 of the Revised Code or, if 800
that commission is abolished, the board, body, officer, or 801
commission succeeding to the principal functions thereof or to 802
which the powers given by this chapter to the commission are given 803
by law. 804

(B) "~~Project~~ or "~~turnpike~~ Turnpike project" means any 805
express or limited access highway, super highway, or motorway 806
constructed, operated, or improved, under the jurisdiction of the 807
commission and pursuant to this chapter, at a location or 808
locations reviewed by the turnpike legislative review committee 809
and approved by the governor, including all bridges, tunnels, 810
overpasses, underpasses, interchanges, entrance plazas, 811
approaches, those portions of connecting public roads that serve 812
interchanges and are determined by the commission and the director 813
of transportation to be necessary for the safe merging of traffic 814
between the turnpike project and those public roads, toll booths, 815
service facilities, and administration, storage, and other 816
buildings, property, and facilities that the commission considers 817
necessary for the operation or policing of the turnpike project, 818
together with all property and rights which may be acquired by the 819
commission for the construction, maintenance, or operation of the 820
turnpike project, and includes any sections or extensions of a 821
turnpike project designated by the commission as such for the 822

particular purpose. Each turnpike project shall be separately 823
designated, by name or number, and may be constructed, improved, 824
or extended in such sections as the commission may from time to 825
time determine. Construction includes the improvement and 826
renovation of a previously constructed turnpike project, including 827
additional interchanges, whether or not the turnpike project was 828
initially constructed by the commission. 829

(C) "Infrastructure project" means any public express or 830
limited access highway, super highway, or motorway, including all 831
bridges, tunnels, overpasses, underpasses, interchanges, entrance 832
plazas, approaches, and those portions of connecting public roads 833
that serve interchanges, that is constructed or improved, in whole 834
or in part, with infrastructure funding approved pursuant to 835
criteria established under section 5537.18 of the Revised Code. 836

(D) "Cost," as applied to construction of a turnpike project 837
or an infrastructure project, includes the cost of construction, 838
including bridges over or under existing highways and railroads, 839
acquisition of all property acquired either by the commission or 840
by the owner of the infrastructure project for the construction, 841
demolishing or removing any buildings or structures on land so 842
acquired, including the cost of acquiring any lands to which the 843
buildings or structures may be moved, site clearance, improvement, 844
and preparation, diverting public roads, interchanges with public 845
roads, access roads to private property, including the cost of 846
land or easements therefor, all machinery, furnishings, and 847
equipment, communications facilities, financing expenses, interest 848
prior to and during construction and for one year after completion 849
of construction, traffic estimates, indemnity and surety bonds and 850
premiums on insurance, title work and title commitments, 851
insurance, and guarantees, engineering, feasibility studies, and 852
legal expenses, plans, specifications, surveys, estimates of cost 853
and revenues, other expenses necessary or incident to determining 854

the feasibility or practicability of constructing or operating a 855
turnpike project or an infrastructure project, administrative 856
expenses, and any other expense that may be necessary or incident 857
to the construction of the turnpike project or an infrastructure 858
project, the financing of the construction, and the placing of the 859
turnpike project or an infrastructure project in operation. Any 860
obligation or expense incurred by the department of transportation 861
with the approval of the commission for surveys, borings, 862
preparation of plans and specifications, and other engineering 863
services in connection with the construction of a turnpike project 864
or an infrastructure project, or by the federal government with 865
the approval of the commission for any public road projects which 866
must be reimbursed as a condition to the exercise of any of the 867
powers of the commission under this chapter, shall be regarded as 868
a part of the cost of the turnpike project or an infrastructure 869
project and shall be reimbursed to the state or the federal 870
government, as the case may be, from revenues, state taxes, or the 871
proceeds of bonds as authorized by this chapter. 872

~~(D)~~(E) "Owner" includes all persons having any title or 873
interest in any property authorized to be acquired by the 874
commission for turnpike projects under this chapter, or the public 875
entity for whom an infrastructure project is funded, in whole or 876
in part, by the commission under this chapter. 877

~~(E)~~(F) "Revenues" means all tolls, service revenues, 878
investment income on special funds, rentals, gifts, grants, and 879
all other moneys coming into the possession of or under the 880
control of the commission by virtue of this chapter, except the 881
proceeds from the sale of bonds. "Revenues" does not include state 882
taxes. 883

~~(F)~~(G) "Public roads" means all public highways, roads, and 884
streets in the state, whether maintained by a state agency or any 885
other governmental agency. 886

~~(G)~~(H) "Public utility facilities" means tracks, pipes, 887
mains, conduits, cables, wires, towers, poles, and other equipment 888
and appliances of any public utility. 889

~~(H)~~(I) "Financing expenses" means all costs and expenses 890
relating to the authorization, issuance, sale, delivery, 891
authentication, deposit, custody, clearing, registration, 892
transfer, exchange, fractionalization, replacement, payment, and 893
servicing of bonds including, without limitation, costs and 894
expenses for or relating to publication and printing, postage, 895
delivery, preliminary and final official statements, offering 896
circulars, and informational statements, travel and 897
transportation, underwriters, placement agents, investment 898
bankers, paying agents, registrars, authenticating agents, 899
remarketing agents, custodians, clearing agencies or corporations, 900
securities depositories, financial advisory services, 901
certifications, audits, federal or state regulatory agencies, 902
accounting and computation services, legal services and obtaining 903
approving legal opinions and other legal opinions, credit ratings, 904
redemption premiums, and credit enhancement facilities. 905

~~(I)~~(J) "Bond proceedings" means the resolutions, trust 906
agreements, certifications, notices, sale proceedings, leases, 907
lease-purchase agreements, assignments, credit enhancement 908
facility agreements, and other agreements, instruments, and 909
documents, as amended and supplemented, or any one or more or any 910
combination thereof, authorizing, or authorizing or providing for 911
the terms and conditions applicable to, or providing for the 912
security or sale or award or liquidity of, bonds, and includes the 913
provisions set forth or incorporated in those bonds and bond 914
proceedings. 915

~~(J)~~(K) "Bond service charges" means principal, including any 916
mandatory sinking fund or mandatory redemption requirements for 917
the retirement of bonds, and interest and any redemption premium 918

payable on bonds, as those payments come due and are payable to 919
the bondholder or to a person making payment under a credit 920
enhancement facility of those bond service charges to a 921
bondholder. 922

~~(K)~~(L) "Bond service fund" means the applicable fund created 923
by the bond proceedings for and pledged to the payment of bond 924
service charges on bonds provided for by those proceedings, 925
including all moneys and investments, and earnings from 926
investments, credited and to be credited to that fund as provided 927
in the bond proceedings. 928

~~(L)~~(M) "Bonds" means bonds, notes, including notes 929
anticipating bonds or other notes, commercial paper, certificates 930
of participation, or other evidences of obligation, including any 931
interest coupons pertaining thereto, issued by the commission 932
pursuant to this chapter. 933

~~(M)~~(N) "Infrastructure fund" means the applicable fund or 934
funds created by the bond proceedings, which shall be used to pay 935
or defray the cost of infrastructure projects recommended by the 936
director of transportation and evaluated and approved by the 937
commission. 938

(O) "Net revenues" means revenues lawfully available to pay 939
both current operating expenses of the commission and bond service 940
charges in any fiscal year or other specified period, less current 941
operating expenses of the commission and any amount necessary to 942
maintain a working capital reserve for that period. 943

~~(N)~~(P) "Pledged revenues" means net revenues, moneys and 944
investments, and earnings on those investments, in the applicable 945
bond service fund and any other special funds, and the proceeds of 946
any bonds issued for the purpose of refunding prior bonds, all as 947
lawfully available and by resolution of the commission committed 948
for application as pledged revenues to the payment of bond service 949

charges on particular issues of bonds. 950

~~(O)~~(O) "Service facilities" means service stations, 951
restaurants, and other facilities for food service, roadside parks 952
and rest areas, parking, camping, tenting, rest, and sleeping 953
facilities, hotels or motels, and all similar and other facilities 954
providing services to the traveling public in connection with the 955
use of a turnpike project and owned, leased, licensed, or operated 956
by the commission. 957

~~(P)~~(R) "Service revenues" means those revenues of the 958
commission derived from its ownership, leasing, licensing, or 959
operation of service facilities. 960

~~(Q)~~(S) "Special funds" means the applicable bond service fund 961
and any accounts and subaccounts in that fund, any other funds or 962
accounts permitted by and established under, and identified as a 963
"special fund" or "special account" in, the bond proceedings, 964
including any special fund or account established for purposes of 965
rebate or other requirements under federal income tax laws. 966

~~(R)~~(T) "State agencies" means the state, officers of the 967
state, and boards, departments, branches, divisions, or other 968
units or agencies of the state. 969

~~(S)~~(U) "State taxes" means receipts of the commission from 970
the proceeds of state taxes or excises levied and collected, or 971
appropriated by the general assembly to the commission, for the 972
purposes and functions of the commission. State taxes do not 973
include tolls, or investment earnings on state taxes except on 974
those state taxes referred to in Section 5a of Article XII, Ohio 975
Constitution. 976

~~(T)~~(V) "Tolls" means tolls, special fees or permit fees, or 977
other charges by the commission to the owners, lessors, lessees, 978
or operators of motor vehicles for the operation of or the right 979
to operate those vehicles on a turnpike project. 980

~~(U)~~(W) "Credit enhancement facilities" means letters of 981
credit, lines of credit, standby, contingent, or firm securities 982
purchase agreements, insurance, or surety arrangements, 983
guarantees, and other arrangements that provide for direct or 984
contingent payment of bond service charges, for security or 985
additional security in the event of nonpayment or default in 986
respect of bonds, or for making payment of bond service charges 987
and at the option and on demand of bondholders or at the option of 988
the commission or upon certain conditions occurring under put or 989
similar arrangements, or for otherwise supporting the credit or 990
liquidity of the bonds, and includes credit, reimbursement, 991
marketing, remarketing, indexing, carrying, interest rate hedge, 992
and subrogation agreements, and other agreements and arrangements 993
for payment and reimbursement of the person providing the credit 994
enhancement facility and the security for that payment and 995
reimbursement. 996

~~(V)~~(X) "Person" has the same meaning as in section 1.59 of 997
the Revised Code and, unless the context otherwise provides, also 998
includes any governmental agency and any combination of those 999
persons. 1000

~~(W)~~(Y) "Refund" means to fund and retire outstanding bonds, 1001
including advance refunding with or without payment or redemption 1002
prior to stated maturity. 1003

~~(X)~~(Z) "Governmental agency" means any state agency, federal 1004
agency, political subdivision, or other local, interstate, or 1005
regional governmental agency, and any combination of those 1006
agencies. 1007

~~(Y)~~(AA) "Property" has the same meaning as in section 1.59 of 1008
the Revised Code, and includes interests in property. 1009

~~(Z)~~(BB) "Administrative agent," "agent," "commercial paper," 1010
"floating rate interest structure," "indexing agent," "interest 1011

rate hedge," "interest rate period," "put arrangement," and 1012
"remarketing agent" have the same meanings as in section 9.98 of 1013
the Revised Code. 1014

~~(AA)~~(CC) "Outstanding," as applied to bonds, means 1015
outstanding in accordance with the terms of the bonds and the 1016
applicable bond proceedings. 1017

~~(BB)~~(DD) "Ohio turnpike system" or "system" means all 1018
existing and future turnpike projects constructed, operated, and 1019
maintained under the jurisdiction of the commission. 1020

(EE) "Ohio turnpike and infrastructure system" means turnpike 1021
projects and infrastructure projects funded by the commission 1022
existing on and after July 1, 2013. 1023

Sec. 5537.02. (A) There is hereby created a commission to be 1024
known on and after July 1, 2013, as the "Ohio turnpike and 1025
infrastructure commission." The commission is a body both 1026
corporate and politic, constituting an instrumentality of the 1027
state, and the exercise by it of the powers conferred by this 1028
chapter in the construction, operation, and maintenance of the 1029
Ohio turnpike system, and also in entering into agreements with 1030
the department of transportation to pay the cost or a portion of 1031
the costs of infrastructure projects, are and shall be held to be 1032
essential governmental functions of the state, but the commission 1033
shall not be immune from liability by reason thereof. Chapter 1034
2744. of the Revised Code applies to the commission and the 1035
commission is a political subdivision of the state for purposes of 1036
that chapter. The commission is subject to all provisions of law 1037
generally applicable to state agencies which do not conflict with 1038
this chapter. 1039

(B)(1) The commission shall consist of ~~nine~~ ten members as 1040
follows: 1041

(a) ~~Four~~ Six members appointed by the governor with the 1042
advice and consent of the senate, no more than ~~two~~ three of whom 1043
shall be members of the same political party; 1044

(b) The director of transportation, who shall be a voting 1045
member, and the director of budget and management, ~~and the~~ 1046
~~director of development, each~~ both of whom shall ~~be a member~~ serve 1047
as ex officio members, without compensation; 1048

(c) One member of the senate, appointed by the president of 1049
the senate, who shall represent either a district in which is 1050
located or through which passes a portion of a turnpike project 1051
that is part of the Ohio turnpike system or a district located in 1052
the vicinity of a turnpike project that is part of the Ohio 1053
turnpike system; 1054

(d) One member of the house of representatives, appointed by 1055
the speaker of the house of representatives, who shall represent 1056
either a district in which is located or through which passes a 1057
portion of a turnpike project that is part of the Ohio turnpike 1058
system or a district located in the vicinity of a turnpike project 1059
that is part of the Ohio turnpike system. 1060

(2) The members appointed by the governor shall be residents 1061
of the state, shall have been qualified electors therein for a 1062
period of at least five years next preceding their appointment, 1063
~~and~~. In making the appointments, the governor may appoint persons 1064
who reside in different geographic areas of the state, taking into 1065
consideration the various turnpike and infrastructure projects in 1066
the state. Members appointed to the commission prior to July 1, 1067
2013, shall serve terms of eight years commencing on the first day 1068
of July and ending on the thirtieth day of June. Thereafter, 1069
members appointed by the governor shall serve terms of three years 1070
commencing on the first day of July and ending on the thirtieth 1071
day of June. Those members appointed by the president of the 1072
senate or the speaker of the house of representatives shall serve 1073

a term of the remainder of the general assembly during which the senator or representative is appointed. Each appointed member shall hold office from the date of appointment until the end of the term for which the member was appointed. If a commission member dies or resigns, or if a senator or representative who is a member of the commission ceases to be a senator or representative, or if an ex officio member ceases to hold the applicable office, the vacancy shall be filled in the same manner as provided in division (B)(1) of this section. Any member who fills a vacancy occurring prior to the end of the term for which the member's predecessor was appointed shall, if appointed by the governor, hold office for the remainder of such term or, if appointed by the president of the senate or the speaker of the house of representatives, shall hold office for the remainder of the term or for a shorter period of time as determined by the president or the speaker. Any member appointed by the governor 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. A member of the commission is eligible for reappointment. Each member of the commission appointed by the governor, before entering upon the member's duties, shall take an oath as provided by Section 7 of Article XV, Ohio Constitution. The governor, the president of the senate, or the speaker of the house of representatives, may at any time remove their respective appointees to the commission for misfeasance, nonfeasance, or malfeasance in office.

(3)(a) A member of the commission who is appointed by the president of the senate or the speaker of the house of representatives shall not participate in any vote of the commission. Serving as an appointed member of the commission under divisions (B)(1)(c), (1)(d), or (2) of this section does not constitute grounds for resignation from the senate or the house of representatives under section 101.26 of the Revised Code.

(b) The director of budget and management ~~and the director of~~ 1107
~~development~~ shall not participate in any vote of the commission. 1108

(C) The voting members of the commission shall elect one of 1109
the ~~appointed~~ voting members as chairperson and another as 1110
vice-chairperson, and shall appoint a secretary-treasurer who need 1111
not be a member of the commission. ~~Three~~ Four of the voting 1112
members of the commission constitute a quorum, and the affirmative 1113
vote of ~~three~~ four voting members is necessary for any action 1114
taken by the commission. No vacancy in the membership of the 1115
commission impairs the rights of a quorum to exercise all the 1116
rights and perform all the duties of the commission. 1117

(D) Each member of the commission appointed by the governor 1118
shall give a surety bond to the commission in the penal sum of 1119
twenty-five thousand dollars and the secretary-treasurer shall 1120
give such a bond in at least the penal sum of fifty thousand 1121
dollars. The commission may require any of its officers or 1122
employees to file surety bonds including a blanket bond as 1123
provided in section 3.06 of the Revised Code. Each such bond shall 1124
be in favor of the commission and shall be conditioned upon the 1125
faithful performance of the duties of the office, executed by a 1126
surety company authorized to transact business in this state, 1127
approved by the governor, and filed in the office of the secretary 1128
of state. The costs of the surety bonds shall be paid or 1129
reimbursed by the commission from revenues. Each member of the 1130
commission appointed by the governor shall receive an annual 1131
salary of five thousand dollars, payable in monthly installments. 1132
Each member shall be reimbursed for the member's actual expenses 1133
necessarily incurred in the performance of the member's duties. 1134
All costs and expenses incurred by the commission in carrying out 1135
this chapter shall be payable solely from revenues and state 1136
taxes, and no liability or obligation shall be incurred by the 1137
commission beyond the extent to which revenues have been provided 1138

for pursuant to this chapter. 1139

Sec. 5537.03. In order to remove present and anticipated 1140
handicaps and potential hazards on the congested highways in this 1141
state, to facilitate vehicular traffic throughout the state, to 1142
finance infrastructure projects that enhance mobility and economic 1143
development in Ohio, to promote the agricultural, commercial, 1144
recreational, tourism, and industrial development of the state, 1145
and to provide for the general welfare by the construction, 1146
improvement, and maintenance of modern express highways embodying 1147
safety devices, including without limitation center divisions, 1148
ample shoulder widths, long sight distances, multiple lanes in each 1149
direction, and grade separations at intersections with other 1150
public roads and railroads, the Ohio turnpike and infrastructure 1151
commission, ~~subject~~ may do the following: 1152

(A) Subject to section 5537.26 of the Revised Code, ~~may~~ 1153
construct, maintain, repair, and operate a system of turnpike 1154
projects at locations that are reviewed by the turnpike 1155
legislative review committee and approved by the governor, and in 1156
accordance with alignment and design standards that are approved 1157
by the director of transportation, and issue revenue bonds of this 1158
state, payable solely from pledged revenues, to pay the cost of 1159
those projects. The turnpikes and turnpike projects authorized by 1160
this chapter are hereby or shall be made part of the Ohio turnpike 1161
system. 1162

(B) Provide the infrastructure funds to pay the cost or a 1163
portion of the cost of infrastructure projects as recommended by 1164
the director of transportation pursuant to a determination made by 1165
the commission based on criteria set forth in rules adopted by the 1166
commission under section 5537.18 of the Revised Code. A 1167
determination by the commission to provide infrastructure funds 1168
for an infrastructure project shall be conclusive and 1169

incontestable. 1170

Sec. 5537.04. (A) The Ohio turnpike and infrastructure 1171
commission may do any of the following: 1172

(1) Adopt bylaws for the regulation of its affairs and the 1173
conduct of its business; 1174

(2) Adopt an official seal, which shall not be the great seal 1175
of the state and which need not be in compliance with section 5.10 1176
of the Revised Code; 1177

(3) Maintain a principal office and suboffices at such places 1178
within the state as it designates; 1179

(4) Sue With respect to the Ohio turnpike system and turnpike 1180
projects, sue and be sued in its own name, plead and be impleaded, 1181
provided any actions against the commission shall be brought in 1182
the court of common pleas of the county in which the principal 1183
office of the commission is located, or in the court of common 1184
pleas of the county in which the cause of action arose if that 1185
county is located within this state, and all summonses, 1186
exceptions, and notices of every kind shall be served on the 1187
commission by leaving a copy thereof at its principal office with 1188
the secretary-treasurer or executive director of the commission; 1189

(5) With respect to infrastructure projects only, sue and be 1190
sued in its own name, plead and be impleaded, provided any actions 1191
against the commission shall be brought in the court of common 1192
pleas of Franklin county, and all summonses, exceptions, and 1193
notices of every kind shall be served on the commission by leaving 1194
a copy thereof at its principal office with the 1195
secretary-treasurer or executive director of the commission. 1196

(6) Construct, maintain, repair, police, and operate the 1197
turnpike system, and establish rules for the use of any turnpike 1198
project; 1199

~~(6)~~(7) Issue revenue bonds of the state, payable solely from 1200
pledged revenues, as provided in this chapter, for the purpose of 1201
paying any part of the cost of constructing any one or more 1202
turnpike projects or infrastructure projects; 1203

~~(7)~~(8) Fix, and revise from time to time, and charge and 1204
collect tolls by any method approved by the commission, including, 1205
but not limited to, manual methods or through electronic 1206
technology accepted within the tolling industry; 1207

~~(8)~~(9) Acquire, hold, and dispose of property in the exercise 1208
of its powers and the performance of its duties under this 1209
chapter; 1210

~~(9)~~(10) Designate the locations and establish, limit, and 1211
control such points of ingress to and egress from each turnpike 1212
project as are necessary or desirable in the judgment of the 1213
commission and of the director of transportation to ensure the 1214
proper operation and maintenance of that turnpike project, and 1215
prohibit entrance to such a turnpike project from any point not so 1216
designated; 1217

~~(10)~~(11) Make and enter into all contracts and agreements 1218
necessary or incidental to the performance of its duties and the 1219
execution of its powers under this chapter, including 1220
participation in a multi-jurisdiction electronic toll collection 1221
agreement and collection or remittance of tolls, fees, or other 1222
charges to or from entities or agencies that participate in such 1223
an agreement; 1224

~~(11)~~(12) Employ or retain or contract for the services of 1225
consulting engineers, superintendents, managers, and any other 1226
engineers, construction and accounting experts, financial 1227
advisers, trustees, marketing, remarketing, and administrative 1228
agents, attorneys, and other employees, independent contractors, 1229
or agents that are necessary in its judgment and fix their 1230

compensation, provided all such expenses shall be payable solely 1231
from the proceeds of bonds or from revenues of the Ohio turnpike 1232
system; 1233

~~(12)~~(13) Receive and accept from any federal agency, subject 1234
to the approval of the governor, and from any other governmental 1235
agency grants for or in aid of the construction, reconstruction, 1236
repair, renovation, maintenance, or operation of any turnpike 1237
project, and receive and accept aid or contributions from any 1238
source or person of money, property, labor, or other things of 1239
value, to be held, used, and applied only for the purposes for 1240
which such grants and contributions are made; 1241

~~(13)~~(14) Provide coverage for its employees under Chapters 1242
4123. and 4141. of the Revised Code; 1243

~~(14)~~(15) Fix and revise by rule, from time to time, such 1244
permit fees, processing fees, or administrative charges for the 1245
prepayment, deferred payment, or nonpayment of tolls and use of 1246
electronic tolling equipment or other commission property; 1247

(16) Adopt rules for the issuance of citations either by a 1248
policing authority or through administrative means to individuals 1249
or corporations that evade the payment of tolls established for 1250
the use of any turnpike project; 1251

(17) Approve funding and authorize agreements with the 1252
department of transportation for the funding of infrastructure 1253
projects recommended by the director of transportation pursuant to 1254
the criteria established by rule under section 5537.18 of the 1255
Revised Code. 1256

(B) The commission may do all acts necessary or proper to 1257
carry out the powers expressly granted in this chapter. 1258

Sec. 5537.05. (A) The Ohio turnpike and infrastructure 1259
commission may construct grade separations at intersections of any 1260

turnpike project with public roads and railroads, and change and 1261
adjust the lines and grades of those roads and railroads, and of 1262
public utility facilities, which change and adjustment of lines 1263
and grades of those roads shall be subject to the approval of the 1264
governmental agency having jurisdiction over the road, so as to 1265
accommodate them to the design of the grade separation. The cost 1266
of the grade separation and any damage incurred in changing and 1267
adjusting the lines and grades of roads, railroads, and public 1268
utility facilities shall be ascertained and paid by the commission 1269
as a part of the cost of the turnpike project or from revenues or 1270
state taxes. 1271

(1) If the commission finds it necessary to change the 1272
location of any portion of any public road, railroad, or public 1273
utility facility, it shall cause the same to be reconstructed at 1274
the location the governmental agency having jurisdiction over such 1275
road, railroad, or public utility facility considers most 1276
favorable. The construction shall be of substantially the same 1277
type and in as good condition as the original road, railroad, or 1278
public utility facility. The cost of the reconstruction, 1279
relocation, or removal and any damage incurred in changing the 1280
location shall be ascertained and paid by the commission as a part 1281
of the cost of the turnpike project or from revenues or state 1282
taxes. 1283

(2) The commission may petition the board of county 1284
commissioners of the county in which is situated any public road 1285
or part thereof affected by the location therein of any turnpike 1286
project, for the vacation or relocation of the road or any part 1287
thereof, in the same manner and with the same force and effect as 1288
is given to the director of transportation pursuant to sections 1289
5553.04 to 5553.11 of the Revised Code. 1290

(B) The commission and its authorized agents and employees, 1291
after proper notice, may enter upon any lands, waters, and 1292

premises in the state for the purpose of making surveys, 1293
soundings, drillings, and examinations that are necessary or 1294
proper for the purposes of this chapter, and the entry shall not 1295
be deemed a trespass, nor shall an entry for those purposes be 1296
deemed an entry under any appropriation proceedings which may then 1297
be pending, provided that before entering upon the premises of any 1298
railroad notice shall be given to the superintendent of the 1299
railroad involved at least five days in advance of entry, and 1300
provided that no survey, sounding, drilling, and examination shall 1301
be made between the rails or so close to a railroad track as would 1302
render the track unusable. The commission shall make reimbursement 1303
for any actual damage resulting to such lands, waters, and 1304
premises and to private property located in, on, along, over, or 1305
under such lands, waters, and premises, as a result of such 1306
activities. The state, subject to the approval of the governor, 1307
hereby consents to the use of all lands owned by it, including 1308
lands lying under water, that are necessary or proper for the 1309
construction, maintenance, or operation of any turnpike project, 1310
provided adequate consideration is provided for the use. 1311

(C) The commission may make reasonable provisions or rules 1312
for the installation, construction, maintenance, repair, renewal, 1313
relocation, and removal of public utility facilities in, on, 1314
along, over, or under any turnpike project. Whenever the 1315
commission determines that it is necessary that any public utility 1316
facilities located in, on, along, over, or under any turnpike 1317
project should be relocated in or removed from the turnpike 1318
project, the public utility owning or operating the facilities 1319
shall relocate or remove them in accordance with the order of the 1320
commission. Except as otherwise provided in any license or other 1321
agreement with the commission, the cost and expenses of such 1322
relocation or removal, including the cost of installing the 1323
facilities in a new location, the cost of any lands, or any rights 1324
or interests in lands, and any other rights, acquired to 1325

accomplish the relocation or removal, shall be ascertained and 1326
paid by the commission as part of the cost of the turnpike project 1327
or from revenues of the Ohio turnpike system. In case of any such 1328
relocation or removal of facilities, the public utility owning or 1329
operating them and its successors or assigns may maintain and 1330
operate the facilities, with the necessary appurtenances, in the 1331
new location, for as long a period, and upon the same terms, as it 1332
had the right to maintain and operate the facilities in their 1333
former location. 1334

(D) The commission is subject to Chapters 1515., 6131., 1335
6133., 6135., and 6137. of the Revised Code and shall pay any 1336
assessments levied under those chapters for an improvement or 1337
maintenance of an improvement on land under the control or 1338
ownership of the commission. 1339

Sec. 5537.051. (A)(1) In any county that as of January 1, 1340
2011, had closed one or more roads as a result of grade separation 1341
failure at intersections of a turnpike project with a county or 1342
township road, the Ohio turnpike and infrastructure commission is 1343
responsible for the major maintenance and repair and replacement 1344
of failed grade separations. The governmental entity with 1345
jurisdiction over the county or township road is responsible for 1346
routine maintenance of such failed grade separations. 1347

(2) This section does not apply to any grade separation at 1348
intersections of a turnpike project with a county or township road 1349
except as described in division (A)(1) of this section. 1350

(3) Major maintenance and repair and replacement of 1351
aforementioned failed grade separations shall commence not later 1352
than July 1, 2011, and be completed before December 31, 2014. 1353

(B) As used in this section: 1354

(1) "Major maintenance and repair and replacement" relates to 1355

all elements constructed as part of or required for a grade 1356
separation, including bridges, pile, foundations, substructures, 1357
abutments, piers, superstructures, approach slabs, slopes, 1358
embankments, fences, and appurtenances. 1359

(2) "Routine maintenance" includes, without limitation, 1360
clearing debris, sweeping, snow and ice removal, wearing surface 1361
improvements, marking for traffic control, box culverts, drainage 1362
facilities including headwalls and underdrains, inlets, catch 1363
basins and grates, guardrails, minor and emergency repairs to 1364
railing and appurtenances, and emergency patching. 1365

Sec. 5537.06. (A) The Ohio turnpike and infrastructure 1366
commission may acquire by purchase, lease, lease-purchase, lease 1367
with option to purchase, appropriation, or otherwise and in such 1368
manner and for such consideration as it considers proper, any 1369
public or private property necessary, convenient, or proper for 1370
the construction, maintenance, or efficient operation of the Ohio 1371
turnpike system. The commission may pledge net revenues, to the 1372
extent permitted by this chapter with respect to bonds, to secure 1373
payments to be made by the commission under any such lease, 1374
lease-purchase agreement, or lease with option to purchase. Title 1375
to personal property, and interests less than a fee in real 1376
property, shall be held in the name of the commission. Title to 1377
real property held in fee shall be held in the name of the state 1378
for the use of the commission. In any proceedings for 1379
appropriation under this section, the procedure to be followed 1380
shall be in accordance with the procedure provided in sections 1381
163.01 to 163.22 of the Revised Code, including division (B) of 1382
section 163.06 of the Revised Code notwithstanding the limitation 1383
in that division of its applicability to roads open to the public 1384
without charge. Except as otherwise agreed upon by the owner, full 1385
compensation shall be paid for public property so taken. 1386

(B) This section does not authorize the commission to take or 1387
disturb property or facilities belonging to any public utility or 1388
to a common carrier engaged in interstate commerce, which property 1389
or facilities are required for the proper and convenient operation 1390
of the public utility or common carrier, unless provision is made 1391
for the restoration, relocation, replication, or duplication of 1392
the property or facilities elsewhere at the sole cost of the 1393
commission. 1394

(C) Disposition of real property shall be by the commission 1395
in the manner and for the consideration it determines if to a 1396
state agency or other governmental agency, and otherwise in the 1397
manner provided in section 5501.45 of the Revised Code for the 1398
disposition of property by the director of transportation. 1399
Disposition of personal property shall be in the manner and for 1400
the consideration the commission determines. 1401

(D) Any instrument by which real property is acquired 1402
pursuant to this section shall identify the agency of the state 1403
that has the use and benefit of the real property as specified in 1404
section 5301.012 of the Revised Code. 1405

Sec. 5537.07. (A) When the cost to the Ohio turnpike and 1406
infrastructure commission under any contract with a person other 1407
than a governmental agency involves an expenditure of more than 1408
fifty thousand dollars, the commission shall make a written 1409
contract with the lowest responsive and responsible bidder in 1410
accordance with section 9.312 of the Revised Code after 1411
advertisement for not less than two consecutive weeks in a 1412
newspaper of general circulation in Franklin county, and in such 1413
other publications as the commission determines, which notice 1414
shall state the general character of the work and the general 1415
character of the materials to be furnished, the place where plans 1416
and specifications therefor may be examined, and the time and 1417

place of receiving bids. The commission may require that the cost estimate for the construction, demolition, alteration, repair, improvement, renovation, or reconstruction of roadways and bridges for which the commission is required to receive bids be kept confidential and remain confidential until after all bids for the public improvement have been received or the deadline for receiving bids has passed. Thereafter, and before opening the bids submitted for the roadways and bridges, the commission shall make the cost estimate public knowledge by reading the cost estimate in a public place. The commission may reject any and all bids. The requirements of this division do not apply to contracts for the acquisition of real property or compensation for professional or other personal services.

(B) Each bid for a contract for construction, demolition, alteration, repair, improvement, renovation, or reconstruction shall contain the full name of every person interested in it and shall meet the requirements of section 153.54 of the Revised Code.

(C) Other than for a contract referred to in division (B) of this section, each bid for a contract that involves an expenditure in excess of one hundred fifty thousand dollars or any contract with a service facility operator shall contain the full name of every person interested in it and shall be accompanied by a sufficient bond or certified check on a solvent bank that if the bid is accepted a contract will be entered into and the performance of its proposal secured.

(D) Other than a contract referred to in division (B) of this section, a bond with good and sufficient surety, in a form as prescribed and approved by the commission, shall be required of every contractor awarded a contract that involves an expenditure in excess of one hundred fifty thousand dollars or any contract with a service facility operator. The bond shall be in an amount equal to at least fifty per cent of the contract price and shall

be conditioned upon the faithful performance of the contract. 1450

(E) Notwithstanding any other provisions of this section, the 1451
commission may establish a program to expedite special turnpike 1452
projects by combining the design and construction elements of any 1453
public improvement project into a single contract. The commission 1454
shall prepare and distribute a scope of work document upon which 1455
the bidders shall base their bids. At a minimum, bidders shall 1456
meet the requirements of section 4733.161 of the Revised Code. 1457
Except in regard to those requirements relating to providing 1458
plans, the commission shall award contracts following the 1459
requirements set forth in divisions (A), (B), (C), and (D) of this 1460
section. 1461

Sec. 5537.08. (A) The Ohio turnpike and infrastructure 1462
commission may provide by resolution for the issuance, at one time 1463
or from time to time, of revenue bonds of the state for the 1464
purpose of paying all or any part of the cost of any one or more 1465
turnpike projects or infrastructure projects. The bond service 1466
charges shall be payable solely from pledged revenues pledged for 1467
such payment pursuant to the applicable bond proceedings. The 1468
bonds of each issue shall be dated, shall bear interest at a rate 1469
or rates or at variable rates, and shall mature or be payable at 1470
such time or times, with a final maturity not to exceed forty 1471
years from their date or dates, all as determined by the 1472
commission in the bond proceedings. The commission shall determine 1473
the form of the bonds, including any interest coupons to be 1474
attached thereto, and shall fix the denomination or denominations 1475
of the bonds and the place or places of payment of bond service 1476
charges. 1477

(B) The bonds shall be signed by the chairperson or 1478
vice-chairperson of the commission or by the facsimile signature 1479
of that officer, the official seal of the commission or a 1480

facsimile thereof shall be affixed thereto or printed thereon and 1481
attested by the secretary-treasurer of the commission, which may 1482
be by facsimile signature, and any coupons attached thereto shall 1483
bear the facsimile signature of the chairperson or 1484
vice-chairperson of the commission. In case any officer whose 1485
signature, or a facsimile of whose signature, appears on any bonds 1486
or coupons ceases to be such officer before delivery of bonds, 1487
such signature or facsimile shall nevertheless be valid and 1488
sufficient for all purposes the same as if the officer had 1489
remained in office until such delivery. 1490

(C) Subject to the bond proceedings and provisions for 1491
registration, the bonds shall have all the qualities and incidents 1492
of negotiable instruments under Title XIII of the Revised Code. 1493
The bonds may be issued in such form or forms as the commission 1494
determines, including without limitation coupon, book entry, and 1495
fully registered form, and provision may be made for the 1496
registration of any coupon bonds as to principal alone and also as 1497
to both principal and interest, and for the exchange of bonds 1498
between forms. The commission may sell such bonds by competitive 1499
bid on the best bid after advertisement or request for bids or by 1500
private sale in the manner, and for the price, it determines to be 1501
for the best interest of the state. ~~The determination of the 1502
commission as to the manner of sale, by competitive bid or by 1503
private sale, shall be approved by the controlling board.~~ 1504

(D) The proceeds of the bonds of each issue shall be used 1505
solely for the payment of the costs of the turnpike project or 1506
projects for which such bonds were issued, and or for the payment 1507
of the costs of the infrastructure project or projects as approved 1508
by the commission under section 5537.18 of the Revised Code. The 1509
proceeds shall be disbursed in such manner and under such 1510
restrictions as the commission provides in the applicable bond 1511
proceedings. 1512

(E) Prior to the preparation of definitive bonds, the 1513
commission may, under like restrictions, issue interim receipts or 1514
temporary bonds or bond anticipation notes, with or without 1515
coupons, exchangeable for definitive bonds when such bonds have 1516
been executed and are available for delivery. The commission may 1517
provide for the replacement of any mutilated, stolen, destroyed, 1518
or lost bonds. Bonds may be issued by the commission under this 1519
chapter without obtaining the consent of any state agency, and 1520
without any other proceedings or the happening of any other 1521
conditions or things than those proceedings, conditions, or things 1522
that are specifically required by this chapter or those 1523
proceedings. 1524

(F) Sections 9.98 to 9.983 of the Revised Code apply to the 1525
bonds. 1526

(G) The bond proceedings shall provide, subject to the 1527
provisions of any other applicable bond proceedings, for the 1528
pledge to the payment of bond service charges and of any costs of 1529
or relating to credit enhancement facilities of all, or such part 1530
as the commission may determine, of the pledged revenues and the 1531
applicable special fund or funds, which pledges may be made to 1532
secure the bonds on a parity with bonds theretofore or thereafter 1533
issued if and to the extent provided in the bond proceedings. 1534
Every pledge, and every covenant and agreement with respect 1535
thereto, made in the bond proceedings may in the bond proceedings 1536
be extended to the benefit of the owners and holders of bonds and 1537
to any trustee and any person providing a credit enhancement 1538
facility for those bonds, for the further security for the payment 1539
of the bond service charges and credit enhancement facility costs. 1540

(H) The bond proceedings may contain additional provisions as 1541
to: 1542

(1) The redemption of bonds prior to maturity at the option 1543
of the commission or of the bondholders or upon the occurrence of 1544

certain stated conditions, and at such price or prices and under	1545
such terms and conditions as are provided in the bond proceedings;	1546
(2) Other terms of the bonds;	1547
(3) Limitations on the issuance of additional bonds;	1548
(4) The terms of any trust agreement securing the bonds or	1549
under which the same may be issued;	1550
(5) Any or every provision of the bond proceedings being	1551
binding upon the commission and state agencies, or other person as	1552
may from time to time have the authority under law to take such	1553
actions as may be necessary to perform all or any part of the duty	1554
required by such provision;	1555
(6) Any provision that may be made in a trust agreement;	1556
(7) Any other or additional agreements with the holders of	1557
the bonds, or the trustee therefor, relating to the bonds or the	1558
security for the bonds, including agreements for credit	1559
enhancement facilities.	1560
(I) Any holder of bonds or a trustee under the bond	1561
proceedings, except to the extent that the holder's or trustee's	1562
rights are restricted by the bond proceedings, may by any suitable	1563
form of legal proceedings, protect and enforce any rights under	1564
the laws of this state or granted by the bond proceedings. Those	1565
rights include the right to compel the performance of all duties	1566
of the commission and state agencies required by this chapter or	1567
the bond proceedings; to enjoin unlawful activities; and in the	1568
event of default with respect to the payment of any bond service	1569
charges on any bonds or in the performance of any covenant or	1570
agreement on the part of the commission contained in the bond	1571
proceedings, to apply to a court having jurisdiction of the cause	1572
to appoint a receiver to receive and administer the revenues and	1573
the pledged revenues which are pledged to the payment of the bond	1574
service charges on such bonds or which are the subject of the	1575

covenant or agreement, with full power to pay, and to provide for 1576
payment of, bond service charges on such bonds, and with such 1577
powers, subject to the direction of the court, as are accorded 1578
receivers in general equity cases, excluding any power to pledge 1579
additional revenues or receipts or other income, funds, or moneys 1580
of the commission or state agencies to the payment of such bond 1581
service charges and excluding the power to take possession of, 1582
mortgage, or cause the sale or otherwise dispose of any turnpike 1583
project or other property of the commission. 1584

(J) Each duty of the commission and the commission's officers 1585
and employees, undertaken pursuant to the bond proceedings, is 1586
hereby established as a duty of the commission, and of each such 1587
officer, member, or employee having authority to perform the duty, 1588
specifically enjoined by law resulting from an office, trust, or 1589
station within the meaning of section 2731.01 of the Revised Code. 1590

(K) The commission's officers or employees are not liable in 1591
their personal capacities on any bonds issued by the commission or 1592
any agreements of or with the commission relating to those bonds. 1593

(L) The bonds are lawful investments for banks, savings and 1594
loan associations, credit union share guaranty corporations, trust 1595
companies, trustees, fiduciaries, insurance companies, including 1596
domestic for life and domestic not for life, trustees or other 1597
officers having charge of sinking and bond retirement or other 1598
funds of the state or its political subdivisions and taxing 1599
districts, the commissioners of the sinking fund of the state, the 1600
administrator of workers' compensation, the state teachers 1601
retirement system, the public employees retirement system, the 1602
school employees retirement system, and the Ohio police and fire 1603
pension fund, notwithstanding any other provisions of the Revised 1604
Code or rules adopted pursuant thereto by any state agency with 1605
respect to investments by them, and are also acceptable as 1606
security for the repayment of the deposit of public moneys. 1607

(M) Provision may be made in the applicable bond proceedings 1608
for the establishment of separate accounts in the bond service 1609
fund and for the application of such accounts only to the 1610
specified bond service charges pertinent to such accounts and bond 1611
service fund, and for other accounts therein within the general 1612
purposes of such fund. 1613

(N) The commission may pledge all, or such portion as it 1614
determines, of the pledged revenues to the payment of bond service 1615
charges, and for the establishment and maintenance of any reserves 1616
and special funds, as provided in the bond proceedings, and make 1617
other provisions therein with respect to pledged revenues, 1618
revenues, and net revenues as authorized by this chapter, which 1619
provisions are controlling notwithstanding any other provisions of 1620
law pertaining thereto. 1621

Sec. 5537.09. The Ohio turnpike and infrastructure commission 1622
may provide by resolution for the issuance of revenue bonds of the 1623
state, payable solely from pledged revenues, for the purpose of 1624
refunding any bonds then outstanding, including the payment of 1625
related financing expenses and, if considered advisable by the 1626
commission, for the additional purpose of paying costs of 1627
improvements, extensions, renovations, or enlargements of any 1628
turnpike project or any infrastructure project. The issuance of 1629
refunding bonds, the maturities and other details thereof, the 1630
rights of the holders thereof, and the rights, duties, and 1631
obligations of the commission in respect to such bonds shall be 1632
governed by the provisions of this chapter insofar as they are 1633
applicable and by the applicable bond proceedings. 1634

Sec. 5537.11. (A) The bonds do not constitute a debt, or a 1635
pledge of the faith and credit, of the state or of any political 1636
subdivision of the state. Bond service charges on outstanding 1637
bonds are payable solely from the pledged revenues pledged for 1638

their payment as authorized by this chapter and as provided in the 1639
bond proceedings. All turnpike and infrastructure revenue bonds 1640
shall contain on their face a statement to that effect. 1641

(B) All expenses incurred in carrying out this chapter shall 1642
be payable solely from revenues provided under this chapter and 1643
from state taxes. This chapter does not authorize the Ohio 1644
turnpike and infrastructure commission to incur indebtedness or 1645
liability on behalf of or payable by the state or any political 1646
subdivision of the state. 1647

Sec. 5537.12. (A) In the discretion of the Ohio turnpike and 1648
infrastructure commission any bonds may be secured by a trust 1649
agreement between the commission and a corporate trustee, which 1650
may be any trust company or bank having the powers of a trust 1651
company within or without the state but authorized to exercise 1652
trust powers within this state. 1653

(B) Any trust agreement may pledge or assign the revenues to 1654
be received, but shall not convey or mortgage any turnpike project 1655
or infrastructure project, any part of a turnpike project or 1656
infrastructure project, or any part of the Ohio turnpike system or 1657
the Ohio turnpike and infrastructure system. Any such trust 1658
agreement or other bond proceedings may contain provisions for 1659
protecting and enforcing the rights and remedies of the 1660
bondholders that are reasonable and proper and not in violation of 1661
law, including covenants setting forth the duties of the 1662
commission in relation to the acquisition of property, and the 1663
construction, maintenance, repair, operation, and insurance of the 1664
turnpike project or projects in connection with which the bonds 1665
are authorized, the rates of toll to be charged, and the custody, 1666
safeguarding, and application of all moneys, and provisions for 1667
the employment or retention of the services of consulting 1668
engineers in connection with the construction, maintenance, or 1669

operation of the turnpike project or projects. Any bank or trust 1670
company incorporated under the laws of this state which may act as 1671
depository of the proceeds of bonds or of revenues may furnish 1672
such indemnifying bonds or may pledge such securities as are 1673
required by the commission. Any such trust agreement may set forth 1674
the rights and remedies of the bondholders and of the trustee, may 1675
restrict the individual right of action by bondholders as is 1676
customary in revenue bond trust agreements of public bodies, and 1677
may contain other provisions that the commission considers 1678
reasonable and proper for the security of the bondholders. All 1679
expenses incurred in entering into or carrying out the provisions 1680
of such a trust agreement may be treated as a part of the cost, or 1681
of the cost of the operation, of the turnpike project or projects. 1682

Sec. 5537.13. (A) Subject to section 5537.26 of the Revised 1683
Code, the Ohio turnpike and infrastructure commission may fix, 1684
revise, charge, and collect tolls for each turnpike project, and 1685
contract in the manner provided by this section with any person 1686
desiring the use of any part thereof, including the right-of-way 1687
adjoining the paved portion, for placing thereon telephone, 1688
electric light, or power lines, service facilities, or for any 1689
other purpose, and fix the terms, conditions, rents, and rates of 1690
charge for such use, provided that no toll, charge, or rental may 1691
be made by the commission for placing in, on, along, over, or 1692
under the turnpike project, equipment or public utility facilities 1693
that are necessary to serve service facilities or to interconnect 1694
any public utility facilities. 1695

(B) Contracts for the operation of service facilities shall 1696
be made in writing. Such contracts, except contracts with state 1697
agencies or other governmental agencies, shall be made with the 1698
bidder whose bid is determined by the commission to be the best 1699
bid received, after advertisement for two consecutive weeks in a 1700
newspaper of general circulation in Franklin county, and in other 1701

publications that the commission determines. The notice shall 1702
state the general character of the service facilities operation 1703
proposed, the place where plans and specifications may be 1704
examined, and the time and place of receiving bids. Bids shall 1705
contain the full name of each person interested in them, and shall 1706
be in such form as the commission requires. The commission may 1707
reject any and all bids. All contracts for service facilities 1708
shall be preserved in the principal office of the commission. 1709

(C) Tolls shall be so fixed and adjusted as to provide funds 1710
at least sufficient with other revenues of the Ohio turnpike 1711
system, if any, to pay: 1712

(1) The cost of maintaining, improving, repairing, 1713
constructing, and operating the Ohio turnpike system and its 1714
different parts and sections, and to create and maintain any 1715
reserves for those purposes; 1716

(2) Any unpaid bond service charges on outstanding bonds 1717
payable from pledged revenues as such charges become due and 1718
payable, and to create and maintain any reserves for that purpose. 1719

(D) Tolls are not subject to supervision, approval, or 1720
regulation by any state agency other than the turnpike and 1721
infrastructure commission. 1722

(E) Revenues derived from each turnpike project ~~in connection~~ 1723
~~with which any bonds are outstanding~~ shall be first applied to pay 1724
the cost of maintenance, improvement, repair, and operation and to 1725
provide any reserves therefor that are provided for in the bond 1726
proceedings authorizing the issuance of those outstanding bonds, 1727
and otherwise as provided by the commission, ~~and the balance. The~~ 1728
bond proceedings also shall provide, subject to the provisions of 1729
any other applicable bond proceedings, for the pledge of all, or 1730
such part as the commission may determine of the pledged revenues 1731
~~shall be set aside, at such regular intervals as are provided in~~ 1732

~~the bond proceedings, in a bond service fund, which is hereby~~ 1733
~~pledged to and charged with and the applicable special fund or~~ 1734
~~funds to the payment of the bond service charges on any such~~ 1735
~~outstanding bonds as provided in the applicable, which pledge may~~ 1736
~~be made to secure the bonds senior or subordinate to or on a~~ 1737
~~parity with bonds theretofore or thereafter issued, if and to the~~ 1738
~~extent provided in the~~ bond proceedings. The pledge shall be valid 1739
and binding from the time the pledge is made; the revenues and the 1740
pledged revenues thereafter received by the commission immediately 1741
shall be subject to the lien of the pledge without any physical 1742
delivery thereof or further act, and the lien of the pledge shall 1743
be valid and binding as against all parties having claims of any 1744
kind in tort, contract, or otherwise against the commission, 1745
whether or not those parties have notice thereof. The bond 1746
proceedings by which a pledge is created need not be filed or 1747
recorded except in the records of the commission. The use and 1748
disposition of moneys to the credit of a bond service fund shall 1749
be subject to the applicable bond proceedings. ~~Except as is~~ 1750
~~otherwise provided in such bond proceedings, such a bond service~~ 1751
~~fund shall be a fund for all such bonds, without distinction or~~ 1752
~~priority of one over another.~~ 1753

(F) The proceeds of bonds issued for the payment of the costs 1754
of infrastructure projects, net of the payment of all financing 1755
expenses and deposits into debt service reserves or other special 1756
funds as may be required in the applicable bond proceedings, shall 1757
be deposited to the infrastructure fund or funds and shall be 1758
exclusively used to pay the cost of infrastructure projects 1759
approved by the commission, except that income earned by the 1760
infrastructure fund may be used by the commission towards the 1761
payment of bond service charges. 1762

Sec. 5537.14. All moneys received by the Ohio turnpike and 1763
infrastructure commission under this chapter, whether as proceeds 1764

from the sale of bonds or as revenues, are to be held and applied 1765
solely as provided in this chapter and in any applicable bond 1766
proceedings. Such moneys shall be kept in depositories as selected 1767
by the commission in the manner provided in sections 135.01 to 1768
135.21 of the Revised Code, insofar as such sections are 1769
applicable, and the deposits shall be secured as provided in 1770
sections 135.01 to 135.21 of the Revised Code. The bond 1771
proceedings shall provide that any officer to whom, or any bank or 1772
trust company to which, revenues or pledged revenues are paid 1773
shall act as trustee of such moneys and hold and apply them for 1774
the purposes thereof, subject to applicable provisions of this 1775
chapter and the bond proceedings. 1776

Sec. 5537.15. Any holder of bonds issued and outstanding 1777
under this chapter, or any of the coupons appertaining thereto, 1778
and the trustee under any trust agreement, except to the extent 1779
the rights given by this chapter may be restricted or modified by 1780
the bond proceedings, may by suit, action, mandamus, or other 1781
proceedings, protect and enforce any rights under the laws of the 1782
state or granted under this chapter or the bond proceedings, and 1783
may enforce and compel the performance of all duties required by 1784
this chapter or the bond proceedings, to be performed by the Ohio 1785
turnpike and infrastructure commission or any officer of the 1786
commission, including the fixing, charging, collecting, and 1787
application of tolls. 1788

Sec. 5537.16. (A) The Ohio turnpike and infrastructure 1789
commission may adopt such bylaws and rules as it considers 1790
advisable for the control and regulation of traffic on any 1791
turnpike project, for the protection and preservation of property 1792
under its jurisdiction and control, for the maintenance and 1793
preservation of good order within the property under its control, 1794
and for the purpose of establishing owner or operator liability 1795

for failure to comply with toll collection rules. The rules of the 1796
commission with respect to the speed, use of special engine 1797
brakes, axle loads, vehicle loads, and vehicle dimensions of 1798
vehicles on turnpike projects, including the issuance of a special 1799
permit by the commission to allow the operation on any turnpike 1800
project of a motor vehicle transporting two or fewer steel coils, 1801
shall apply notwithstanding sections 4511.21 to 4511.24, 4513.34, 1802
and Chapter 5577. of the Revised Code. Such bylaws and rules shall 1803
be published in a newspaper of general circulation in Franklin 1804
county, and in such other manner as the commission prescribes. 1805

(B) Such rules shall provide that public police officers 1806
shall be afforded ready access, while in the performance of their 1807
official duty, to all property under the jurisdiction of the 1808
commission and without the payment of tolls. 1809

(C) No person shall violate any such bylaws or rules of the 1810
commission. 1811

(D)(1) All fines collected for the violation of applicable 1812
laws of the state and the bylaws and rules of the commission or 1813
moneys arising from bonds forfeited for such violation shall be 1814
disposed of in accordance with section 5503.04 of the Revised 1815
Code. 1816

(2) All fees or charges assessed by the commission against an 1817
owner or operator of a vehicle as a civil violation for failure to 1818
comply with toll collection or toll evasion rules shall be 1819
revenues of the commission. 1820

Sec. 5537.17. (A) Each turnpike project open to traffic shall 1821
be maintained and kept in good condition and repair by the Ohio 1822
turnpike and infrastructure commission. The Ohio turnpike system 1823
shall be policed and operated by a force of police, toll 1824
collectors, and other employees and agents that the commission 1825
employs or contracts for. 1826

(B) All public or private property damaged or destroyed in 1827
carrying out the powers granted by this chapter shall be restored 1828
or repaired and placed in its original condition, as nearly as 1829
practicable, or adequate compensation or consideration made 1830
therefor out of moneys provided under this chapter. 1831

(C) All governmental agencies may lease, lend, grant, or 1832
convey to the commission at its request, upon terms that the 1833
proper authorities of the governmental agencies consider 1834
reasonable and fair and without the necessity for an 1835
advertisement, order of court, or other action or formality, other 1836
than the regular and formal action of the authorities concerned, 1837
any property that is necessary or convenient to the effectuation 1838
of the purposes of the commission, including public roads and 1839
other property already devoted to public use. 1840

(D) Each bridge constituting part of a turnpike project shall 1841
be inspected at least once each year by a professional engineer 1842
employed or retained by the commission. 1843

(E) On or before the first day of July in each year, the 1844
commission shall make an annual report of its activities for the 1845
preceding calendar year to the governor and the general assembly. 1846
Each such report shall set forth a complete operating and 1847
financial statement covering the commission's operations and 1848
funding of any turnpike projects and infrastructure projects 1849
during the year. The commission shall cause an audit of its books 1850
and accounts to be made at least once each year by certified 1851
public accountants, and the cost thereof may be treated as a part 1852
of the cost of operations of the commission. The auditor of state, 1853
at least once a year and without previous notice to the 1854
commission, shall audit the accounts and transactions of the 1855
commission. 1856

(F) The commission shall submit a copy of its annual audit by 1857
the auditor of state and its proposed annual budget for each 1858

calendar or fiscal year to the governor, the presiding officers of 1859
each house of the general assembly, the director of budget and 1860
management, and the legislative service commission no later than 1861
the first day of that calendar or fiscal year. 1862

(G) Upon request of the chairperson of the appropriate 1863
standing committee or subcommittee of the senate and house of 1864
representatives that is primarily responsible for considering 1865
transportation budget matters, the commission shall appear at 1866
least one time before each committee or subcommittee during the 1867
period when that committee or subcommittee is considering the 1868
biennial appropriations for the department of transportation and 1869
shall provide testimony outlining its budgetary results for the 1870
last two calendar years, including a comparison of budget and 1871
actual revenue and expenditure amounts. The commission also shall 1872
address its current budget and long-term capital plan. 1873

(H) Not more than sixty nor less than thirty days before 1874
adopting its annual budget, the commission shall submit a copy of 1875
its proposed annual budget to the governor, the presiding officers 1876
of each house of the general assembly, the director of budget and 1877
management, and the legislative service commission. The office of 1878
budget and management shall review the proposed budget and may 1879
provide recommendations to the commission for its consideration. 1880

Sec. 5537.18. (A) The Ohio turnpike and infrastructure 1881
commission shall adopt rules establishing the procedures and 1882
criteria under which the commission may approve an application 1883
received from the director of transportation for infrastructure 1884
project funding under division (B) of this section. The rules 1885
shall require an infrastructure project to have an anticipated 1886
economic or transportation-related impact on the Ohio turnpike and 1887
infrastructure system. 1888

(B) The director of transportation may submit an application 1889

to the commission for infrastructure project funding. An 1890
application to the commission for infrastructure project funding, 1891
as submitted by the director, shall include only infrastructure 1892
projects that previously have been reviewed and recommended by the 1893
transportation review advisory council pursuant to the selection 1894
process followed by the council under Chapter 5512. of the Revised 1895
Code. 1896

(C) The commission shall evaluate each application for 1897
infrastructure project funding submitted under division (B) of 1898
this section in accordance with the procedures and criteria 1899
established in rules adopted under division (A) of this section. A 1900
determination or approval made under this section is conclusive 1901
and incontestable. 1902

Sec. 5537.19. The Ohio turnpike and infrastructure commission 1903
shall expend such moneys as the commission considers necessary for 1904
studies of any turnpike project or infrastructure project, whether 1905
proposed, under construction, or in operation, and may employ 1906
consulting engineers, traffic engineers, and any other individuals 1907
or firms that the commission considers necessary to properly 1908
implement the studies. The cost of the studies may be paid from 1909
revenues, eligible state and federal grants, state taxes available 1910
to the commission and permitted by law to be spent for such 1911
purposes, or the proceeds of bonds. 1912

Sec. 5537.20. The exercise of the powers granted by this 1913
chapter is in all respects for the benefit of the people of the 1914
state, for the increase of their commerce and prosperity, and for 1915
the improvement of their health and living conditions, and as the 1916
construction, operation, and maintenance of the Ohio turnpike 1917
system by the Ohio turnpike and infrastructure commission 1918
constitute the performance of essential governmental functions, 1919
the commission, except as provided in division (D) of section 1920

5537.05 of the Revised Code, shall not be required to pay any 1921
state or local taxes or assessments upon any turnpike project or 1922
infrastructure project funded by it, or upon revenues or any 1923
property acquired or used by the commission under this chapter, or 1924
upon the income therefrom. The bonds issued under this chapter, 1925
their transfer, and the income therefrom, including any profit 1926
made on the sale thereof, shall at all times be free from taxation 1927
within the state. 1928

Sec. 5537.21. (A) When bond service charges on all 1929
outstanding bonds issued in connection with any turnpike project 1930
have been paid or provision for that payment has been made, as 1931
provided in the applicable bond proceedings, or in the case of a 1932
turnpike project in connection with which no bonds have been 1933
issued, the project shall continue to be or be operated, and 1934
improved and maintained, by the Ohio turnpike and infrastructure 1935
commission as a part of the Ohio turnpike system and as a toll 1936
road, and all revenues received by the commission relating to that 1937
project shall be applied as provided in division (B) of this 1938
section. 1939

(B) Subject to the bond proceedings for bonds relating to any 1940
turnpike project or infrastructure project, tolls relating to a 1941
turnpike project as referred to in division (A) of this section 1942
shall be so fixed and adjusted such that the aggregate of 1943
available revenues relating to that turnpike project ~~and available~~ 1944
~~for the purpose~~ are in amounts ~~to provide moneys~~ at least 1945
sufficient, ~~and those revenues shall be used,~~ to pay the costs 1946
described in division (C)(1) of section 5537.13 of the Revised 1947
Code. 1948

Sec. 5537.22. All final actions of the Ohio turnpike and 1949
infrastructure commission shall be journalized and such journal 1950
shall be open to the inspection of the public at all reasonable 1951

times. 1952

Sec. 5537.24. (A) There is hereby created a turnpike 1953
legislative review committee consisting of six members as follows: 1954

(1) Three members of the senate, no more than two of whom 1955
shall be members of the same political party, one of whom shall be 1956
the chairperson of the committee dealing primarily with highway 1957
matters, one of whom shall be appointed by the president of the 1958
senate, and one of whom shall be appointed by the minority leader 1959
of the senate. 1960

Both the senate member who is appointed by the president of 1961
the senate and the senate member appointed by the minority leader 1962
of the senate shall represent either districts in which is located 1963
or through which passes a portion of a turnpike project that is 1964
part of the Ohio turnpike system or districts located in the 1965
vicinity of a turnpike project that is part of the Ohio turnpike 1966
system. 1967

The president of the senate shall make the president of the 1968
senate's appointment to the committee first, followed by the 1969
minority leader of the senate, and they shall make their 1970
appointments in such a manner that their two appointees represent 1971
districts that are located in different areas of the state. If the 1972
chairperson of the senate committee dealing primarily with highway 1973
matters represents a district in which is located or through which 1974
passes a portion of a turnpike project that is part of the Ohio 1975
turnpike system or a district located in the vicinity of a 1976
turnpike project that is part of the Ohio turnpike system, the 1977
president of the senate and the minority leader of the senate 1978
shall make their appointments in such a manner that their two 1979
appointees and the chairperson of the senate committee dealing 1980
primarily with highway matters all represent districts that are 1981
located in different areas of the state. 1982

(2) Three members of the house of representatives, no more
than two of whom shall be members of the same political party, one
of whom shall be the chairperson of the house of representatives
committee dealing primarily with highway matters, one of whom
shall be appointed by the speaker of the house of representatives,
and one of whom shall be appointed by the minority leader of the
house of representatives.

Both the house of representatives member who is appointed by
the speaker of the house of representatives and the house of
representatives member appointed by the minority leader of the
house of representatives shall represent either districts in which
is located or through which passes a portion of a turnpike project
that is part of the Ohio turnpike system or districts located in
the vicinity of a turnpike project that is part of the Ohio
turnpike system.

The speaker of the house of representatives shall make the
speaker of the house of representative's appointment to the
committee first, followed by the minority leader of the house of
representatives, and they shall make their appointments in such a
manner that their two appointees represent districts that are
located in different areas of the state. If the chairperson of the
house of representatives committee dealing primarily with highway
matters represents a district in which is located or through which
passes a portion of a turnpike project that is part of the Ohio
turnpike system or a district located in the vicinity of a
turnpike project that is part of the Ohio turnpike system, the
speaker of the house of representatives and the minority leader of
the house of representatives shall make their appointments in such
a manner that their two appointees and the chairperson of the
house of representatives committee dealing primarily with highway
matters all represent districts that are located in different
areas of the state.

The chairperson of the house of representatives committee 2015
shall serve as the chairperson of the turnpike legislative review 2016
committee for the year 1996. Thereafter, the chair annually shall 2017
alternate between, first, the chairperson of the senate committee 2018
and then the chairperson of the house of representatives 2019
committee. 2020

(B) Each member of the turnpike legislative review committee 2021
who is a member of the general assembly shall serve a term of the 2022
remainder of the general assembly during which the member is 2023
appointed or is serving as chairperson of the specified senate or 2024
house committee. In the event of the death or resignation of a 2025
committee member who is a member of the general assembly, or in 2026
the event that a member ceases to be a senator or representative, 2027
or in the event that the chairperson of the senate committee 2028
dealing primarily with highway matters or the chairperson of the 2029
house of representatives committee dealing primarily with highway 2030
matters ceases to hold that position, the vacancy shall be filled 2031
through an appointment by the president of the senate or the 2032
speaker of the house of representatives or minority leader of the 2033
senate or house of representatives, as applicable. Any member 2034
appointed to fill a vacancy occurring prior to the end of the term 2035
for which the member's predecessor was appointed shall hold office 2036
for the remainder of the term or for a shorter period of time as 2037
determined by the president or the speaker. A member of the 2038
committee is eligible for reappointment. 2039

(C) The turnpike legislative review committee shall meet at 2040
least quarterly and may meet at the call of its chairperson, or 2041
upon the written request to the chairperson of not fewer than four 2042
members of the committee. Meetings shall be held at sites that are 2043
determined solely by the chairperson of the committee. At each 2044
meeting, the Ohio turnpike and infrastructure commission shall 2045
make a report to the committee on commission matters, including 2046

but not limited to financial and budgetary matters and proposed 2047
and on-going construction, maintenance, repair, and operational 2048
projects of the commission. 2049

The committee, by the affirmative vote of at least four of 2050
its members, may submit written recommendations to the commission, 2051
either at meetings held pursuant to this section or at any other 2052
time, describing new turnpike projects or new interchanges located 2053
on existing projects that the committee believes the commission 2054
should consider constructing. 2055

(D) At least annually the commission shall make a report to 2056
the committee of those infrastructure projects approved and paid 2057
for by the commission. 2058

(E) The members of the turnpike legislative review committee 2059
who are members of the general assembly shall serve without 2060
compensation, but shall be reimbursed by the commission for their 2061
actual and necessary expenses incurred in the discharge of their 2062
official duties as committee members. Serving as a member of the 2063
turnpike legislative review committee does not constitute grounds 2064
for resignation from the senate or house of representatives under 2065
section 101.26 of the Revised Code. 2066

Sec. 5537.25. (A) Notwithstanding any provision of law to the 2067
contrary, the Ohio turnpike and infrastructure commission shall 2068
make no expenditure to engage the services of any person to 2069
influence either of the following: 2070

(1) Administrative actions or decisions of the governor, the 2071
director of any department listed in section 121.02 of the Revised 2072
Code, any member of the staff of any public officer or employee 2073
listed in this section, the president of the United States, or any 2074
federal officer or employee; 2075

(2) Legislation pending in this state or any other state, a 2076

subdivision of this state or any other state, or the federal 2077
government, including the executive approval or veto of any such 2078
pending legislation. 2079

(B) This section shall not be interpreted to prohibit the 2080
commission from designating officers or members of the commission, 2081
or full-time, permanent employees of the commission, to act as 2082
administrative or legislative agents for the commission. 2083

Sec. 5537.26. (A) Except as provided in division (D) of this 2084
section, no increase by the Ohio turnpike and infrastructure 2085
commission in the toll rate structure that is applicable to 2086
vehicles operating on a turnpike project shall become effective 2087
unless the commission complies with the notice and hearing 2088
requirements prescribed in division (B) of this section, and the 2089
commission shall not take any action that expands, has the effect 2090
of expanding, or will to any degree at any time in the future have 2091
the effect of expanding the sphere of responsibility of the 2092
commission beyond the Ohio turnpike, unless the commission 2093
complies with the notice and hearing requirements prescribed in 2094
division (B) of this section. 2095

(B) Not less than ninety days prior to the date on which the 2096
commission votes to increase any part of the toll rate structure 2097
that is applicable to vehicles operating on a turnpike project, 2098
and not less than ninety days prior to the date on which the 2099
commission votes to take an action that expands, has the effect of 2100
expanding, or will to any degree at any time in the future have 2101
the effect of expanding the sphere of responsibility of the 2102
commission beyond the Ohio turnpike, the commission shall do both 2103
of the following: 2104

(1) Send notice to the governor and the presiding officers 2105
and minority leaders of the senate and house of representatives 2106
that details the proposed increase to the toll rate structure or 2107

the expansion of the sphere of responsibility of the commission 2108
beyond the Ohio turnpike, including a description of and a 2109
justification for the increase or expansion; 2110

(2) Commence holding public hearings on the proposed increase 2111
in the toll rate structure or the proposed action. If the 2112
commission is proposing an increase in the toll rate structure 2113
that is applicable to vehicles operating on a turnpike project, it 2114
shall hold not less than three public hearings in three 2115
geographically diverse locations in this state that are in the 2116
immediate vicinity of the affected project. If the commission is 2117
proposing to take an action that expands, has the effect of 2118
expanding, or will to any degree at any time in the future have 2119
the effect of expanding the sphere of responsibility of the 2120
commission beyond the Ohio turnpike, it shall hold not less than 2121
three public hearings in three locations in the immediate vicinity 2122
where the expanded responsibilities would arise. 2123

The commission shall hold the third or, if it holds more than 2124
three hearings, the last hearing of any set of hearings required 2125
to be held under this section not less than thirty days prior to 2126
the date on which it votes to increase part of the toll rate 2127
structure that is applicable to vehicles operating on a turnpike 2128
project or to take an action that expands, has the effect of 2129
expanding, or will to any degree at any time in the future have 2130
the effect of expanding the sphere of responsibility of the 2131
commission beyond the Ohio turnpike. 2132

The commission shall inform the public of all the hearings 2133
required to be held under this section by causing a notice to be 2134
published in a newspaper of general circulation in the county in 2135
which each hearing is to be held, not less than once per week for 2136
two weeks prior to the date of the hearing. 2137

(C) If the commission does not comply with the notice and 2138
hearing requirements contained in division (B) of this section and 2139

votes for an increase in the toll rate structure that is 2140
applicable to vehicles operating on a turnpike project, the 2141
increase in the toll rate structure shall not take effect, any 2142
attempt by the commission to implement the increase in the toll 2143
rate structure is void, and, if necessary, the attorney general 2144
shall file an action in the court of common pleas of the county in 2145
which the principal office of the commission is located to enjoin 2146
the commission from implementing the increase. The commission 2147
shall not implement any increase until it complies with division 2148
(B) of this section. 2149

If the commission does not comply with the notice and hearing 2150
requirements contained in division (B) of this section and votes 2151
to take an action that expands, has the effect of expanding, or 2152
will to any degree at any time in the future have the effect of 2153
expanding the sphere of responsibility of the commission beyond 2154
the Ohio turnpike, the commission shall not take the proposed 2155
action and, if necessary, the attorney general shall file an 2156
action in the court of common pleas of the county in which the 2157
principal office of the commission is located to enjoin the 2158
commission from taking the proposed action. The commission shall 2159
not take the proposed action until it complies with the notice and 2160
hearing requirements prescribed in division (B) of this section. 2161

(D) Divisions (A) to (C) of this section do not apply to any 2162
decrease made to the toll rate structure by the commission. The 2163
commission may implement a temporary decrease in the toll rate 2164
structure only if it does not exceed eighteen months in duration. 2165
Prior to instituting any decrease to the toll rate structure, the 2166
commission shall do both of the following: 2167

(1) Not less than five days prior to any public meeting under 2168
division (D)(2) of this section, send notice to the governor and 2169
the presiding officers and minority leaders of the senate and 2170
house of representatives that details the proposed decrease to the 2171

toll rate structure; 2172

(2) Hold a public meeting to explain to members of the 2173
traveling public the reasons for the upcoming decrease, to inform 2174
them of any benefits and any negative consequences, and to give 2175
them the opportunity to express their opinions as to the relative 2176
merits or drawbacks of each toll decrease. The commission shall 2177
inform the public of the meeting by causing a notice to be 2178
published in newspapers of general circulation in Cuyahoga, Lucas, 2179
Mahoning, Trumbull, Williams, and Summit counties not less than 2180
five days prior to the meeting. The commission shall not be 2181
required to hold any public hearing or meeting upon the expiration 2182
of any temporary decrease in the toll rate structure, so long as 2183
it implements the same toll rate structure that was in effect 2184
immediately prior to the temporary decrease. 2185

(E) As used in this section, "Ohio turnpike" means the toll 2186
freeway that is under the jurisdiction of the commission and runs 2187
in an easterly and westerly direction across the entire northern 2188
portion of this state between its borders with the state of 2189
Pennsylvania in the east and the state of Indiana in the west, and 2190
carries the interstate highway designations of interstate 2191
seventy-six, interstate eighty, and interstate eighty-ninety. 2192

Sec. 5537.27. The Ohio turnpike and infrastructure 2193
commission, the director of transportation or the director's 2194
designee, and another person designated by the governor shall 2195
establish a procedure whereby a political subdivision or other 2196
government agency or agencies may submit a written application to 2197
the commission, requesting the commission to construct and operate 2198
a turnpike project within the boundaries of the subdivision, 2199
agency, or agencies making the request. The procedure shall 2200
include a requirement that the commission send a written reply to 2201
the subdivision, agency, or agencies, explaining the disposition 2202

of the request. The procedure established pursuant to this section 2203
shall not become effective unless it is approved by the commission 2204
and by the director or the director's designee and the designee of 2205
the governor, and shall require submission of the proposed 2206
turnpike project to the turnpike legislative review committee if 2207
the project must be approved by the governor. 2208

Sec. 5537.28. (A) ~~Notwithstanding any other provision of law,~~ 2209
~~on and after the effective date of this section, the Ohio turnpike~~ 2210
~~commission shall not expend any toll revenues that are generated~~ 2211
~~by an existing turnpike project to fund in any manner or to any~~ 2212
~~degree the construction, operation, maintenance, or repair of~~ 2213
~~another turnpike project the location of which must be reviewed by~~ 2214
~~the turnpike legislative review committee and approved by the~~ 2215
~~governor.~~ 2216

In paying the cost of ~~such a~~ any turnpike project, the Ohio 2217
turnpike and infrastructure commission may issue bonds and bond 2218
anticipation notes as permitted by this chapter, and may accept 2219
moneys from any source to pay the cost of any portion of the 2220
turnpike project, including, but not limited to, the federal 2221
government, any department or agency of this state, and any 2222
political subdivision or other government agency. Each such 2223
project shall be constructed, operated, maintained, and repaired 2224
entirely with funds ~~generated by that project or otherwise~~ 2225
~~specifically acquired for that project or~~ from sources permitted 2226
~~by this chapter~~ excess funds available from any other turnpike 2227
project. 2228

(B) ~~The commission shall not expend any toll revenues~~ 2229
~~generated by the Ohio turnpike to pay any amount of the principal~~ 2230
~~amount of, or interest due on, any bonds or bond anticipation~~ 2231
~~notes issued by the commission to pay any portion of the cost of~~ 2232
~~another turnpike project the location of which must be reviewed by~~ 2233

~~the turnpike legislative review committee and approved by the~~ 2234
~~governor. The commission shall not expend any toll revenues~~ 2235
~~generated by any turnpike project to pay any amount of the~~ 2236
~~principal amount of, or interest due on, any bonds or bond~~ 2237
~~anticipation notes issued by the commission to pay any portion of~~ 2238
~~the cost of a new turnpike project the location of which must be~~ 2239
~~reviewed by the turnpike legislative review committee and approved~~ 2240
~~by the governor or the cost of the operation, repair, improvement,~~ 2241
~~maintenance, or reconstruction of any turnpike project other than~~ 2242
~~the project that generated those toll revenues.~~ 2243

~~(C) As used in this section:~~ 2244

~~(1) "Ohio turnpike" has the same meaning as in division (E)~~ 2245
~~of section 5537.26 of the Revised Code;~~ 2246

~~(2) "Another "any turnpike project" does not include~~ 2247
~~infrastructure improvements on the Ohio turnpike or on connecting~~ 2248
~~roadways within one mile of an Ohio turnpike interchange projects.~~ 2249
~~The costs of infrastructure projects approved under section~~ 2250
~~5537.18 of the Revised Code shall be funded exclusively out of the~~ 2251
~~infrastructure fund or funds.~~ 2252

Sec. 5537.30. (A) Not later than December 31, 2009, the Ohio 2253
turnpike and infrastructure commission shall establish a program 2254
for the placement of business logos for identification purposes on 2255
directional signs within the turnpike right-of-way. 2256

(B)(1) The commission shall establish, and may revise at any 2257
time, a fee for participation in the business logo sign program. 2258
All direct and indirect costs of the business logo sign program 2259
established pursuant to this section shall be fully paid by the 2260
businesses applying for participation in the program. The direct 2261
and indirect costs of the program shall include, but not be 2262
limited to, the cost of capital, directional signs, blanks, posts, 2263
logos, installation, repair, engineering, design, insurance, 2264

removal, replacement, and administration. 2265

(2) Money generated from participating businesses in excess 2266
of the direct and indirect costs and any reasonable profit earned 2267
by a person awarded a contract ~~under division (C) of this section~~ 2268
to operate, maintain, or market the business logo sign program 2269
shall be remitted to the commission. 2270

(3) If the commission operates such a program and does not 2271
contract with a private person to operate it, all money collected 2272
from participating businesses shall be retained by the commission. 2273

~~(C) The commission, in accordance with rules adopted pursuant 2274
to section 111.15 of the Revised Code, may contract with any 2275
private person to operate, maintain, or market the business logo 2276
sign program. The contract may allow for a reasonable profit to be 2277
earned by the successful applicant. In awarding the contract, the 2278
commission shall consider the skill, expertise, prior experience, 2279
and other qualifications of each applicant. 2280~~

~~(D)~~ The program shall permit the business logo signs of a 2281
seller of motor vehicle fuel to include on the seller's signs a 2282
marking or symbol indicating that the seller sells one or more 2283
types of alternative fuel so long as the seller in fact sells that 2284
fuel. As used in this division, "alternative fuel" has the same 2285
meaning as in section 125.831 of the Revised Code. 2286

Sec. 5728.01. As used in sections 5728.02 to 5728.14 of the 2287
Revised Code: 2288

(A) "Motor vehicle" means everything on wheels that is 2289
self-propelled, other than by muscular power or power collected 2290
from electric trolley wires and other than vehicles or machinery 2291
not designed for or employed in general highway transportation, 2292
used to transport or propel persons or property over a public 2293
highway. 2294

(B) "Commercial car" means any motor vehicle used for 2295
transporting persons or property, wholly on its own structure on a 2296
public highway. 2297

(C) "Commercial tractor" means any motor vehicle designed and 2298
used to propel or draw a trailer or semi-trailer or both on a 2299
public highway without having any provision for carrying loads 2300
independently of such trailer or semi-trailer. 2301

(D) "Trailer" means everything on wheels that is not 2302
self-propelled, except vehicles or machinery not designed for or 2303
employed in general highway transportation, used for carrying 2304
property wholly on its own structure and for being drawn by a 2305
motor vehicle on a public highway, including any such vehicle when 2306
formed by or operated as a combination of a semi-trailer and a 2307
vehicle of the dolly type such as that commonly known as a trailer 2308
dolly. "Trailer" does not include manufactured homes as defined in 2309
division (C)(4) of section 3781.06 of the Revised Code or mobile 2310
homes as defined in division (O) of section 4501.01 of the Revised 2311
Code. 2312

(E) "Semi-trailer" means everything on wheels that is not 2313
self-propelled, except vehicles or machinery not designed for or 2314
employed in general highway transportation, designed and used for 2315
carrying property on a public highway when being propelled or 2316
drawn by a commercial tractor when part of its own weight or the 2317
weight of its load, or both, rest upon and is carried by a 2318
commercial tractor. 2319

(F) "Commercial tandem" means any commercial car and trailer 2320
or any commercial tractor, semi-trailer, and trailer when fastened 2321
together and used as one unit. 2322

(G) "Commercial tractor combination" means any commercial 2323
tractor and semi-trailer when fastened together and used as one 2324
unit. 2325

(H) "Axle" means two or more load carrying wheels mounted in 2326
a single transverse vertical plane. 2327

(I) "Public highway" means any highway, road, or street 2328
dedicated to public use, including a highway under the control and 2329
jurisdiction of the Ohio turnpike and infrastructure commission 2330
created by the provisions of section 5537.02 of the Revised Code 2331
and land and lots over which the public, either as user or owner, 2332
generally has a right to pass even though such land or lots are 2333
closed temporarily by public authorities for the purpose of 2334
construction, reconstruction, maintenance, or repair. 2335

(J) "Jurisdiction" means a state of the United States, the 2336
District of Columbia, or a province or territory of Canada. 2337

Sec. 5735.05. (A) To provide revenue for maintaining the 2338
state highway system; to widen existing surfaces on such highways; 2339
to resurface such highways; to pay that portion of the 2340
construction cost of a highway project which a county, township, 2341
or municipal corporation normally would be required to pay, but 2342
which the director of transportation, pursuant to division (B) of 2343
section 5531.08 of the Revised Code, determines instead will be 2344
paid from moneys in the highway operating fund; to enable the 2345
counties of the state properly to plan, maintain, and repair their 2346
roads and to pay principal, interest, and charges on bonds and 2347
other obligations issued pursuant to Chapter 133. of the Revised 2348
Code or incurred pursuant to section 5531.09 of the Revised Code 2349
for highway improvements; to enable the municipal corporations to 2350
plan, construct, reconstruct, repave, widen, maintain, repair, 2351
clear, and clean public highways, roads, and streets, and to pay 2352
the principal, interest, and charges on bonds and other 2353
obligations issued pursuant to Chapter 133. of the Revised Code or 2354
incurred pursuant to section 5531.09 of the Revised Code for 2355
highway improvements; to enable the Ohio turnpike and 2356

infrastructure commission to construct, reconstruct, maintain, and 2357
repair turnpike projects; to maintain and repair bridges and 2358
viaducts; to purchase, erect, and maintain street and traffic 2359
signs and markers; to purchase, erect, and maintain traffic lights 2360
and signals; to pay the costs apportioned to the public under 2361
sections 4907.47 and 4907.471 of the Revised Code and to 2362
supplement revenue already available for such purposes; to pay the 2363
costs incurred by the public utilities commission in administering 2364
sections 4907.47 to 4907.476 of the Revised Code; to distribute 2365
equitably among those persons using the privilege of driving motor 2366
vehicles upon such highways and streets the cost of maintaining 2367
and repairing them; to pay the interest, principal, and charges on 2368
highway capital improvements bonds and other obligations issued 2369
pursuant to Section 2m of Article VIII, Ohio Constitution, and 2370
section 151.06 of the Revised Code; to pay the interest, 2371
principal, and charges on highway obligations issued pursuant to 2372
Section 2i of Article VIII, Ohio Constitution, and sections 2373
5528.30 and 5528.31 of the Revised Code; to pay the interest, 2374
principal, and charges on major new state infrastructure bonds and 2375
other obligations of the state issued pursuant to Section 13 of 2376
Article VIII, Ohio Constitution, and section 5531.10 of the 2377
Revised Code; to provide revenue for the purposes of sections 2378
1547.71 to 1547.78 of the Revised Code; and to pay the expenses of 2379
the department of taxation incident to the administration of the 2380
motor fuel laws, a motor fuel excise tax is hereby imposed on all 2381
motor fuel dealers upon receipt of motor fuel within this state at 2382
the rate of two cents plus the cents per gallon rate on each 2383
gallon so received, to be computed in the manner set forth in 2384
section 5735.06 of the Revised Code; provided that no tax is 2385
hereby imposed upon the following transactions: 2386

(1) The sale of dyed diesel fuel by a licensed motor fuel 2387
dealer from a location other than a retail service station 2388
provided the licensed motor fuel dealer places on the face of the 2389

delivery document or invoice, or both if both are used, a 2390
conspicuous notice stating that the fuel is dyed and is not for 2391
taxable use, and that taxable use of that fuel is subject to a 2392
penalty. The tax commissioner, by rule, may provide that any 2393
notice conforming to rules or regulations issued by the United 2394
States department of the treasury or the Internal Revenue Service 2395
is sufficient notice for the purposes of division (A)(1) of this 2396
section. 2397

(2) The sale of K-1 kerosene to a retail service station, 2398
except when placed directly in the fuel supply tank of a motor 2399
vehicle. Such sale shall be rebuttably presumed to not be 2400
distributed or sold for use or used to generate power for the 2401
operation of motor vehicles upon the public highways or upon the 2402
waters within the boundaries of this state. 2403

(3) The sale of motor fuel by a licensed motor fuel dealer to 2404
another licensed motor fuel dealer; 2405

(4) The exportation of motor fuel by a licensed motor fuel 2406
dealer from this state to any other state or foreign country; 2407

(5) The sale of motor fuel to the United States government or 2408
any of its agencies, except such tax as is permitted by it, where 2409
such sale is evidenced by an exemption certificate, in a form 2410
approved by the tax commissioner, executed by the United States 2411
government or an agency thereof certifying that the motor fuel 2412
therein identified has been purchased for the exclusive use of the 2413
United States government or its agency; 2414

(6) The sale of motor fuel that is in the process of 2415
transportation in foreign or interstate commerce, except insofar 2416
as it may be taxable under the Constitution and statutes of the 2417
United States, and except as may be agreed upon in writing by the 2418
dealer and the commissioner; 2419

(7) The sale of motor fuel when sold exclusively for use in 2420

the operation of aircraft, where such sale is evidenced by an 2421
exemption certificate prescribed by the commissioner and executed 2422
by the purchaser certifying that the motor fuel purchased has been 2423
purchased for exclusive use in the operation of aircraft; 2424

(8) The sale for exportation of motor fuel by a licensed 2425
motor fuel dealer to a licensed exporter type A; 2426

(9) The sale for exportation of motor fuel by a licensed 2427
motor fuel dealer to a licensed exporter type B, provided that the 2428
destination state motor fuel tax has been paid or will be accrued 2429
and paid by the licensed motor fuel dealer. 2430

(10) The sale to a consumer of diesel fuel, by a motor fuel 2431
dealer for delivery from a bulk lot vehicle, for consumption in 2432
operating a vessel when the use of such fuel in a vessel would 2433
otherwise qualify for a refund under section 5735.14 of the 2434
Revised Code. 2435

Division (A)(1) of this section does not apply to the sale or 2436
distribution of dyed diesel fuel used to operate a motor vehicle 2437
on the public highways or upon water within the boundaries of this 2438
state by persons permitted under regulations of the United States 2439
department of the treasury or of the Internal Revenue Service to 2440
so use dyed diesel fuel. 2441

(B) The two cent motor fuel tax levied by this section is 2442
also for the purpose of paying the expenses of administering and 2443
enforcing the state law relating to the registration and operation 2444
of motor vehicles. 2445

(C) After the tax provided for by this section on the receipt 2446
of any motor fuel has been paid by the motor fuel dealer, the 2447
motor fuel may thereafter be used, sold, or resold by any person 2448
having lawful title to it, without incurring liability for such 2449
tax. 2450

If a licensed motor fuel dealer sells motor fuel received by 2451

the licensed motor fuel dealer to another licensed motor fuel 2452
dealer, the seller may deduct on the report required by section 2453
5735.06 of the Revised Code the number of gallons so sold for the 2454
month within which the motor fuel was sold or delivered. In this 2455
event the number of gallons is deemed to have been received by the 2456
purchaser, who shall report and pay the tax imposed thereon. 2457

Sec. 5735.23. (A) Out of receipts from the tax levied by 2458
section 5735.05 of the Revised Code, the treasurer of state shall 2459
place to the credit of the tax refund fund established by section 2460
5703.052 of the Revised Code amounts equal to the refunds 2461
certified by the tax commissioner pursuant to sections 5735.13, 2462
5735.14, 5735.141, 5735.142, and 5735.16 of the Revised Code. The 2463
treasurer of state shall then transfer the amount required by 2464
section 5735.051 of the Revised Code to the waterways safety fund, 2465
the amount required by section 4907.472 of the Revised Code to the 2466
grade crossing protection fund, and the amount required by section 2467
5735.053 of the Revised Code to the motor fuel tax administration 2468
fund. 2469

(B) Except as provided in division (D) of this section, each 2470
month the balance of the receipts from the tax levied by section 2471
5735.05 of the Revised Code shall be credited, after receipt by 2472
the treasurer of state of certification from the commissioners of 2473
the sinking fund, as required by section 5528.35 of the Revised 2474
Code, that there are sufficient moneys to the credit of the 2475
highway obligations bond retirement fund to meet in full all 2476
payments of interest, principal, and charges for the retirement of 2477
highway obligations issued pursuant to Section 2i of Article VIII, 2478
Ohio Constitution, and sections 5528.30 and 5528.31 of the Revised 2479
Code due and payable during the current calendar year, as follows: 2480

(1) To the state and local government highway distribution 2481
fund, which is hereby created in the state treasury, an amount 2482

that is the same percentage of the balance to be credited as that 2483
portion of the tax per gallon determined under division (B)(2)(a) 2484
of section 5735.06 of the Revised Code is of the total tax per 2485
gallon determined under divisions (B)(2)(a) and (b) of that 2486
section. 2487

(2) After making the distribution to the state and local 2488
government highway distribution fund, the remainder shall be 2489
credited as follows: 2490

(a) Thirty per cent to the gasoline excise tax fund for 2491
distribution pursuant to division (A)(1) of section 5735.27 of the 2492
Revised Code; 2493

(b) Twenty-five per cent to the gasoline excise tax fund for 2494
distribution pursuant to division (A)(3) of section 5735.27 of the 2495
Revised Code; 2496

(c) Except as provided in division (D) of this section, 2497
forty-five per cent to the highway operating fund for distribution 2498
pursuant to division (B)(1) of section 5735.27 of the Revised 2499
Code. 2500

(C) From the balance in the state and local government 2501
highway distribution fund on the last day of each month there 2502
shall be paid the following amounts: 2503

(1) To the local transportation improvement program fund 2504
created by section 164.14 of the Revised Code, an amount equal to 2505
a fraction of the balance in the state and local government 2506
highway distribution fund, the numerator of which fraction is one 2507
and the denominator of which fraction is that portion of the tax 2508
per gallon determined under division (B)(2)(a) of section 5735.06 2509
of the Revised Code; 2510

(2) An amount equal to five cents multiplied by the number of 2511
gallons of motor fuel sold at stations operated by the Ohio 2512
turnpike and infrastructure commission, such gallonage to be 2513

certified by the commission to the treasurer of state not later 2514
than the last day of the month following. The funds paid to the 2515
commission pursuant to this section shall be expended for the 2516
construction, reconstruction, maintenance, and repair of turnpike 2517
projects, except that the funds may not be expended for the 2518
construction of new interchanges. The funds also may be expended 2519
for the construction, reconstruction, maintenance, and repair of 2520
those portions of connecting public roads that serve existing 2521
interchanges and are determined by the commission and the director 2522
of transportation to be necessary for the safe merging of traffic 2523
between the turnpike and those public roads. 2524

The remainder of the balance shall be distributed as follows 2525
on the fifteenth day of the following month: 2526

(a) Ten and seven-tenths per cent shall be paid to municipal 2527
corporations for distribution pursuant to division (A)(1) of 2528
section 5735.27 of the Revised Code and may be used for any 2529
purpose for which payments received under that division may be 2530
used. Through July 15, 2005, the sum of two hundred forty-eight 2531
thousand six hundred twenty-five dollars shall be monthly 2532
subtracted from the amount so computed and credited to the highway 2533
operating fund. Beginning August 15, 2005, the sum of seven 2534
hundred forty-five thousand eight hundred seventy-five dollars 2535
shall be monthly subtracted from the amount so computed and 2536
credited to the highway operating fund. 2537

(b) Five per cent shall be paid to townships for distribution 2538
pursuant to division (A)(5) of section 5735.27 of the Revised Code 2539
and may be used for any purpose for which payments received under 2540
that division may be used. Through July 15, 2005, the sum of 2541
eighty-seven thousand seven hundred fifty dollars shall be monthly 2542
subtracted from the amount so computed and credited to the highway 2543
operating fund. Beginning August 15, 2005, the sum of two hundred 2544
sixty-three thousand two hundred fifty dollars shall be monthly 2545

subtracted from the amount so computed and credited to the highway operating fund. 2546
2547

(c) Nine and three-tenths per cent shall be paid to counties 2548
for distribution pursuant to division (A)(3) of section 5735.27 of 2549
the Revised Code and may be used for any purpose for which 2550
payments received under that division may be used. Through July 2551
15, 2005, the sum of two hundred forty-eight thousand six hundred 2552
twenty-five dollars shall be monthly subtracted from the amount so 2553
computed and credited to the highway operating fund. Beginning 2554
August 15, 2005, the sum of seven hundred forty-five thousand 2555
eight hundred seventy-five dollars shall be monthly subtracted 2556
from the amount so computed and credited to the highway operating 2557
fund. 2558

(d) Except as provided in division (D) of this section, the 2559
balance shall be transferred to the highway operating fund and 2560
used for the purposes set forth in division (B)(1) of section 2561
5735.27 of the Revised Code. 2562

(D) Monthly from September to February of each fiscal year, 2563
an amount equal to one-sixth of the amount certified in July of 2564
that year by the treasurer of state pursuant to division (Q) of 2565
section 151.01 of the Revised Code shall, from amounts required to 2566
be credited or transferred to the highway operating fund pursuant 2567
to division (B)(2)(c) or (C)(2)(d) of this section, be credited or 2568
transferred to the highway capital improvement bond service fund 2569
created in section 151.06 of the Revised Code. If, in any of those 2570
months, the amount available to be credited or transferred to the 2571
bond service fund is less than one-sixth of the amount so 2572
certified, the shortfall shall be added to the amount due the next 2573
succeeding month. Any amount still due at the end of the six-month 2574
period shall be credited or transferred as the money becomes 2575
available, until such time as the office of budget and management 2576
receives certification from the treasurer of state or the 2577

treasurer of state's designee that sufficient money has been 2578
credited or transferred to the bond service fund to meet in full 2579
all payments of debt service and financing costs due during the 2580
fiscal year from that fund. 2581

Sec. 5739.02. For the purpose of providing revenue with which 2582
to meet the needs of the state, for the use of the general revenue 2583
fund of the state, for the purpose of securing a thorough and 2584
efficient system of common schools throughout the state, for the 2585
purpose of affording revenues, in addition to those from general 2586
property taxes, permitted under constitutional limitations, and 2587
from other sources, for the support of local governmental 2588
functions, and for the purpose of reimbursing the state for the 2589
expense of administering this chapter, an excise tax is hereby 2590
levied on each retail sale made in this state. 2591

(A)(1) The tax shall be collected as provided in section 2592
5739.025 of the Revised Code. The rate of the tax shall be five 2593
and one-half per cent. The tax applies and is collectible when the 2594
sale is made, regardless of the time when the price is paid or 2595
delivered. 2596

(2) In the case of the lease or rental, with a fixed term of 2597
more than thirty days or an indefinite term with a minimum period 2598
of more than thirty days, of any motor vehicles designed by the 2599
manufacturer to carry a load of not more than one ton, watercraft, 2600
outboard motor, or aircraft, or of any tangible personal property, 2601
other than motor vehicles designed by the manufacturer to carry a 2602
load of more than one ton, to be used by the lessee or renter 2603
primarily for business purposes, the tax shall be collected by the 2604
vendor at the time the lease or rental is consummated and shall be 2605
calculated by the vendor on the basis of the total amount to be 2606
paid by the lessee or renter under the lease agreement. If the 2607
total amount of the consideration for the lease or rental includes 2608

amounts that are not calculated at the time the lease or rental is 2609
executed, the tax shall be calculated and collected by the vendor 2610
at the time such amounts are billed to the lessee or renter. In 2611
the case of an open-end lease or rental, the tax shall be 2612
calculated by the vendor on the basis of the total amount to be 2613
paid during the initial fixed term of the lease or rental, and for 2614
each subsequent renewal period as it comes due. As used in this 2615
division, "motor vehicle" has the same meaning as in section 2616
4501.01 of the Revised Code, and "watercraft" includes an outdrive 2617
unit attached to the watercraft. 2618

A lease with a renewal clause and a termination penalty or 2619
similar provision that applies if the renewal clause is not 2620
exercised is presumed to be a sham transaction. In such a case, 2621
the tax shall be calculated and paid on the basis of the entire 2622
length of the lease period, including any renewal periods, until 2623
the termination penalty or similar provision no longer applies. 2624
The taxpayer shall bear the burden, by a preponderance of the 2625
evidence, that the transaction or series of transactions is not a 2626
sham transaction. 2627

(3) Except as provided in division (A)(2) of this section, in 2628
the case of a sale, the price of which consists in whole or in 2629
part of the lease or rental of tangible personal property, the tax 2630
shall be measured by the installments of that lease or rental. 2631

(4) In the case of a sale of a physical fitness facility 2632
service or recreation and sports club service, the price of which 2633
consists in whole or in part of a membership for the receipt of 2634
the benefit of the service, the tax applicable to the sale shall 2635
be measured by the installments thereof. 2636

(B) The tax does not apply to the following: 2637

(1) Sales to the state or any of its political subdivisions, 2638
or to any other state or its political subdivisions if the laws of 2639

that state exempt from taxation sales made to this state and its	2640
political subdivisions;	2641
(2) Sales of food for human consumption off the premises	2642
where sold;	2643
(3) Sales of food sold to students only in a cafeteria,	2644
dormitory, fraternity, or sorority maintained in a private,	2645
public, or parochial school, college, or university;	2646
(4) Sales of newspapers and of magazine subscriptions and	2647
sales or transfers of magazines distributed as controlled	2648
circulation publications;	2649
(5) The furnishing, preparing, or serving of meals without	2650
charge by an employer to an employee provided the employer records	2651
the meals as part compensation for services performed or work	2652
done;	2653
(6) Sales of motor fuel upon receipt, use, distribution, or	2654
sale of which in this state a tax is imposed by the law of this	2655
state, but this exemption shall not apply to the sale of motor	2656
fuel on which a refund of the tax is allowable under division (A)	2657
of section 5735.14 of the Revised Code; and the tax commissioner	2658
may deduct the amount of tax levied by this section applicable to	2659
the price of motor fuel when granting a refund of motor fuel tax	2660
pursuant to division (A) of section 5735.14 of the Revised Code	2661
and shall cause the amount deducted to be paid into the general	2662
revenue fund of this state;	2663
(7) Sales of natural gas by a natural gas company, of water	2664
by a water-works company, or of steam by a heating company, if in	2665
each case the thing sold is delivered to consumers through pipes	2666
or conduits, and all sales of communications services by a	2667
telegraph company, all terms as defined in section 5727.01 of the	2668
Revised Code, and sales of electricity delivered through wires;	2669
(8) Casual sales by a person, or auctioneer employed directly	2670

by the person to conduct such sales, except as to such sales of 2671
motor vehicles, watercraft or outboard motors required to be 2672
titled under section 1548.06 of the Revised Code, watercraft 2673
documented with the United States coast guard, snowmobiles, and 2674
all-purpose vehicles as defined in section 4519.01 of the Revised 2675
Code; 2676

(9)(a) Sales of services or tangible personal property, other 2677
than motor vehicles, mobile homes, and manufactured homes, by 2678
churches, organizations exempt from taxation under section 2679
501(c)(3) of the Internal Revenue Code of 1986, or nonprofit 2680
organizations operated exclusively for charitable purposes as 2681
defined in division (B)(12) of this section, provided that the 2682
number of days on which such tangible personal property or 2683
services, other than items never subject to the tax, are sold does 2684
not exceed six in any calendar year, except as otherwise provided 2685
in division (B)(9)(b) of this section. If the number of days on 2686
which such sales are made exceeds six in any calendar year, the 2687
church or organization shall be considered to be engaged in 2688
business and all subsequent sales by it shall be subject to the 2689
tax. In counting the number of days, all sales by groups within a 2690
church or within an organization shall be considered to be sales 2691
of that church or organization. 2692

(b) The limitation on the number of days on which tax-exempt 2693
sales may be made by a church or organization under division 2694
(B)(9)(a) of this section does not apply to sales made by student 2695
clubs and other groups of students of a primary or secondary 2696
school, or a parent-teacher association, booster group, or similar 2697
organization that raises money to support or fund curricular or 2698
extracurricular activities of a primary or secondary school. 2699

(c) Divisions (B)(9)(a) and (b) of this section do not apply 2700
to sales by a noncommercial educational radio or television 2701
broadcasting station. 2702

(10) Sales not within the taxing power of this state under the Constitution of the United States; 2703
2704

(11) Except for transactions that are sales under division (B)(3)(r) of section 5739.01 of the Revised Code, the transportation of persons or property, unless the transportation is by a private investigation and security service; 2705
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(12) Sales of tangible personal property or services to churches, to organizations exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, and to any other nonprofit organizations operated exclusively for charitable purposes in this state, no part of the net income of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which consists of carrying on propaganda or otherwise attempting to influence legislation; sales to offices administering one or more homes for the aged or one or more hospital facilities exempt under section 140.08 of the Revised Code; and sales to organizations described in division (D) of section 5709.12 of the Revised Code. 2709
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"Charitable purposes" means the relief of poverty; the improvement of health through the alleviation of illness, disease, or injury; the operation of an organization exclusively for the provision of professional, laundry, printing, and purchasing services to hospitals or charitable institutions; the operation of a home for the aged, as defined in section 5701.13 of the Revised Code; the operation of a radio or television broadcasting station that is licensed by the federal communications commission as a noncommercial educational radio or television station; the operation of a nonprofit animal adoption service or a county humane society; the promotion of education by an institution of learning that maintains a faculty of qualified instructors, teaches regular continuous courses of study, and confers a recognized diploma upon completion of a specific curriculum; the 2721
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operation of a parent-teacher association, booster group, or 2735
similar organization primarily engaged in the promotion and 2736
support of the curricular or extracurricular activities of a 2737
primary or secondary school; the operation of a community or area 2738
center in which presentations in music, dramatics, the arts, and 2739
related fields are made in order to foster public interest and 2740
education therein; the production of performances in music, 2741
dramatics, and the arts; or the promotion of education by an 2742
organization engaged in carrying on research in, or the 2743
dissemination of, scientific and technological knowledge and 2744
information primarily for the public. 2745

Nothing in this division shall be deemed to exempt sales to 2746
any organization for use in the operation or carrying on of a 2747
trade or business, or sales to a home for the aged for use in the 2748
operation of independent living facilities as defined in division 2749
(A) of section 5709.12 of the Revised Code. 2750

(13) Building and construction materials and services sold to 2751
construction contractors for incorporation into a structure or 2752
improvement to real property under a construction contract with 2753
this state or a political subdivision of this state, or with the 2754
United States government or any of its agencies; building and 2755
construction materials and services sold to construction 2756
contractors for incorporation into a structure or improvement to 2757
real property that are accepted for ownership by this state or any 2758
of its political subdivisions, or by the United States government 2759
or any of its agencies at the time of completion of the structures 2760
or improvements; building and construction materials sold to 2761
construction contractors for incorporation into a horticulture 2762
structure or livestock structure for a person engaged in the 2763
business of horticulture or producing livestock; building 2764
materials and services sold to a construction contractor for 2765
incorporation into a house of public worship or religious 2766

education, or a building used exclusively for charitable purposes 2767
under a construction contract with an organization whose purpose 2768
is as described in division (B)(12) of this section; building 2769
materials and services sold to a construction contractor for 2770
incorporation into a building under a construction contract with 2771
an organization exempt from taxation under section 501(c)(3) of 2772
the Internal Revenue Code of 1986 when the building is to be used 2773
exclusively for the organization's exempt purposes; building and 2774
construction materials sold for incorporation into the original 2775
construction of a sports facility under section 307.696 of the 2776
Revised Code; building and construction materials and services 2777
sold to a construction contractor for incorporation into real 2778
property outside this state if such materials and services, when 2779
sold to a construction contractor in the state in which the real 2780
property is located for incorporation into real property in that 2781
state, would be exempt from a tax on sales levied by that state; 2782
and, until one calendar year after the construction of a 2783
convention center that qualifies for property tax exemption under 2784
section 5709.084 of the Revised Code is completed, building and 2785
construction materials and services sold to a construction 2786
contractor for incorporation into the real property comprising 2787
that convention center; 2788

(14) Sales of ships or vessels or rail rolling stock used or 2789
to be used principally in interstate or foreign commerce, and 2790
repairs, alterations, fuel, and lubricants for such ships or 2791
vessels or rail rolling stock; 2792

(15) Sales to persons primarily engaged in any of the 2793
activities mentioned in division (B)(42)(a), (g), or (h) of this 2794
section, to persons engaged in making retail sales, or to persons 2795
who purchase for sale from a manufacturer tangible personal 2796
property that was produced by the manufacturer in accordance with 2797
specific designs provided by the purchaser, of packages, including 2798

material, labels, and parts for packages, and of machinery, 2799
equipment, and material for use primarily in packaging tangible 2800
personal property produced for sale, including any machinery, 2801
equipment, and supplies used to make labels or packages, to 2802
prepare packages or products for labeling, or to label packages or 2803
products, by or on the order of the person doing the packaging, or 2804
sold at retail. "Packages" includes bags, baskets, cartons, 2805
crates, boxes, cans, bottles, bindings, wrappings, and other 2806
similar devices and containers, but does not include motor 2807
vehicles or bulk tanks, trailers, or similar devices attached to 2808
motor vehicles. "Packaging" means placing in a package. Division 2809
(B)(15) of this section does not apply to persons engaged in 2810
highway transportation for hire. 2811

(16) Sales of food to persons using supplemental nutrition 2812
assistance program benefits to purchase the food. As used in this 2813
division, "food" has the same meaning as in 7 U.S.C. 2012 and 2814
federal regulations adopted pursuant to the Food and Nutrition Act 2815
of 2008. 2816

(17) Sales to persons engaged in farming, agriculture, 2817
horticulture, or floriculture, of tangible personal property for 2818
use or consumption primarily in the production by farming, 2819
agriculture, horticulture, or floriculture of other tangible 2820
personal property for use or consumption primarily in the 2821
production of tangible personal property for sale by farming, 2822
agriculture, horticulture, or floriculture; or material and parts 2823
for incorporation into any such tangible personal property for use 2824
or consumption in production; and of tangible personal property 2825
for such use or consumption in the conditioning or holding of 2826
products produced by and for such use, consumption, or sale by 2827
persons engaged in farming, agriculture, horticulture, or 2828
floriculture, except where such property is incorporated into real 2829
property; 2830

(18) Sales of drugs for a human being that may be dispensed 2831
only pursuant to a prescription; insulin as recognized in the 2832
official United States pharmacopoeia; urine and blood testing 2833
materials when used by diabetics or persons with hypoglycemia to 2834
test for glucose or acetone; hypodermic syringes and needles when 2835
used by diabetics for insulin injections; epoetin alfa when 2836
purchased for use in the treatment of persons with medical 2837
disease; hospital beds when purchased by hospitals, nursing homes, 2838
or other medical facilities; and medical oxygen and medical 2839
oxygen-dispensing equipment when purchased by hospitals, nursing 2840
homes, or other medical facilities; 2841

(19) Sales of prosthetic devices, durable medical equipment 2842
for home use, or mobility enhancing equipment, when made pursuant 2843
to a prescription and when such devices or equipment are for use 2844
by a human being. 2845

(20) Sales of emergency and fire protection vehicles and 2846
equipment to nonprofit organizations for use solely in providing 2847
fire protection and emergency services, including trauma care and 2848
emergency medical services, for political subdivisions of the 2849
state; 2850

(21) Sales of tangible personal property manufactured in this 2851
state, if sold by the manufacturer in this state to a retailer for 2852
use in the retail business of the retailer outside of this state 2853
and if possession is taken from the manufacturer by the purchaser 2854
within this state for the sole purpose of immediately removing the 2855
same from this state in a vehicle owned by the purchaser; 2856

(22) Sales of services provided by the state or any of its 2857
political subdivisions, agencies, instrumentalities, institutions, 2858
or authorities, or by governmental entities of the state or any of 2859
its political subdivisions, agencies, instrumentalities, 2860
institutions, or authorities; 2861

(23) Sales of motor vehicles to nonresidents of this state	2862
under the circumstances described in division (B) of section	2863
5739.029 of the Revised Code;	2864
(24) Sales to persons engaged in the preparation of eggs for	2865
sale of tangible personal property used or consumed directly in	2866
such preparation, including such tangible personal property used	2867
for cleaning, sanitizing, preserving, grading, sorting, and	2868
classifying by size; packages, including material and parts for	2869
packages, and machinery, equipment, and material for use in	2870
packaging eggs for sale; and handling and transportation equipment	2871
and parts therefor, except motor vehicles licensed to operate on	2872
public highways, used in intraplant or interplant transfers or	2873
shipment of eggs in the process of preparation for sale, when the	2874
plant or plants within or between which such transfers or	2875
shipments occur are operated by the same person. "Packages"	2876
includes containers, cases, baskets, flats, fillers, filler flats,	2877
cartons, closure materials, labels, and labeling materials, and	2878
"packaging" means placing therein.	2879
(25)(a) Sales of water to a consumer for residential use;	2880
(b) Sales of water by a nonprofit corporation engaged	2881
exclusively in the treatment, distribution, and sale of water to	2882
consumers, if such water is delivered to consumers through pipes	2883
or tubing.	2884
(26) Fees charged for inspection or reinspection of motor	2885
vehicles under section 3704.14 of the Revised Code;	2886
(27) Sales to persons licensed to conduct a food service	2887
operation pursuant to section 3717.43 of the Revised Code, of	2888
tangible personal property primarily used directly for the	2889
following:	2890
(a) To prepare food for human consumption for sale;	2891
(b) To preserve food that has been or will be prepared for	2892

human consumption for sale by the food service operator, not	2893
including tangible personal property used to display food for	2894
selection by the consumer;	2895
(c) To clean tangible personal property used to prepare or	2896
serve food for human consumption for sale.	2897
(28) Sales of animals by nonprofit animal adoption services	2898
or county humane societies;	2899
(29) Sales of services to a corporation described in division	2900
(A) of section 5709.72 of the Revised Code, and sales of tangible	2901
personal property that qualifies for exemption from taxation under	2902
section 5709.72 of the Revised Code;	2903
(30) Sales and installation of agricultural land tile, as	2904
defined in division (B)(5)(a) of section 5739.01 of the Revised	2905
Code;	2906
(31) Sales and erection or installation of portable grain	2907
bins, as defined in division (B)(5)(b) of section 5739.01 of the	2908
Revised Code;	2909
(32) The sale, lease, repair, and maintenance of, parts for,	2910
or items attached to or incorporated in, motor vehicles that are	2911
primarily used for transporting tangible personal property	2912
belonging to others by a person engaged in highway transportation	2913
for hire, except for packages and packaging used for the	2914
transportation of tangible personal property;	2915
(33) Sales to the state headquarters of any veterans'	2916
organization in this state that is either incorporated and issued	2917
a charter by the congress of the United States or is recognized by	2918
the United States veterans administration, for use by the	2919
headquarters;	2920
(34) Sales to a telecommunications service vendor, mobile	2921
telecommunications service vendor, or satellite broadcasting	2922

service vendor of tangible personal property and services used 2923
directly and primarily in transmitting, receiving, switching, or 2924
recording any interactive, one- or two-way electromagnetic 2925
communications, including voice, image, data, and information, 2926
through the use of any medium, including, but not limited to, 2927
poles, wires, cables, switching equipment, computers, and record 2928
storage devices and media, and component parts for the tangible 2929
personal property. The exemption provided in this division shall 2930
be in lieu of all other exemptions under division (B)(42)(a) or 2931
(n) of this section to which the vendor may otherwise be entitled, 2932
based upon the use of the thing purchased in providing the 2933
telecommunications, mobile telecommunications, or satellite 2934
broadcasting service. 2935

(35)(a) Sales where the purpose of the consumer is to use or 2936
consume the things transferred in making retail sales and 2937
consisting of newspaper inserts, catalogues, coupons, flyers, gift 2938
certificates, or other advertising material that prices and 2939
describes tangible personal property offered for retail sale. 2940

(b) Sales to direct marketing vendors of preliminary 2941
materials such as photographs, artwork, and typesetting that will 2942
be used in printing advertising material; and of printed matter 2943
that offers free merchandise or chances to win sweepstake prizes 2944
and that is mailed to potential customers with advertising 2945
material described in division (B)(35)(a) of this section; 2946

(c) Sales of equipment such as telephones, computers, 2947
facsimile machines, and similar tangible personal property 2948
primarily used to accept orders for direct marketing retail sales. 2949

(d) Sales of automatic food vending machines that preserve 2950
food with a shelf life of forty-five days or less by refrigeration 2951
and dispense it to the consumer. 2952

For purposes of division (B)(35) of this section, "direct 2953

marketing" means the method of selling where consumers order 2954
tangible personal property by United States mail, delivery 2955
service, or telecommunication and the vendor delivers or ships the 2956
tangible personal property sold to the consumer from a warehouse, 2957
catalogue distribution center, or similar fulfillment facility by 2958
means of the United States mail, delivery service, or common 2959
carrier. 2960

(36) Sales to a person engaged in the business of 2961
horticulture or producing livestock of materials to be 2962
incorporated into a horticulture structure or livestock structure; 2963

(37) Sales of personal computers, computer monitors, computer 2964
keyboards, modems, and other peripheral computer equipment to an 2965
individual who is licensed or certified to teach in an elementary 2966
or a secondary school in this state for use by that individual in 2967
preparation for teaching elementary or secondary school students; 2968

(38) Sales to a professional racing team of any of the 2969
following: 2970

(a) Motor racing vehicles; 2971

(b) Repair services for motor racing vehicles; 2972

(c) Items of property that are attached to or incorporated in 2973
motor racing vehicles, including engines, chassis, and all other 2974
components of the vehicles, and all spare, replacement, and 2975
rebuilt parts or components of the vehicles; except not including 2976
tires, consumable fluids, paint, and accessories consisting of 2977
instrumentation sensors and related items added to the vehicle to 2978
collect and transmit data by means of telemetry and other forms of 2979
communication. 2980

(39) Sales of used manufactured homes and used mobile homes, 2981
as defined in section 5739.0210 of the Revised Code, made on or 2982
after January 1, 2000; 2983

(40) Sales of tangible personal property and services to a provider of electricity used or consumed directly and primarily in generating, transmitting, or distributing electricity for use by others, including property that is or is to be incorporated into and will become a part of the consumer's production, transmission, or distribution system and that retains its classification as tangible personal property after incorporation; fuel or power used in the production, transmission, or distribution of electricity; energy conversion equipment as defined in section 5727.01 of the Revised Code; and tangible personal property and services used in the repair and maintenance of the production, transmission, or distribution system, including only those motor vehicles as are specially designed and equipped for such use. The exemption provided in this division shall be in lieu of all other exemptions in division (B)(42)(a) or (n) of this section to which a provider of electricity may otherwise be entitled based on the use of the tangible personal property or service purchased in generating, transmitting, or distributing electricity.

(41) Sales to a person providing services under division (B)(3)(r) of section 5739.01 of the Revised Code of tangible personal property and services used directly and primarily in providing taxable services under that section.

(42) Sales where the purpose of the purchaser is to do any of the following:

(a) To incorporate the thing transferred as a material or a part into tangible personal property to be produced for sale by manufacturing, assembling, processing, or refining; or to use or consume the thing transferred directly in producing tangible personal property for sale by mining, including, without limitation, the extraction from the earth of all substances that are classed geologically as minerals, production of crude oil and natural gas, or directly in the rendition of a public utility

service, except that the sales tax levied by this section shall be 3016
collected upon all meals, drinks, and food for human consumption 3017
sold when transporting persons. Persons engaged in rendering 3018
services in the exploration for, and production of, crude oil and 3019
natural gas for others are deemed engaged directly in the 3020
exploration for, and production of, crude oil and natural gas. 3021
This paragraph does not exempt from "retail sale" or "sales at 3022
retail" the sale of tangible personal property that is to be 3023
incorporated into a structure or improvement to real property. 3024

(b) To hold the thing transferred as security for the 3025
performance of an obligation of the vendor; 3026

(c) To resell, hold, use, or consume the thing transferred as 3027
evidence of a contract of insurance; 3028

(d) To use or consume the thing directly in commercial 3029
fishing; 3030

(e) To incorporate the thing transferred as a material or a 3031
part into, or to use or consume the thing transferred directly in 3032
the production of, magazines distributed as controlled circulation 3033
publications; 3034

(f) To use or consume the thing transferred in the production 3035
and preparation in suitable condition for market and sale of 3036
printed, imprinted, overprinted, lithographic, multilithic, 3037
blueprinted, photostatic, or other productions or reproductions of 3038
written or graphic matter; 3039

(g) To use the thing transferred, as described in section 3040
5739.011 of the Revised Code, primarily in a manufacturing 3041
operation to produce tangible personal property for sale; 3042

(h) To use the benefit of a warranty, maintenance or service 3043
contract, or similar agreement, as described in division (B)(7) of 3044
section 5739.01 of the Revised Code, to repair or maintain 3045
tangible personal property, if all of the property that is the 3046

subject of the warranty, contract, or agreement would not be 3047
subject to the tax imposed by this section; 3048

(i) To use the thing transferred as qualified research and 3049
development equipment; 3050

(j) To use or consume the thing transferred primarily in 3051
storing, transporting, mailing, or otherwise handling purchased 3052
sales inventory in a warehouse, distribution center, or similar 3053
facility when the inventory is primarily distributed outside this 3054
state to retail stores of the person who owns or controls the 3055
warehouse, distribution center, or similar facility, to retail 3056
stores of an affiliated group of which that person is a member, or 3057
by means of direct marketing. This division does not apply to 3058
motor vehicles registered for operation on the public highways. As 3059
used in this division, "affiliated group" has the same meaning as 3060
in division (B)(3)(e) of section 5739.01 of the Revised Code and 3061
"direct marketing" has the same meaning as in division (B)(35) of 3062
this section. 3063

(k) To use or consume the thing transferred to fulfill a 3064
contractual obligation incurred by a warrantor pursuant to a 3065
warranty provided as a part of the price of the tangible personal 3066
property sold or by a vendor of a warranty, maintenance or service 3067
contract, or similar agreement the provision of which is defined 3068
as a sale under division (B)(7) of section 5739.01 of the Revised 3069
Code; 3070

(l) To use or consume the thing transferred in the production 3071
of a newspaper for distribution to the public; 3072

(m) To use tangible personal property to perform a service 3073
listed in division (B)(3) of section 5739.01 of the Revised Code, 3074
if the property is or is to be permanently transferred to the 3075
consumer of the service as an integral part of the performance of 3076
the service; 3077

(n) To use or consume the thing transferred primarily in producing tangible personal property for sale by farming, agriculture, horticulture, or floriculture. Persons engaged in rendering farming, agriculture, horticulture, or floriculture services for others are deemed engaged primarily in farming, agriculture, horticulture, or floriculture. This paragraph does not exempt from "retail sale" or "sales at retail" the sale of tangible personal property that is to be incorporated into a structure or improvement to real property.

(o) To use or consume the thing transferred in acquiring, formatting, editing, storing, and disseminating data or information by electronic publishing.

As used in division (B)(42) of this section, "thing" includes all transactions included in divisions (B)(3)(a), (b), and (e) of section 5739.01 of the Revised Code.

(43) Sales conducted through a coin operated device that activates vacuum equipment or equipment that dispenses water, whether or not in combination with soap or other cleaning agents or wax, to the consumer for the consumer's use on the premises in washing, cleaning, or waxing a motor vehicle, provided no other personal property or personal service is provided as part of the transaction.

(44) Sales of replacement and modification parts for engines, airframes, instruments, and interiors in, and paint for, aircraft used primarily in a fractional aircraft ownership program, and sales of services for the repair, modification, and maintenance of such aircraft, and machinery, equipment, and supplies primarily used to provide those services.

(45) Sales of telecommunications service that is used directly and primarily to perform the functions of a call center. As used in this division, "call center" means any physical

location where telephone calls are placed or received in high 3109
volume for the purpose of making sales, marketing, customer 3110
service, technical support, or other specialized business 3111
activity, and that employs at least fifty individuals that engage 3112
in call center activities on a full-time basis, or sufficient 3113
individuals to fill fifty full-time equivalent positions. 3114

(46) Sales by a telecommunications service vendor of 900 3115
service to a subscriber. This division does not apply to 3116
information services, as defined in division (FF) of section 3117
5739.01 of the Revised Code. 3118

(47) Sales of value-added non-voice data service. This 3119
division does not apply to any similar service that is not 3120
otherwise a telecommunications service. 3121

(48)(a) Sales of machinery, equipment, and software to a 3122
qualified direct selling entity for use in a warehouse or 3123
distribution center primarily for storing, transporting, or 3124
otherwise handling inventory that is held for sale to independent 3125
salespersons who operate as direct sellers and that is held 3126
primarily for distribution outside this state; 3127

(b) As used in division (B)(48)(a) of this section: 3128

(i) "Direct seller" means a person selling consumer products 3129
to individuals for personal or household use and not from a fixed 3130
retail location, including selling such product at in-home product 3131
demonstrations, parties, and other one-on-one selling. 3132

(ii) "Qualified direct selling entity" means an entity 3133
selling to direct sellers at the time the entity enters into a tax 3134
credit agreement with the tax credit authority pursuant to section 3135
122.17 of the Revised Code, provided that the agreement was 3136
entered into on or after January 1, 2007. Neither contingencies 3137
relevant to the granting of, nor later developments with respect 3138
to, the tax credit shall impair the status of the qualified direct 3139

selling entity under division (B)(48) of this section after 3140
execution of the tax credit agreement by the tax credit authority. 3141

(c) Division (B)(48) of this section is limited to machinery, 3142
equipment, and software first stored, used, or consumed in this 3143
state within the period commencing June 24, 2008, and ending on 3144
the date that is five years after that date. 3145

(49) Sales of materials, parts, equipment, or engines used in 3146
the repair or maintenance of aircraft or avionics systems of such 3147
aircraft, and sales of repair, remodeling, replacement, or 3148
maintenance services in this state performed on aircraft or on an 3149
aircraft's avionics, engine, or component materials or parts. As 3150
used in division (B)(49) of this section, "aircraft" means 3151
aircraft of more than six thousand pounds maximum certified 3152
takeoff weight or used exclusively in general aviation. 3153

(50) Sales of full flight simulators that are used for pilot 3154
or flight-crew training, sales of repair or replacement parts or 3155
components, and sales of repair or maintenance services for such 3156
full flight simulators. "Full flight simulator" means a replica of 3157
a specific type, or make, model, and series of aircraft cockpit. 3158
It includes the assemblage of equipment and computer programs 3159
necessary to represent aircraft operations in ground and flight 3160
conditions, a visual system providing an out-of-the-cockpit view, 3161
and a system that provides cues at least equivalent to those of a 3162
three-degree-of-freedom motion system, and has the full range of 3163
capabilities of the systems installed in the device as described 3164
in appendices A and B of part 60 of chapter 1 of title 14 of the 3165
Code of Federal Regulations. 3166

(51) Any transfer or lease of tangible personal property 3167
~~between the state and a successful proposer in accordance with~~ 3168
~~sections 126.60 to 126.605 of the Revised Code, provided the~~ 3169
~~property is part of a project as defined in section 126.60 of the~~ 3170
~~Revised Code and the state retains ownership of the project or~~ 3171

~~part thereof that is being transferred or leased,~~ between the 3172
state and JobsOhio in accordance with section 4313.02 of the 3173
Revised Code. 3174

(C) For the purpose of the proper administration of this 3175
chapter, and to prevent the evasion of the tax, it is presumed 3176
that all sales made in this state are subject to the tax until the 3177
contrary is established. 3178

(D) The levy of this tax on retail sales of recreation and 3179
sports club service shall not prevent a municipal corporation from 3180
levying any tax on recreation and sports club dues or on any 3181
income generated by recreation and sports club dues. 3182

(E) The tax collected by the vendor from the consumer under 3183
this chapter is not part of the price, but is a tax collection for 3184
the benefit of the state, and of counties levying an additional 3185
sales tax pursuant to section 5739.021 or 5739.026 of the Revised 3186
Code and of transit authorities levying an additional sales tax 3187
pursuant to section 5739.023 of the Revised Code. Except for the 3188
discount authorized under section 5739.12 of the Revised Code and 3189
the effects of any rounding pursuant to section 5703.055 of the 3190
Revised Code, no person other than the state or such a county or 3191
transit authority shall derive any benefit from the collection or 3192
payment of the tax levied by this section or section 5739.021, 3193
5739.023, or 5739.026 of the Revised Code. 3194

Sec. 5747.01. Except as otherwise expressly provided or 3195
clearly appearing from the context, any term used in this chapter 3196
that is not otherwise defined in this section has the same meaning 3197
as when used in a comparable context in the laws of the United 3198
States relating to federal income taxes or if not used in a 3199
comparable context in those laws, has the same meaning as in 3200
section 5733.40 of the Revised Code. Any reference in this chapter 3201
to the Internal Revenue Code includes other laws of the United 3202

States relating to federal income taxes.	3203
As used in this chapter:	3204
(A) "Adjusted gross income" or "Ohio adjusted gross income"	3205
means federal adjusted gross income, as defined and used in the	3206
Internal Revenue Code, adjusted as provided in this section:	3207
(1) Add interest or dividends on obligations or securities of	3208
any state or of any political subdivision or authority of any	3209
state, other than this state and its subdivisions and authorities.	3210
(2) Add interest or dividends on obligations of any	3211
authority, commission, instrumentality, territory, or possession	3212
of the United States to the extent that the interest or dividends	3213
are exempt from federal income taxes but not from state income	3214
taxes.	3215
(3) Deduct interest or dividends on obligations of the United	3216
States and its territories and possessions or of any authority,	3217
commission, or instrumentality of the United States to the extent	3218
that the interest or dividends are included in federal adjusted	3219
gross income but exempt from state income taxes under the laws of	3220
the United States.	3221
(4) Deduct disability and survivor's benefits to the extent	3222
included in federal adjusted gross income.	3223
(5) Deduct benefits under Title II of the Social Security Act	3224
and tier 1 railroad retirement benefits to the extent included in	3225
federal adjusted gross income under section 86 of the Internal	3226
Revenue Code.	3227
(6) In the case of a taxpayer who is a beneficiary of a trust	3228
that makes an accumulation distribution as defined in section 665	3229
of the Internal Revenue Code, add, for the beneficiary's taxable	3230
years beginning before 2002, the portion, if any, of such	3231
distribution that does not exceed the undistributed net income of	3232

the trust for the three taxable years preceding the taxable year 3233
in which the distribution is made to the extent that the portion 3234
was not included in the trust's taxable income for any of the 3235
trust's taxable years beginning in 2002 or thereafter. 3236

"Undistributed net income of a trust" means the taxable income of 3237
the trust increased by (a)(i) the additions to adjusted gross 3238
income required under division (A) of this section and (ii) the 3239
personal exemptions allowed to the trust pursuant to section 3240
642(b) of the Internal Revenue Code, and decreased by (b)(i) the 3241
deductions to adjusted gross income required under division (A) of 3242
this section, (ii) the amount of federal income taxes attributable 3243
to such income, and (iii) the amount of taxable income that has 3244
been included in the adjusted gross income of a beneficiary by 3245
reason of a prior accumulation distribution. Any undistributed net 3246
income included in the adjusted gross income of a beneficiary 3247
shall reduce the undistributed net income of the trust commencing 3248
with the earliest years of the accumulation period. 3249

(7) Deduct the amount of wages and salaries, if any, not 3250
otherwise allowable as a deduction but that would have been 3251
allowable as a deduction in computing federal adjusted gross 3252
income for the taxable year, had the targeted jobs credit allowed 3253
and determined under sections 38, 51, and 52 of the Internal 3254
Revenue Code not been in effect. 3255

(8) Deduct any interest or interest equivalent on public 3256
obligations and purchase obligations to the extent that the 3257
interest or interest equivalent is included in federal adjusted 3258
gross income. 3259

(9) Add any loss or deduct any gain resulting from the sale, 3260
exchange, or other disposition of public obligations to the extent 3261
that the loss has been deducted or the gain has been included in 3262
computing federal adjusted gross income. 3263

(10) Deduct or add amounts, as provided under section 5747.70 3264

of the Revised Code, related to contributions to variable college 3265
savings program accounts made or tuition units purchased pursuant 3266
to Chapter 3334. of the Revised Code. 3267

(11)(a) Deduct, to the extent not otherwise allowable as a 3268
deduction or exclusion in computing federal or Ohio adjusted gross 3269
income for the taxable year, the amount the taxpayer paid during 3270
the taxable year for medical care insurance and qualified 3271
long-term care insurance for the taxpayer, the taxpayer's spouse, 3272
and dependents. No deduction for medical care insurance under 3273
division (A)(11) of this section shall be allowed either to any 3274
taxpayer who is eligible to participate in any subsidized health 3275
plan maintained by any employer of the taxpayer or of the 3276
taxpayer's spouse, or to any taxpayer who is entitled to, or on 3277
application would be entitled to, benefits under part A of Title 3278
XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 3279
301, as amended. For the purposes of division (A)(11)(a) of this 3280
section, "subsidized health plan" means a health plan for which 3281
the employer pays any portion of the plan's cost. The deduction 3282
allowed under division (A)(11)(a) of this section shall be the net 3283
of any related premium refunds, related premium reimbursements, or 3284
related insurance premium dividends received during the taxable 3285
year. 3286

(b) Deduct, to the extent not otherwise deducted or excluded 3287
in computing federal or Ohio adjusted gross income during the 3288
taxable year, the amount the taxpayer paid during the taxable 3289
year, not compensated for by any insurance or otherwise, for 3290
medical care of the taxpayer, the taxpayer's spouse, and 3291
dependents, to the extent the expenses exceed seven and one-half 3292
per cent of the taxpayer's federal adjusted gross income. 3293

(c) Deduct, to the extent not otherwise deducted or excluded 3294
in computing federal or Ohio adjusted gross income, any amount 3295
included in federal adjusted gross income under section 105 or not 3296

excluded under section 106 of the Internal Revenue Code solely 3297
because it relates to an accident and health plan for a person who 3298
otherwise would be a "qualifying relative" and thus a "dependent" 3299
under section 152 of the Internal Revenue Code but for the fact 3300
that the person fails to meet the income and support limitations 3301
under section 152(d)(1)(B) and (C) of the Internal Revenue Code. 3302

(d) For purposes of division (A)(11) of this section, 3303
"medical care" has the meaning given in section 213 of the 3304
Internal Revenue Code, subject to the special rules, limitations, 3305
and exclusions set forth therein, and "qualified long-term care" 3306
has the same meaning given in section 7702B(c) of the Internal 3307
Revenue Code. Solely for purposes of divisions (A)(11)(a) and (c) 3308
of this section, "dependent" includes a person who otherwise would 3309
be a "qualifying relative" and thus a "dependent" under section 3310
152 of the Internal Revenue Code but for the fact that the person 3311
fails to meet the income and support limitations under section 3312
152(d)(1)(B) and (C) of the Internal Revenue Code. 3313

(12)(a) Deduct any amount included in federal adjusted gross 3314
income solely because the amount represents a reimbursement or 3315
refund of expenses that in any year the taxpayer had deducted as 3316
an itemized deduction pursuant to section 63 of the Internal 3317
Revenue Code and applicable United States department of the 3318
treasury regulations. The deduction otherwise allowed under 3319
division (A)(12)(a) of this section shall be reduced to the extent 3320
the reimbursement is attributable to an amount the taxpayer 3321
deducted under this section in any taxable year. 3322

(b) Add any amount not otherwise included in Ohio adjusted 3323
gross income for any taxable year to the extent that the amount is 3324
attributable to the recovery during the taxable year of any amount 3325
deducted or excluded in computing federal or Ohio adjusted gross 3326
income in any taxable year. 3327

(13) Deduct any portion of the deduction described in section 3328

1341(a)(2) of the Internal Revenue Code, for repaying previously 3329
reported income received under a claim of right, that meets both 3330
of the following requirements: 3331

(a) It is allowable for repayment of an item that was 3332
included in the taxpayer's adjusted gross income for a prior 3333
taxable year and did not qualify for a credit under division (A) 3334
or (B) of section 5747.05 of the Revised Code for that year; 3335

(b) It does not otherwise reduce the taxpayer's adjusted 3336
gross income for the current or any other taxable year. 3337

(14) Deduct an amount equal to the deposits made to, and net 3338
investment earnings of, a medical savings account during the 3339
taxable year, in accordance with section 3924.66 of the Revised 3340
Code. The deduction allowed by division (A)(14) of this section 3341
does not apply to medical savings account deposits and earnings 3342
otherwise deducted or excluded for the current or any other 3343
taxable year from the taxpayer's federal adjusted gross income. 3344

(15)(a) Add an amount equal to the funds withdrawn from a 3345
medical savings account during the taxable year, and the net 3346
investment earnings on those funds, when the funds withdrawn were 3347
used for any purpose other than to reimburse an account holder 3348
for, or to pay, eligible medical expenses, in accordance with 3349
section 3924.66 of the Revised Code; 3350

(b) Add the amounts distributed from a medical savings 3351
account under division (A)(2) of section 3924.68 of the Revised 3352
Code during the taxable year. 3353

(16) Add any amount claimed as a credit under section 3354
5747.059 or 5747.65 of the Revised Code to the extent that such 3355
amount satisfies either of the following: 3356

(a) The amount was deducted or excluded from the computation 3357
of the taxpayer's federal adjusted gross income as required to be 3358
reported for the taxpayer's taxable year under the Internal 3359

Revenue Code; 3360

(b) The amount resulted in a reduction of the taxpayer's 3361
federal adjusted gross income as required to be reported for any 3362
of the taxpayer's taxable years under the Internal Revenue Code. 3363

(17) Deduct the amount contributed by the taxpayer to an 3364
individual development account program established by a county 3365
department of job and family services pursuant to sections 329.11 3366
to 329.14 of the Revised Code for the purpose of matching funds 3367
deposited by program participants. On request of the tax 3368
commissioner, the taxpayer shall provide any information that, in 3369
the tax commissioner's opinion, is necessary to establish the 3370
amount deducted under division (A)(17) of this section. 3371

(18) Beginning in taxable year 2001 but not for any taxable 3372
year beginning after December 31, 2005, if the taxpayer is married 3373
and files a joint return and the combined federal adjusted gross 3374
income of the taxpayer and the taxpayer's spouse for the taxable 3375
year does not exceed one hundred thousand dollars, or if the 3376
taxpayer is single and has a federal adjusted gross income for the 3377
taxable year not exceeding fifty thousand dollars, deduct amounts 3378
paid during the taxable year for qualified tuition and fees paid 3379
to an eligible institution for the taxpayer, the taxpayer's 3380
spouse, or any dependent of the taxpayer, who is a resident of 3381
this state and is enrolled in or attending a program that 3382
culminates in a degree or diploma at an eligible institution. The 3383
deduction may be claimed only to the extent that qualified tuition 3384
and fees are not otherwise deducted or excluded for any taxable 3385
year from federal or Ohio adjusted gross income. The deduction may 3386
not be claimed for educational expenses for which the taxpayer 3387
claims a credit under section 5747.27 of the Revised Code. 3388

(19) Add any reimbursement received during the taxable year 3389
of any amount the taxpayer deducted under division (A)(18) of this 3390
section in any previous taxable year to the extent the amount is 3391

not otherwise included in Ohio adjusted gross income. 3392

(20)(a)(i) Subject to divisions (A)(20)(a)(iii), (iv), and 3393
(v) of this section, add five-sixths of the amount of depreciation 3394
expense allowed by subsection (k) of section 168 of the Internal 3395
Revenue Code, including the taxpayer's proportionate or 3396
distributive share of the amount of depreciation expense allowed 3397
by that subsection to a pass-through entity in which the taxpayer 3398
has a direct or indirect ownership interest. 3399

(ii) Subject to divisions (A)(20)(a)(iii), (iv), and (v) of 3400
this section, add five-sixths of the amount of qualifying section 3401
179 depreciation expense, including the taxpayer's proportionate 3402
or distributive share of the amount of qualifying section 179 3403
depreciation expense allowed to any pass-through entity in which 3404
the taxpayer has a direct or indirect ownership interest. 3405

(iii) Subject to division (A)(20)(a)(v) of this section, for 3406
taxable years beginning in 2012 or thereafter, if the increase in 3407
income taxes withheld by the taxpayer is equal to or greater than 3408
ten per cent of income taxes withheld by the taxpayer during the 3409
taxpayer's immediately preceding taxable year, "two-thirds" shall 3410
be substituted for "five-sixths" for the purpose of divisions 3411
(A)(20)(a)(i) and (ii) of this section. 3412

(iv) Subject to division (A)(20)(a)(v) of this section, for 3413
taxable years beginning in 2012 or thereafter, a taxpayer is not 3414
required to add an amount under division (A)(20) of this section 3415
if the increase in income taxes withheld by the taxpayer and by 3416
any pass-through entity in which the taxpayer has a direct or 3417
indirect ownership interest is equal to or greater than the sum of 3418
(I) the amount of qualifying section 179 depreciation expense and 3419
(II) the amount of depreciation expense allowed to the taxpayer by 3420
subsection (k) of section 168 of the Internal Revenue Code, and 3421
including the taxpayer's proportionate or distributive shares of 3422
such amounts allowed to any such pass-through entities. 3423

(v) If a taxpayer directly or indirectly incurs a net 3424
operating loss for the taxable year for federal income tax 3425
purposes, to the extent such loss resulted from depreciation 3426
expense allowed by subsection (k) of section 168 of the Internal 3427
Revenue Code and by qualifying section 179 depreciation expense, 3428
"the entire" shall be substituted for "five-sixths of the" for the 3429
purpose of divisions (A)(20)(a)(i) and (ii) of this section. 3430

The tax commissioner, under procedures established by the 3431
commissioner, may waive the add-backs related to a pass-through 3432
entity if the taxpayer owns, directly or indirectly, less than 3433
five per cent of the pass-through entity. 3434

(b) Nothing in division (A)(20) of this section shall be 3435
construed to adjust or modify the adjusted basis of any asset. 3436

(c) To the extent the add-back required under division 3437
(A)(20)(a) of this section is attributable to property generating 3438
nonbusiness income or loss allocated under section 5747.20 of the 3439
Revised Code, the add-back shall be situated to the same location 3440
as the nonbusiness income or loss generated by the property for 3441
the purpose of determining the credit under division (A) of 3442
section 5747.05 of the Revised Code. Otherwise, the add-back shall 3443
be apportioned, subject to one or more of the four alternative 3444
methods of apportionment enumerated in section 5747.21 of the 3445
Revised Code. 3446

(d) For the purposes of division (A)(20)(a)(v) of this 3447
section, net operating loss carryback and carryforward shall not 3448
include the allowance of any net operating loss deduction 3449
carryback or carryforward to the taxable year to the extent such 3450
loss resulted from depreciation allowed by section 168(k) of the 3451
Internal Revenue Code and by the qualifying section 179 3452
depreciation expense amount. 3453

(e) For the purposes of divisions (A)(20) and (21) of this 3454

section: 3455

(i) "Income taxes withheld" means the total amount withheld 3456
and remitted under sections 5747.06 and 5747.07 of the Revised 3457
Code by an employer during the employer's taxable year. 3458

(ii) "Increase in income taxes withheld" means the amount by 3459
which the amount of income taxes withheld by an employer during 3460
the employer's current taxable year exceeds the amount of income 3461
taxes withheld by that employer during the employer's immediately 3462
preceding taxable year. 3463

(iii) "Qualifying section 179 depreciation expense" means the 3464
difference between (I) the amount of depreciation expense directly 3465
or indirectly allowed to a taxpayer under section 179 of the 3466
Internal Revised Code, and (II) the amount of depreciation expense 3467
directly or indirectly allowed to the taxpayer under section 179 3468
of the Internal Revenue Code as that section existed on December 3469
31, 2002. 3470

(21)(a) If the taxpayer was required to add an amount under 3471
division (A)(20)(a) of this section for a taxable year, deduct one 3472
of the following: 3473

(i) One-fifth of the amount so added for each of the five 3474
succeeding taxable years if the amount so added was five-sixths of 3475
qualifying section 179 depreciation expense or depreciation 3476
expense allowed by subsection (k) of section 168 of the Internal 3477
Revenue Code; 3478

(ii) One-half of the amount so added for each of the two 3479
succeeding taxable years if the amount so added was two-thirds of 3480
such depreciation expense; 3481

(iii) One-sixth of the amount so added for each of the six 3482
succeeding taxable years if the entire amount of such depreciation 3483
expense was so added. 3484

(b) If the amount deducted under division (A)(21)(a) of this section is attributable to an add-back allocated under division (A)(20)(c) of this section, the amount deducted shall be situated to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(c) No deduction is available under division (A)(21)(a) of this section with regard to any depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount to the extent that such depreciation results in or increases a federal net operating loss carryback or carryforward. If no such deduction is available for a taxable year, the taxpayer may carry forward the amount not deducted in such taxable year to the next taxable year and add that amount to any deduction otherwise available under division (A)(21)(a) of this section for that next taxable year. The carryforward of amounts not so deducted shall continue until the entire addition required by division (A)(20)(a) of this section has been deducted.

(d) No refund shall be allowed as a result of adjustments made by division (A)(21) of this section.

(22) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as reimbursement for life insurance premiums under section 5919.31 of the Revised Code.

(23) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as a death benefit paid by the adjutant general under section 5919.33

of the Revised Code. 3517

(24) Deduct, to the extent included in federal adjusted gross 3518
income and not otherwise allowable as a deduction or exclusion in 3519
computing federal or Ohio adjusted gross income for the taxable 3520
year, military pay and allowances received by the taxpayer during 3521
the taxable year for active duty service in the United States 3522
army, air force, navy, marine corps, or coast guard or reserve 3523
components thereof or the national guard. The deduction may not be 3524
claimed for military pay and allowances received by the taxpayer 3525
while the taxpayer is stationed in this state. 3526

(25) Deduct, to the extent not otherwise allowable as a 3527
deduction or exclusion in computing federal or Ohio adjusted gross 3528
income for the taxable year and not otherwise compensated for by 3529
any other source, the amount of qualified organ donation expenses 3530
incurred by the taxpayer during the taxable year, not to exceed 3531
ten thousand dollars. A taxpayer may deduct qualified organ 3532
donation expenses only once for all taxable years beginning with 3533
taxable years beginning in 2007. 3534

For the purposes of division (A)(25) of this section: 3535

(a) "Human organ" means all or any portion of a human liver, 3536
pancreas, kidney, intestine, or lung, and any portion of human 3537
bone marrow. 3538

(b) "Qualified organ donation expenses" means travel 3539
expenses, lodging expenses, and wages and salary forgone by a 3540
taxpayer in connection with the taxpayer's donation, while living, 3541
of one or more of the taxpayer's human organs to another human 3542
being. 3543

(26) Deduct, to the extent not otherwise deducted or excluded 3544
in computing federal or Ohio adjusted gross income for the taxable 3545
year, amounts received by the taxpayer as retired military 3546
personnel pay for service in the United States army, navy, air 3547

force, coast guard, or marine corps or reserve components thereof, 3548
or the national guard, or received by the surviving spouse or 3549
former spouse of such a taxpayer under the survivor benefit plan 3550
on account of such a taxpayer's death. If the taxpayer receives 3551
income on account of retirement paid under the federal civil 3552
service retirement system or federal employees retirement system, 3553
or under any successor retirement program enacted by the congress 3554
of the United States that is established and maintained for 3555
retired employees of the United States government, and such 3556
retirement income is based, in whole or in part, on credit for the 3557
taxpayer's military service, the deduction allowed under this 3558
division shall include only that portion of such retirement income 3559
that is attributable to the taxpayer's military service, to the 3560
extent that portion of such retirement income is otherwise 3561
included in federal adjusted gross income and is not otherwise 3562
deducted under this section. Any amount deducted under division 3563
(A)(26) of this section is not included in a taxpayer's adjusted 3564
gross income for the purposes of section 5747.055 of the Revised 3565
Code. No amount may be deducted under division (A)(26) of this 3566
section on the basis of which a credit was claimed under section 3567
5747.055 of the Revised Code. 3568

(27) Deduct, to the extent not otherwise deducted or excluded 3569
in computing federal or Ohio adjusted gross income for the taxable 3570
year, the amount the taxpayer received during the taxable year 3571
from the military injury relief fund created in section 5101.98 of 3572
the Revised Code. 3573

(28) Deduct, to the extent not otherwise deducted or excluded 3574
in computing federal or Ohio adjusted gross income for the taxable 3575
year, the amount the taxpayer received as a veterans bonus during 3576
the taxable year from the Ohio department of veterans services as 3577
authorized by Section 2r of Article VIII, Ohio Constitution. 3578

(29) Deduct, to the extent not otherwise deducted or excluded 3579

in computing federal or Ohio adjusted gross income for the taxable 3580
year, any loss from wagering transactions that is allowed as an 3581
itemized deduction under section 165 of the Internal Revenue Code 3582
and that the taxpayer deducted in computing federal taxable 3583
income. 3584

(30) Deduct, to the extent not otherwise deducted or excluded 3585
in computing federal or Ohio adjusted gross income for the taxable 3586
year, any income ~~derived from providing public services under a~~ 3587
~~contract through a project owned by the state, as described in~~ 3588
~~section 126.604 of the Revised Code or~~ derived from a transfer 3589
agreement or from the enterprise transferred under that agreement 3590
under section 4313.02 of the Revised Code. 3591

(31) Deduct, to the extent not otherwise deducted or excluded 3592
in computing federal or Ohio adjusted gross income for the taxable 3593
year, Ohio college opportunity or federal Pell grant amounts 3594
received by the taxpayer or the taxpayer's spouse or dependent 3595
pursuant to section 3333.122 of the Revised Code or 20 U.S.C. 3596
1070a, et seq., and used to pay room or board furnished by the 3597
educational institution for which the grant was awarded at the 3598
institution's facilities, including meal plans administered by the 3599
institution. For the purposes of this division, receipt of a grant 3600
includes the distribution of a grant directly to an educational 3601
institution and the crediting of the grant to the enrollee's 3602
account with the institution. 3603

(B) "Business income" means income, including gain or loss, 3604
arising from transactions, activities, and sources in the regular 3605
course of a trade or business and includes income, gain, or loss 3606
from real property, tangible property, and intangible property if 3607
the acquisition, rental, management, and disposition of the 3608
property constitute integral parts of the regular course of a 3609
trade or business operation. "Business income" includes income, 3610
including gain or loss, from a partial or complete liquidation of 3611

a business, including, but not limited to, gain or loss from the 3612
sale or other disposition of goodwill. 3613

(C) "Nonbusiness income" means all income other than business 3614
income and may include, but is not limited to, compensation, rents 3615
and royalties from real or tangible personal property, capital 3616
gains, interest, dividends and distributions, patent or copyright 3617
royalties, or lottery winnings, prizes, and awards. 3618

(D) "Compensation" means any form of remuneration paid to an 3619
employee for personal services. 3620

(E) "Fiduciary" means a guardian, trustee, executor, 3621
administrator, receiver, conservator, or any other person acting 3622
in any fiduciary capacity for any individual, trust, or estate. 3623

(F) "Fiscal year" means an accounting period of twelve months 3624
ending on the last day of any month other than December. 3625

(G) "Individual" means any natural person. 3626

(H) "Internal Revenue Code" means the "Internal Revenue Code 3627
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 3628

(I) "Resident" means any of the following, provided that 3629
division (I)(3) of this section applies only to taxable years of a 3630
trust beginning in 2002 or thereafter: 3631

(1) An individual who is domiciled in this state, subject to 3632
section 5747.24 of the Revised Code; 3633

(2) The estate of a decedent who at the time of death was 3634
domiciled in this state. The domicile tests of section 5747.24 of 3635
the Revised Code are not controlling for purposes of division 3636
(I)(2) of this section. 3637

(3) A trust that, in whole or part, resides in this state. If 3638
only part of a trust resides in this state, the trust is a 3639
resident only with respect to that part. 3640

For the purposes of division (I)(3) of this section: 3641

(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I)(3)(d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:

(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I)(3)(e)(i) or (ii) of this section;

(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year;

(iii) A person who was domiciled in this state for the purposes of this chapter when the trust document or instrument or part of the trust document or instrument became irrevocable, but only if at least one of the trust's qualifying beneficiaries is a resident domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year. If a trust document or instrument became irrevocable upon the death of a person who at the time of death was domiciled in this state for purposes of this chapter, that person is a person described in division (I)(3)(a)(iii) of this section.

(b) A trust is irrevocable to the extent that the transferor is not considered to be the owner of the net assets of the trust under sections 671 to 678 of the Internal Revenue Code.

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential

current beneficiary" as defined in section 1361(e)(2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I)(3)(a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value of the trust's assets immediately prior to the subsequent transfer, net of any related liabilities, multiplied by the qualifying ratio last computed without regard to the subsequent transfer, and (2) the fair market value of the subsequently transferred assets at the time transferred, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the revised qualifying ratio is the

fair market value of all the trust's assets immediately after the 3705
subsequent transfer, net of any related liabilities. 3706

(iii) Whether a transfer to the trust is by or from any of 3707
the sources enumerated in division (I)(3)(a) of this section shall 3708
be ascertained without regard to the domicile of the trust's 3709
beneficiaries. 3710

(e) For the purposes of division (I)(3)(a)(i) of this 3711
section: 3712

(i) A trust is described in division (I)(3)(e)(i) of this 3713
section if the trust is a testamentary trust and the testator of 3714
that testamentary trust was domiciled in this state at the time of 3715
the testator's death for purposes of the taxes levied under 3716
Chapter 5731. of the Revised Code. 3717

(ii) A trust is described in division (I)(3)(e)(ii) of this 3718
section if the transfer is a qualifying transfer described in any 3719
of divisions (I)(3)(f)(i) to (vi) of this section, the trust is an 3720
irrevocable inter vivos trust, and at least one of the trust's 3721
qualifying beneficiaries is domiciled in this state for purposes 3722
of this chapter during all or some portion of the trust's current 3723
taxable year. 3724

(f) For the purposes of division (I)(3)(e)(ii) of this 3725
section, a "qualifying transfer" is a transfer of assets, net of 3726
any related liabilities, directly or indirectly to a trust, if the 3727
transfer is described in any of the following: 3728

(i) The transfer is made to a trust, created by the decedent 3729
before the decedent's death and while the decedent was domiciled 3730
in this state for the purposes of this chapter, and, prior to the 3731
death of the decedent, the trust became irrevocable while the 3732
decedent was domiciled in this state for the purposes of this 3733
chapter. 3734

(ii) The transfer is made to a trust to which the decedent, 3735

prior to the decedent's death, had directly or indirectly 3736
transferred assets, net of any related liabilities, while the 3737
decedent was domiciled in this state for the purposes of this 3738
chapter, and prior to the death of the decedent the trust became 3739
irrevocable while the decedent was domiciled in this state for the 3740
purposes of this chapter. 3741

(iii) The transfer is made on account of a contractual 3742
relationship existing directly or indirectly between the 3743
transferor and either the decedent or the estate of the decedent 3744
at any time prior to the date of the decedent's death, and the 3745
decedent was domiciled in this state at the time of death for 3746
purposes of the taxes levied under Chapter 5731. of the Revised 3747
Code. 3748

(iv) The transfer is made to a trust on account of a 3749
contractual relationship existing directly or indirectly between 3750
the transferor and another person who at the time of the 3751
decedent's death was domiciled in this state for purposes of this 3752
chapter. 3753

(v) The transfer is made to a trust on account of the will of 3754
a testator who was domiciled in this state at the time of the 3755
testator's death for purposes of the taxes levied under Chapter 3756
5731. of the Revised Code. 3757

(vi) The transfer is made to a trust created by or caused to 3758
be created by a court, and the trust was directly or indirectly 3759
created in connection with or as a result of the death of an 3760
individual who, for purposes of the taxes levied under Chapter 3761
5731. of the Revised Code, was domiciled in this state at the time 3762
of the individual's death. 3763

(g) The tax commissioner may adopt rules to ascertain the 3764
part of a trust residing in this state. 3765

(J) "Nonresident" means an individual or estate that is not a 3766

resident. An individual who is a resident for only part of a 3767
taxable year is a nonresident for the remainder of that taxable 3768
year. 3769

(K) "Pass-through entity" has the same meaning as in section 3770
5733.04 of the Revised Code. 3771

(L) "Return" means the notifications and reports required to 3772
be filed pursuant to this chapter for the purpose of reporting the 3773
tax due and includes declarations of estimated tax when so 3774
required. 3775

(M) "Taxable year" means the calendar year or the taxpayer's 3776
fiscal year ending during the calendar year, or fractional part 3777
thereof, upon which the adjusted gross income is calculated 3778
pursuant to this chapter. 3779

(N) "Taxpayer" means any person subject to the tax imposed by 3780
section 5747.02 of the Revised Code or any pass-through entity 3781
that makes the election under division (D) of section 5747.08 of 3782
the Revised Code. 3783

(O) "Dependents" means dependents as defined in the Internal 3784
Revenue Code and as claimed in the taxpayer's federal income tax 3785
return for the taxable year or which the taxpayer would have been 3786
permitted to claim had the taxpayer filed a federal income tax 3787
return. 3788

(P) "Principal county of employment" means, in the case of a 3789
nonresident, the county within the state in which a taxpayer 3790
performs services for an employer or, if those services are 3791
performed in more than one county, the county in which the major 3792
portion of the services are performed. 3793

(Q) As used in sections 5747.50 to 5747.55 of the Revised 3794
Code: 3795

(1) "Subdivision" means any county, municipal corporation, 3796

park district, or township. 3797

(2) "Essential local government purposes" includes all 3798
functions that any subdivision is required by general law to 3799
exercise, including like functions that are exercised under a 3800
charter adopted pursuant to the Ohio Constitution. 3801

(R) "Overpayment" means any amount already paid that exceeds 3802
the figure determined to be the correct amount of the tax. 3803

(S) "Taxable income" or "Ohio taxable income" applies only to 3804
estates and trusts, and means federal taxable income, as defined 3805
and used in the Internal Revenue Code, adjusted as follows: 3806

(1) Add interest or dividends, net of ordinary, necessary, 3807
and reasonable expenses not deducted in computing federal taxable 3808
income, on obligations or securities of any state or of any 3809
political subdivision or authority of any state, other than this 3810
state and its subdivisions and authorities, but only to the extent 3811
that such net amount is not otherwise includible in Ohio taxable 3812
income and is described in either division (S)(1)(a) or (b) of 3813
this section: 3814

(a) The net amount is not attributable to the S portion of an 3815
electing small business trust and has not been distributed to 3816
beneficiaries for the taxable year; 3817

(b) The net amount is attributable to the S portion of an 3818
electing small business trust for the taxable year. 3819

(2) Add interest or dividends, net of ordinary, necessary, 3820
and reasonable expenses not deducted in computing federal taxable 3821
income, on obligations of any authority, commission, 3822
instrumentality, territory, or possession of the United States to 3823
the extent that the interest or dividends are exempt from federal 3824
income taxes but not from state income taxes, but only to the 3825
extent that such net amount is not otherwise includible in Ohio 3826
taxable income and is described in either division (S)(1)(a) or 3827

(b) of this section;	3828
(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code;	3829 3830
(4) Deduct interest or dividends, net of related expenses deducted in computing federal taxable income, on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are exempt from state taxes under the laws of the United States, but only to the extent that such amount is included in federal taxable income and is described in either division (S)(1)(a) or (b) of this section;	3831 3832 3833 3834 3835 3836 3837 3838
(5) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal taxable income for the taxable year, had the targeted jobs credit allowed under sections 38, 51, and 52 of the Internal Revenue Code not been in effect, but only to the extent such amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;	3839 3840 3841 3842 3843 3844 3845 3846 3847
(6) Deduct any interest or interest equivalent, net of related expenses deducted in computing federal taxable income, on public obligations and purchase obligations, but only to the extent that such net amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;	3848 3849 3850 3851 3852 3853
(7) Add any loss or deduct any gain resulting from sale, exchange, or other disposition of public obligations to the extent that such loss has been deducted or such gain has been included in computing either federal taxable income or income of the S portion of an electing small business trust for the taxable year;	3854 3855 3856 3857 3858

(8) Except in the case of the final return of an estate, add 3859
any amount deducted by the taxpayer on both its Ohio estate tax 3860
return pursuant to section 5731.14 of the Revised Code, and on its 3861
federal income tax return in determining federal taxable income; 3862

(9)(a) Deduct any amount included in federal taxable income 3863
solely because the amount represents a reimbursement or refund of 3864
expenses that in a previous year the decedent had deducted as an 3865
itemized deduction pursuant to section 63 of the Internal Revenue 3866
Code and applicable treasury regulations. The deduction otherwise 3867
allowed under division (S)(9)(a) of this section shall be reduced 3868
to the extent the reimbursement is attributable to an amount the 3869
taxpayer or decedent deducted under this section in any taxable 3870
year. 3871

(b) Add any amount not otherwise included in Ohio taxable 3872
income for any taxable year to the extent that the amount is 3873
attributable to the recovery during the taxable year of any amount 3874
deducted or excluded in computing federal or Ohio taxable income 3875
in any taxable year, but only to the extent such amount has not 3876
been distributed to beneficiaries for the taxable year. 3877

(10) Deduct any portion of the deduction described in section 3878
1341(a)(2) of the Internal Revenue Code, for repaying previously 3879
reported income received under a claim of right, that meets both 3880
of the following requirements: 3881

(a) It is allowable for repayment of an item that was 3882
included in the taxpayer's taxable income or the decedent's 3883
adjusted gross income for a prior taxable year and did not qualify 3884
for a credit under division (A) or (B) of section 5747.05 of the 3885
Revised Code for that year. 3886

(b) It does not otherwise reduce the taxpayer's taxable 3887
income or the decedent's adjusted gross income for the current or 3888
any other taxable year. 3889

(11) Add any amount claimed as a credit under section 5747.059 or 5747.65 of the Revised Code to the extent that the amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal taxable income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction in the taxpayer's federal taxable income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(12) Deduct any amount, net of related expenses deducted in computing federal taxable income, that a trust is required to report as farm income on its federal income tax return, but only if the assets of the trust include at least ten acres of land satisfying the definition of "land devoted exclusively to agricultural use" under section 5713.30 of the Revised Code, regardless of whether the land is valued for tax purposes as such land under sections 5713.30 to 5713.38 of the Revised Code. If the trust is a pass-through entity investor, section 5747.231 of the Revised Code applies in ascertaining if the trust is eligible to claim the deduction provided by division (S)(12) of this section in connection with the pass-through entity's farm income.

Except for farm income attributable to the S portion of an electing small business trust, the deduction provided by division (S)(12) of this section is allowed only to the extent that the trust has not distributed such farm income. Division (S)(12) of this section applies only to taxable years of a trust beginning in 2002 or thereafter.

(13) Add the net amount of income described in section 641(c) of the Internal Revenue Code to the extent that amount is not included in federal taxable income.

(14) Add or deduct the amount the taxpayer would be required 3921
to add or deduct under division (A)(20) or (21) of this section if 3922
the taxpayer's Ohio taxable income were computed in the same 3923
manner as an individual's Ohio adjusted gross income is computed 3924
under this section. In the case of a trust, division (S)(14) of 3925
this section applies only to any of the trust's taxable years 3926
beginning in 2002 or thereafter. 3927

(T) "School district income" and "school district income tax" 3928
have the same meanings as in section 5748.01 of the Revised Code. 3929

(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) 3930
of this section, "public obligations," "purchase obligations," and 3931
"interest or interest equivalent" have the same meanings as in 3932
section 5709.76 of the Revised Code. 3933

(V) "Limited liability company" means any limited liability 3934
company formed under Chapter 1705. of the Revised Code or under 3935
the laws of any other state. 3936

(W) "Pass-through entity investor" means any person who, 3937
during any portion of a taxable year of a pass-through entity, is 3938
a partner, member, shareholder, or equity investor in that 3939
pass-through entity. 3940

(X) "Banking day" has the same meaning as in section 1304.01 3941
of the Revised Code. 3942

(Y) "Month" means a calendar month. 3943

(Z) "Quarter" means the first three months, the second three 3944
months, the third three months, or the last three months of the 3945
taxpayer's taxable year. 3946

(AA)(1) "Eligible institution" means a state university or 3947
state institution of higher education as defined in section 3948
3345.011 of the Revised Code, or a private, nonprofit college, 3949
university, or other post-secondary institution located in this 3950

state that possesses a certificate of authorization issued by the 3951
Ohio board of regents pursuant to Chapter 1713. of the Revised 3952
Code or a certificate of registration issued by the state board of 3953
career colleges and schools under Chapter 3332. of the Revised 3954
Code. 3955

(2) "Qualified tuition and fees" means tuition and fees 3956
imposed by an eligible institution as a condition of enrollment or 3957
attendance, not exceeding two thousand five hundred dollars in 3958
each of the individual's first two years of post-secondary 3959
education. If the individual is a part-time student, "qualified 3960
tuition and fees" includes tuition and fees paid for the academic 3961
equivalent of the first two years of post-secondary education 3962
during a maximum of five taxable years, not exceeding a total of 3963
five thousand dollars. "Qualified tuition and fees" does not 3964
include: 3965

(a) Expenses for any course or activity involving sports, 3966
games, or hobbies unless the course or activity is part of the 3967
individual's degree or diploma program; 3968

(b) The cost of books, room and board, student activity fees, 3969
athletic fees, insurance expenses, or other expenses unrelated to 3970
the individual's academic course of instruction; 3971

(c) Tuition, fees, or other expenses paid or reimbursed 3972
through an employer, scholarship, grant in aid, or other 3973
educational benefit program. 3974

(BB)(1) "Modified business income" means the business income 3975
included in a trust's Ohio taxable income after such taxable 3976
income is first reduced by the qualifying trust amount, if any. 3977

(2) "Qualifying trust amount" of a trust means capital gains 3978
and losses from the sale, exchange, or other disposition of equity 3979
or ownership interests in, or debt obligations of, a qualifying 3980
investee to the extent included in the trust's Ohio taxable 3981

income, but only if the following requirements are satisfied: 3982

(a) The book value of the qualifying investee's physical 3983
assets in this state and everywhere, as of the last day of the 3984
qualifying investee's fiscal or calendar year ending immediately 3985
prior to the date on which the trust recognizes the gain or loss, 3986
is available to the trust. 3987

(b) The requirements of section 5747.011 of the Revised Code 3988
are satisfied for the trust's taxable year in which the trust 3989
recognizes the gain or loss. 3990

Any gain or loss that is not a qualifying trust amount is 3991
modified business income, qualifying investment income, or 3992
modified nonbusiness income, as the case may be. 3993

(3) "Modified nonbusiness income" means a trust's Ohio 3994
taxable income other than modified business income, other than the 3995
qualifying trust amount, and other than qualifying investment 3996
income, as defined in section 5747.012 of the Revised Code, to the 3997
extent such qualifying investment income is not otherwise part of 3998
modified business income. 3999

(4) "Modified Ohio taxable income" applies only to trusts, 4000
and means the sum of the amounts described in divisions (BB)(4)(a) 4001
to (c) of this section: 4002

(a) The fraction, calculated under section 5747.013, and 4003
applying section 5747.231 of the Revised Code, multiplied by the 4004
sum of the following amounts: 4005

(i) The trust's modified business income; 4006

(ii) The trust's qualifying investment income, as defined in 4007
section 5747.012 of the Revised Code, but only to the extent the 4008
qualifying investment income does not otherwise constitute 4009
modified business income and does not otherwise constitute a 4010
qualifying trust amount. 4011

(b) The qualifying trust amount multiplied by a fraction, the numerator of which is the sum of the book value of the qualifying investee's physical assets in this state on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount, and the denominator of which is the sum of the book value of the qualifying investee's total physical assets everywhere on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount. If, for a taxable year, the trust recognizes a qualifying trust amount with respect to more than one qualifying investee, the amount described in division (BB)(4)(b) of this section shall equal the sum of the products so computed for each such qualifying investee.

(c)(i) With respect to a trust or portion of a trust that is a resident as ascertained in accordance with division (I)(3)(d) of this section, its modified nonbusiness income.

(ii) With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the amount of its modified nonbusiness income satisfying the descriptions in divisions (B)(2) to (5) of section 5747.20 of the Revised Code, except as otherwise provided in division (BB)(4)(c)(ii) of this section. With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the trust's portion of modified nonbusiness income recognized from the sale, exchange, or other disposition of a debt interest in or equity interest in a section 5747.212 entity, as defined in section 5747.212 of the Revised Code, without regard to division (A) of that section, shall not be allocated to this state in accordance with section 5747.20 of the Revised Code but shall be apportioned to this state in accordance with division (B) of section 5747.212

of the Revised Code without regard to division (A) of that 4044
section. 4045

If the allocation and apportionment of a trust's income under 4046
divisions (BB)(4)(a) and (c) of this section do not fairly 4047
represent the modified Ohio taxable income of the trust in this 4048
state, the alternative methods described in division (C) of 4049
section 5747.21 of the Revised Code may be applied in the manner 4050
and to the same extent provided in that section. 4051

(5)(a) Except as set forth in division (BB)(5)(b) of this 4052
section, "qualifying investee" means a person in which a trust has 4053
an equity or ownership interest, or a person or unit of government 4054
the debt obligations of either of which are owned by a trust. For 4055
the purposes of division (BB)(2)(a) of this section and for the 4056
purpose of computing the fraction described in division (BB)(4)(b) 4057
of this section, all of the following apply: 4058

(i) If the qualifying investee is a member of a qualifying 4059
controlled group on the last day of the qualifying investee's 4060
fiscal or calendar year ending immediately prior to the date on 4061
which the trust recognizes the gain or loss, then "qualifying 4062
investee" includes all persons in the qualifying controlled group 4063
on such last day. 4064

(ii) If the qualifying investee, or if the qualifying 4065
investee and any members of the qualifying controlled group of 4066
which the qualifying investee is a member on the last day of the 4067
qualifying investee's fiscal or calendar year ending immediately 4068
prior to the date on which the trust recognizes the gain or loss, 4069
separately or cumulatively own, directly or indirectly, on the 4070
last day of the qualifying investee's fiscal or calendar year 4071
ending immediately prior to the date on which the trust recognizes 4072
the qualifying trust amount, more than fifty per cent of the 4073
equity of a pass-through entity, then the qualifying investee and 4074
the other members are deemed to own the proportionate share of the 4075

pass-through entity's physical assets which the pass-through 4076
entity directly or indirectly owns on the last day of the 4077
pass-through entity's calendar or fiscal year ending within or 4078
with the last day of the qualifying investee's fiscal or calendar 4079
year ending immediately prior to the date on which the trust 4080
recognizes the qualifying trust amount. 4081

(iii) For the purposes of division (BB)(5)(a)(iii) of this 4082
section, "upper level pass-through entity" means a pass-through 4083
entity directly or indirectly owning any equity of another 4084
pass-through entity, and "lower level pass-through entity" means 4085
that other pass-through entity. 4086

An upper level pass-through entity, whether or not it is also 4087
a qualifying investee, is deemed to own, on the last day of the 4088
upper level pass-through entity's calendar or fiscal year, the 4089
proportionate share of the lower level pass-through entity's 4090
physical assets that the lower level pass-through entity directly 4091
or indirectly owns on the last day of the lower level pass-through 4092
entity's calendar or fiscal year ending within or with the last 4093
day of the upper level pass-through entity's fiscal or calendar 4094
year. If the upper level pass-through entity directly and 4095
indirectly owns less than fifty per cent of the equity of the 4096
lower level pass-through entity on each day of the upper level 4097
pass-through entity's calendar or fiscal year in which or with 4098
which ends the calendar or fiscal year of the lower level 4099
pass-through entity and if, based upon clear and convincing 4100
evidence, complete information about the location and cost of the 4101
physical assets of the lower pass-through entity is not available 4102
to the upper level pass-through entity, then solely for purposes 4103
of ascertaining if a gain or loss constitutes a qualifying trust 4104
amount, the upper level pass-through entity shall be deemed as 4105
owning no equity of the lower level pass-through entity for each 4106
day during the upper level pass-through entity's calendar or 4107

fiscal year in which or with which ends the lower level 4108
pass-through entity's calendar or fiscal year. Nothing in division 4109
(BB)(5)(a)(iii) of this section shall be construed to provide for 4110
any deduction or exclusion in computing any trust's Ohio taxable 4111
income. 4112

(b) With respect to a trust that is not a resident for the 4113
taxable year and with respect to a part of a trust that is not a 4114
resident for the taxable year, "qualifying investee" for that 4115
taxable year does not include a C corporation if both of the 4116
following apply: 4117

(i) During the taxable year the trust or part of the trust 4118
recognizes a gain or loss from the sale, exchange, or other 4119
disposition of equity or ownership interests in, or debt 4120
obligations of, the C corporation. 4121

(ii) Such gain or loss constitutes nonbusiness income. 4122

(6) "Available" means information is such that a person is 4123
able to learn of the information by the due date plus extensions, 4124
if any, for filing the return for the taxable year in which the 4125
trust recognizes the gain or loss. 4126

(CC) "Qualifying controlled group" has the same meaning as in 4127
section 5733.04 of the Revised Code. 4128

(DD) "Related member" has the same meaning as in section 4129
5733.042 of the Revised Code. 4130

(EE)(1) For the purposes of division (EE) of this section: 4131

(a) "Qualifying person" means any person other than a 4132
qualifying corporation. 4133

(b) "Qualifying corporation" means any person classified for 4134
federal income tax purposes as an association taxable as a 4135
corporation, except either of the following: 4136

(i) A corporation that has made an election under subchapter 4137

S, chapter one, subtitle A, of the Internal Revenue Code for its 4138
taxable year ending within, or on the last day of, the investor's 4139
taxable year; 4140

(ii) A subsidiary that is wholly owned by any corporation 4141
that has made an election under subchapter S, chapter one, 4142
subtitle A of the Internal Revenue Code for its taxable year 4143
ending within, or on the last day of, the investor's taxable year. 4144

(2) For the purposes of this chapter, unless expressly stated 4145
otherwise, no qualifying person indirectly owns any asset directly 4146
or indirectly owned by any qualifying corporation. 4147

(FF) For purposes of this chapter and Chapter 5751. of the 4148
Revised Code: 4149

(1) "Trust" does not include a qualified pre-income tax 4150
trust. 4151

(2) A "qualified pre-income tax trust" is any pre-income tax 4152
trust that makes a qualifying pre-income tax trust election as 4153
described in division (FF)(3) of this section. 4154

(3) A "qualifying pre-income tax trust election" is an 4155
election by a pre-income tax trust to subject to the tax imposed 4156
by section 5751.02 of the Revised Code the pre-income tax trust 4157
and all pass-through entities of which the trust owns or controls, 4158
directly, indirectly, or constructively through related interests, 4159
five per cent or more of the ownership or equity interests. The 4160
trustee shall notify the tax commissioner in writing of the 4161
election on or before April 15, 2006. The election, if timely 4162
made, shall be effective on and after January 1, 2006, and shall 4163
apply for all tax periods and tax years until revoked by the 4164
trustee of the trust. 4165

(4) A "pre-income tax trust" is a trust that satisfies all of 4166
the following requirements: 4167

(a) The document or instrument creating the trust was 4168
executed by the grantor before January 1, 1972; 4169

(b) The trust became irrevocable upon the creation of the 4170
trust; and 4171

(c) The grantor was domiciled in this state at the time the 4172
trust was created. 4173

Sec. 5751.01. As used in this chapter: 4174

(A) "Person" means, but is not limited to, individuals, 4175
combinations of individuals of any form, receivers, assignees, 4176
trustees in bankruptcy, firms, companies, joint-stock companies, 4177
business trusts, estates, partnerships, limited liability 4178
partnerships, limited liability companies, associations, joint 4179
ventures, clubs, societies, for-profit corporations, S 4180
corporations, qualified subchapter S subsidiaries, qualified 4181
subchapter S trusts, trusts, entities that are disregarded for 4182
federal income tax purposes, and any other entities. 4183

(B) "Consolidated elected taxpayer" means a group of two or 4184
more persons treated as a single taxpayer for purposes of this 4185
chapter as the result of an election made under section 5751.011 4186
of the Revised Code. 4187

(C) "Combined taxpayer" means a group of two or more persons 4188
treated as a single taxpayer for purposes of this chapter under 4189
section 5751.012 of the Revised Code. 4190

(D) "Taxpayer" means any person, or any group of persons in 4191
the case of a consolidated elected taxpayer or combined taxpayer 4192
treated as one taxpayer, required to register or pay tax under 4193
this chapter. "Taxpayer" does not include excluded persons. 4194

(E) "Excluded person" means any of the following: 4195

(1) Any person with not more than one hundred fifty thousand 4196
dollars of taxable gross receipts during the calendar year. 4197

Division (E)(1) of this section does not apply to a person that is 4198
a member of a consolidated elected taxpayer; 4199

(2) A public utility that paid the excise tax imposed by 4200
section 5727.24 or 5727.30 of the Revised Code based on one or 4201
more measurement periods that include the entire tax period under 4202
this chapter, except that a public utility that is a combined 4203
company is a taxpayer with regard to the following gross receipts: 4204

(a) Taxable gross receipts directly attributed to a public 4205
utility activity, but not directly attributed to an activity that 4206
is subject to the excise tax imposed by section 5727.24 or 5727.30 4207
of the Revised Code; 4208

(b) Taxable gross receipts that cannot be directly attributed 4209
to any activity, multiplied by a fraction whose numerator is the 4210
taxable gross receipts described in division (E)(2)(a) of this 4211
section and whose denominator is the total taxable gross receipts 4212
that can be directly attributed to any activity; 4213

(c) Except for any differences resulting from the use of an 4214
accrual basis method of accounting for purposes of determining 4215
gross receipts under this chapter and the use of the cash basis 4216
method of accounting for purposes of determining gross receipts 4217
under section 5727.24 of the Revised Code, the gross receipts 4218
directly attributed to the activity of a natural gas company shall 4219
be determined in a manner consistent with division (D) of section 4220
5727.03 of the Revised Code. 4221

As used in division (E)(2) of this section, "combined 4222
company" and "public utility" have the same meanings as in section 4223
5727.01 of the Revised Code. 4224

(3) A financial institution, as defined in section 5726.01 of 4225
the Revised Code, that paid the tax imposed by section 5726.02 of 4226
the Revised Code based on one or more taxable years that include 4227
the entire tax period under this chapter; 4228

(4) A person directly or indirectly owned by one or more 4229
financial institutions, as defined in section 5726.01 of the 4230
Revised Code, that paid the tax imposed by section 5726.02 of the 4231
Revised Code based on one or more taxable years that include the 4232
entire tax period under this chapter. 4233

For the purposes of division (E)(4) of this section, a person 4234
owns another person under the following circumstances: 4235

(a) In the case of corporations issuing capital stock, one 4236
corporation owns another corporation if it owns fifty per cent or 4237
more of the other corporation's capital stock with current voting 4238
rights; 4239

(b) In the case of a limited liability company, one person 4240
owns the company if that person's membership interest, as defined 4241
in section 1705.01 of the Revised Code, is fifty per cent or more 4242
of the combined membership interests of all persons owning such 4243
interests in the company; 4244

(c) In the case of a partnership, trust, or other 4245
unincorporated business organization other than a limited 4246
liability company, one person owns the organization if, under the 4247
articles of organization or other instrument governing the affairs 4248
of the organization, that person has a beneficial interest in the 4249
organization's profits, surpluses, losses, or distributions of 4250
fifty per cent or more of the combined beneficial interests of all 4251
persons having such an interest in the organization. 4252

(5) A domestic insurance company or foreign insurance 4253
company, as defined in section 5725.01 of the Revised Code, that 4254
paid the insurance company premiums tax imposed by section 5725.18 4255
or Chapter 5729. of the Revised Code, or an unauthorized insurance 4256
company whose gross premiums are subject to tax under section 4257
3905.36 of the Revised Code based on one or more measurement 4258
periods that include the entire tax period under this chapter; 4259

(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;	4291
(b) Amounts realized from the taxpayer's performance of services for another;	4292 4293
(c) Amounts realized from another's use or possession of the taxpayer's property or capital;	4294 4295
(d) Any combination of the foregoing amounts.	4296
(2) "Gross receipts" excludes the following amounts:	4297
(a) Interest income except interest on credit sales;	4298
(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;	4299 4300 4301 4302
(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.	4303 4304 4305 4306 4307 4308 4309 4310 4311 4312 4313 4314 4315 4316 4317 4318 4319 4320

(d) Proceeds received attributable to the repayment,	4321
maturity, or redemption of the principal of a loan, bond, mutual	4322
fund, certificate of deposit, or marketable instrument;	4323
(e) The principal amount received under a repurchase	4324
agreement or on account of any transaction properly characterized	4325
as a loan to the person;	4326
(f) Contributions received by a trust, plan, or other	4327
arrangement, any of which is described in section 501(a) of the	4328
Internal Revenue Code, or to which Title 26, Subtitle A, Chapter	4329
1, Subchapter (D) of the Internal Revenue Code applies;	4330
(g) Compensation, whether current or deferred, and whether in	4331
cash or in kind, received or to be received by an employee, former	4332
employee, or the employee's legal successor for services rendered	4333
to or for an employer, including reimbursements received by or for	4334
an individual for medical or education expenses, health insurance	4335
premiums, or employee expenses, or on account of a dependent care	4336
spending account, legal services plan, any cafeteria plan	4337
described in section 125 of the Internal Revenue Code, or any	4338
similar employee reimbursement;	4339
(h) Proceeds received from the issuance of the taxpayer's own	4340
stock, options, warrants, puts, or calls, or from the sale of the	4341
taxpayer's treasury stock;	4342
(i) Proceeds received on the account of payments from	4343
insurance policies, except those proceeds received for the loss of	4344
business revenue;	4345
(j) Gifts or charitable contributions received; membership	4346
dues received by trade, professional, homeowners', or condominium	4347
associations; and payments received for educational courses,	4348
meetings, meals, or similar payments to a trade, professional, or	4349
other similar association; and fundraising receipts received by	4350
any person when any excess receipts are donated or used	4351

exclusively for charitable purposes; 4352

(k) Damages received as the result of litigation in excess of 4353
amounts that, if received without litigation, would be gross 4354
receipts; 4355

(l) Property, money, and other amounts received or acquired 4356
by an agent on behalf of another in excess of the agent's 4357
commission, fee, or other remuneration; 4358

(m) Tax refunds, other tax benefit recoveries, and 4359
reimbursements for the tax imposed under this chapter made by 4360
entities that are part of the same combined taxpayer or 4361
consolidated elected taxpayer group, and reimbursements made by 4362
entities that are not members of a combined taxpayer or 4363
consolidated elected taxpayer group that are required to be made 4364
for economic parity among multiple owners of an entity whose tax 4365
obligation under this chapter is required to be reported and paid 4366
entirely by one owner, pursuant to the requirements of sections 4367
5751.011 and 5751.012 of the Revised Code; 4368

(n) Pension reversions; 4369

(o) Contributions to capital; 4370

(p) Sales or use taxes collected as a vendor or an 4371
out-of-state seller on behalf of the taxing jurisdiction from a 4372
consumer or other taxes the taxpayer is required by law to collect 4373
directly from a purchaser and remit to a local, state, or federal 4374
tax authority; 4375

(q) In the case of receipts from the sale of cigarettes or 4376
tobacco products by a wholesale dealer, retail dealer, 4377
distributor, manufacturer, or seller, all as defined in section 4378
5743.01 of the Revised Code, an amount equal to the federal and 4379
state excise taxes paid by any person on or for such cigarettes or 4380
tobacco products under subtitle E of the Internal Revenue Code or 4381
Chapter 5743. of the Revised Code; 4382

(r) In the case of receipts from the sale of motor fuel by a licensed motor fuel dealer, licensed retail dealer, or licensed permissive motor fuel dealer, all as defined in section 5735.01 of the Revised Code, an amount equal to federal and state excise taxes paid by any person on such motor fuel under section 4081 of the Internal Revenue Code or Chapter 5735. of the Revised Code;

(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 4446
the qualified distribution center to another location in this 4447
state or elsewhere or, in the case of gold, silver, platinum, or 4448
palladium delivered to a refining facility solely for refining to 4449
a grade and fineness acceptable for delivery to a registered 4450
commodities exchange. "Further shipping" includes storing and 4451
repackaging property into smaller or larger bundles, so long as 4452
the property is not subject to further manufacturing or 4453
processing. "Refining" is limited to extracting impurities from 4454
gold, silver, platinum, or palladium through smelting or some 4455
other process at a refining facility. 4456

(III) "Qualified distribution center" means a warehouse, a 4457
facility similar to a warehouse, or a refining facility in this 4458
state that, for the qualifying year, is operated by a person that 4459
is not part of a combined taxpayer group and that has a qualifying 4460
certificate. All warehouses or facilities similar to warehouses 4461
that are operated by persons in the same taxpayer group and that 4462
are located within one mile of each other shall be treated as one 4463
qualified distribution center. All refining facilities that are 4464
operated by persons in the same taxpayer group and that are 4465
located in the same or adjacent counties may be treated as one 4466
qualified distribution center. 4467

(IV) "Qualifying year" means the calendar year to which the 4468
qualifying certificate applies. 4469

(V) "Qualifying period" means the period of the first day of 4470
July of the second year preceding the qualifying year through the 4471
thirtieth day of June of the year preceding the qualifying year. 4472

(VI) "Qualifying certificate" means the certificate issued by 4473
the tax commissioner after the operator of a distribution center 4474
files an annual application with the commissioner. The application 4475
and annual fee shall be filed and paid for each qualified 4476
distribution center on or before the first day of September before 4477

the qualifying year or within forty-five days after the 4478
distribution center opens, whichever is later. 4479

The applicant must substantiate to the commissioner's 4480
satisfaction that, for the qualifying period, all persons 4481
operating the distribution center have more than fifty per cent of 4482
the cost of the qualified property shipped to a location such that 4483
it would be situated outside this state under the provisions of 4484
division (E) of section 5751.033 of the Revised Code. The 4485
applicant must also substantiate that the distribution center 4486
cumulatively had costs from its suppliers equal to or exceeding 4487
five hundred million dollars during the qualifying period. (For 4488
purposes of division (F)(2)(z)(i)(VI) of this section, "supplier" 4489
excludes any person that is part of the consolidated elected 4490
taxpayer group, if applicable, of the operator of the qualified 4491
distribution center.) The commissioner may require the applicant 4492
to have an independent certified public accountant certify that 4493
the calculation of the minimum thresholds required for a qualified 4494
distribution center by the operator of a distribution center has 4495
been made in accordance with generally accepted accounting 4496
principles. The commissioner shall issue or deny the issuance of a 4497
certificate within sixty days after the receipt of the 4498
application. A denial is subject to appeal under section 5717.02 4499
of the Revised Code. If the operator files a timely appeal under 4500
section 5717.02 of the Revised Code, the operator shall be granted 4501
a qualifying certificate, provided that the operator is liable for 4502
any tax, interest, or penalty upon amounts claimed as qualifying 4503
distribution center receipts, other than those receipts exempt 4504
under division (C)(1) of section 5751.011 of the Revised Code, 4505
that would have otherwise not been owed by its suppliers if the 4506
qualifying certificate was valid. 4507

(VII) "Ohio delivery percentage" means the proportion of the 4508
total property delivered to a destination inside Ohio from the 4509

qualified distribution center during the qualifying period 4510
compared with total deliveries from such distribution center 4511
everywhere during the qualifying period. 4512

(VIII) "Refining facility" means one or more buildings 4513
located in a county in the Appalachian region of this state as 4514
defined by section 107.21 of the Revised Code and utilized for 4515
refining or smelting gold, silver, platinum, or palladium to a 4516
grade and fineness acceptable for delivery to a registered 4517
commodities exchange. 4518

(IX) "Registered commodities exchange" means a board of 4519
trade, such as New York mercantile exchange, inc. or commodity 4520
exchange, inc., designated as a contract market by the commodity 4521
futures trading commission under the "Commodity Exchange Act," 7 4522
U.S.C. 1 et seq., as amended. 4523

(ii) If the distribution center is new and was not open for 4524
the entire qualifying period, the operator of the distribution 4525
center may request that the commissioner grant a qualifying 4526
certificate. If the certificate is granted and it is later 4527
determined that more than fifty per cent of the qualified property 4528
during that year was not shipped to a location such that it would 4529
be situated outside of this state under the provisions of division 4530
(E) of section 5751.033 of the Revised Code or if it is later 4531
determined that the person that operates the distribution center 4532
had average monthly costs from its suppliers of less than forty 4533
million dollars during that year, then the operator of the 4534
distribution center shall be liable for any tax, interest, or 4535
penalty upon amounts claimed as qualifying distribution center 4536
receipts, other than those receipts exempt under division (C)(1) 4537
of section 5751.011 of the Revised Code, that would have not 4538
otherwise been owed by its suppliers during the qualifying year if 4539
the qualifying certificate was valid. (For purposes of division 4540
(F)(2)(z)(ii) of this section, "supplier" excludes any person that 4541

is part of the consolidated elected taxpayer group, if applicable, 4542
of the operator of the qualified distribution center.) 4543

(iii) When filing an application for a qualifying certificate 4544
under division (F)(2)(z)(i)(VI) of this section, the operator of a 4545
qualified distribution center also shall provide documentation, as 4546
the commissioner requires, for the commissioner to ascertain the 4547
Ohio delivery percentage. The commissioner, upon issuing the 4548
qualifying certificate, also shall certify the Ohio delivery 4549
percentage. The operator of the qualified distribution center may 4550
appeal the commissioner's certification of the Ohio delivery 4551
percentage in the same manner as an appeal is taken from the 4552
denial of a qualifying certificate under division (F)(2)(z)(i)(VI) 4553
of this section. 4554

Within thirty days after all appeals have been exhausted, the 4555
operator of the qualified distribution center shall notify the 4556
affected suppliers of qualified property that such suppliers are 4557
required to file, within sixty days after receiving notice from 4558
the operator of the qualified distribution center, amended reports 4559
for the impacted calendar quarter or quarters or calendar year, 4560
whichever the case may be. Any additional tax liability or tax 4561
overpayment shall be subject to interest but shall not be subject 4562
to the imposition of any penalty so long as the amended returns 4563
are timely filed. The supplier of tangible personal property 4564
delivered to the qualified distribution center shall include in 4565
its report of taxable gross receipts the receipts from the total 4566
sales of property delivered to the qualified distribution center 4567
for the calendar quarter or calendar year, whichever the case may 4568
be, multiplied by the Ohio delivery percentage for the qualifying 4569
year. Nothing in division (F)(2)(z)(iii) of this section shall be 4570
construed as imposing liability on the operator of a qualified 4571
distribution center for the tax imposed by this chapter arising 4572
from any change to the Ohio delivery percentage. 4573

(iv) In the case where the distribution center is new and not 4574
open for the entire qualifying period, the operator shall make a 4575
good faith estimate of an Ohio delivery percentage for use by 4576
suppliers in their reports of taxable gross receipts for the 4577
remainder of the qualifying period. The operator of the facility 4578
shall disclose to the suppliers that such Ohio delivery percentage 4579
is an estimate and is subject to recalculation. By the due date of 4580
the next application for a qualifying certificate, the operator 4581
shall determine the actual Ohio delivery percentage for the 4582
estimated qualifying period and proceed as provided in division 4583
(F)(2)(z)(iii) of this section with respect to the calculation and 4584
recalculation of the Ohio delivery percentage. The supplier is 4585
required to file, within sixty days after receiving notice from 4586
the operator of the qualified distribution center, amended reports 4587
for the impacted calendar quarter or quarters or calendar year, 4588
whichever the case may be. Any additional tax liability or tax 4589
overpayment shall be subject to interest but shall not be subject 4590
to the imposition of any penalty so long as the amended returns 4591
are timely filed. 4592

(v) Qualifying certificates and Ohio delivery percentages 4593
issued by the commissioner shall be open to public inspection and 4594
shall be timely published by the commissioner. A supplier relying 4595
in good faith on a certificate issued under this division shall 4596
not be subject to tax on the qualifying distribution center 4597
receipts under division (F)(2)(z) of this section. A person 4598
receiving a qualifying certificate is responsible for paying the 4599
tax, interest, and penalty upon amounts claimed as qualifying 4600
distribution center receipts that would not otherwise have been 4601
owed by the supplier if the qualifying certificate were available 4602
when it is later determined that the qualifying certificate should 4603
not have been issued because the statutory requirements were in 4604
fact not met. 4605

(vi) The annual fee for a qualifying certificate shall be one hundred thousand dollars for each qualified distribution center. If a qualifying certificate is not issued, the annual fee is subject to refund after the exhaustion of all appeals provided for in division (F)(2)(z)(i)(VI) of this section. The fee imposed under this division may be assessed in the same manner as the tax imposed under this chapter. The 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 divisions (F)(2)(z)(i)(VI) and (F)(2)(z)(ii) 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 providing public services pursuant to sections 126.60 to 126.605 of the Revised Code, or 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 4668
qualified uranium receipts under division (F)(2)(gg) of this 4669
section. The application shall include such information that the 4670
tax commissioner prescribes. Within sixty days after receiving the 4671
application, the tax commissioner shall certify the zone for that 4672
purpose if the commissioner determines that the property qualifies 4673
as a uranium enrichment zone as defined in division (F)(2)(gg) of 4674
this section, or, if the tax commissioner determines that the 4675
property does not qualify, the commissioner shall deny the 4676
application or request additional information from the applicant. 4677
If the tax commissioner denies an application, the commissioner 4678
shall state the reasons for the denial. The applicant may appeal 4679
the denial of an application to the board of tax appeals pursuant 4680
to section 5717.02 of the Revised Code. If the applicant files a 4681
timely appeal, the tax commissioner shall conditionally certify 4682
the applicant's property. The conditional certification shall 4683
expire when all of the applicant's appeals are exhausted. Until 4684
final resolution of the appeal, the applicant shall retain the 4685
applicant's records in accordance with section 5751.12 of the 4686
Revised Code, notwithstanding any time limit on the preservation 4687
of records under that section. 4688

(hh) Amounts realized by licensed motor fuel dealers or 4689
licensed permissive motor fuel dealers from the exchange of 4690
petroleum products, including motor fuel, between such dealers, 4691
provided that delivery of the petroleum products occurs at a 4692
refinery, terminal, pipeline, or marine vessel and that the 4693
exchanging dealers agree neither dealer shall require monetary 4694
compensation from the other for the value of the exchanged 4695
petroleum products other than such compensation for differences in 4696
product location or grade. Division (F)(2)(hh) of this section 4697
does not apply to amounts realized as a result of differences in 4698
location or grade of exchanged petroleum products or from 4699
handling, lubricity, dye, or other additive injections fees, 4700

pipeline security fees, or similar fees. As used in this division, 4701
"motor fuel," "licensed motor fuel dealer," "licensed permissive 4702
motor fuel dealer," and "terminal" have the same meanings as in 4703
section 5735.01 of the Revised Code. 4704

(ii) In the case of amounts collected by a licensed casino 4705
operator from casino gaming, amounts in excess of the casino 4706
operator's gross casino revenue. In this division, "casino 4707
operator" and "casino gaming" have the meanings defined in section 4708
3772.01 of the Revised Code, and "gross casino revenue" has the 4709
meaning defined in section 5753.01 of the Revised Code. 4710

(jj) Any receipts for which the tax imposed by this chapter 4711
is prohibited by the constitution or laws of the United States or 4712
the constitution of this state. 4713

(3) In the case of a taxpayer when acting as a real estate 4714
broker, "gross receipts" includes only the portion of any fee for 4715
the service of a real estate broker, or service of a real estate 4716
salesperson associated with that broker, that is retained by the 4717
broker and not paid to an associated real estate salesperson or 4718
another real estate broker. For the purposes of this division, 4719
"real estate broker" and "real estate salesperson" have the same 4720
meanings as in section 4735.01 of the Revised Code. 4721

(4) A taxpayer's method of accounting for gross receipts for 4722
a tax period shall be the same as the taxpayer's method of 4723
accounting for federal income tax purposes for the taxpayer's 4724
federal taxable year that includes the tax period. If a taxpayer's 4725
method of accounting for federal income tax purposes changes, its 4726
method of accounting for gross receipts under this chapter shall 4727
be changed accordingly. 4728

(G) "Taxable gross receipts" means gross receipts sitused to 4729
this state under section 5751.033 of the Revised Code. 4730

(H) A person has "substantial nexus with this state" if any 4731

of the following applies. The person:	4732
(1) Owns or uses a part or all of its capital in this state;	4733
(2) Holds a certificate of compliance with the laws of this state authorizing the person to do business in this state;	4734 4735
(3) Has bright-line presence in this state;	4736
(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.	4737 4738 4739
(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:	4740 4741 4742
(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.	4743 4744 4745 4746 4747
(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:	4748 4749 4750
(a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code;	4751 4752
(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	4753 4754 4755
(c) Any amount the person pays for services performed in this state on its behalf by another.	4756 4757
(3) Has during the calendar year taxable gross receipts of at least five hundred thousand dollars.	4758 4759
(4) Has at any time during the calendar year within this	4760

state at least twenty-five per cent of the person's total 4761
property, total payroll, or total gross receipts. 4762

(5) Is domiciled in this state as an individual or for 4763
corporate, commercial, or other business purposes. 4764

(J) "Tangible personal property" has the same meaning as in 4765
section 5739.01 of the Revised Code. 4766

(K) "Internal Revenue Code" means the Internal Revenue Code 4767
of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term used in 4768
this chapter that is not otherwise defined has the same meaning as 4769
when used in a comparable context in the laws of the United States 4770
relating to federal income taxes unless a different meaning is 4771
clearly required. Any reference in this chapter to the Internal 4772
Revenue Code includes other laws of the United States relating to 4773
federal income taxes. 4774

(L) "Calendar quarter" means a three-month period ending on 4775
the thirty-first day of March, the thirtieth day of June, the 4776
thirtieth day of September, or the thirty-first day of December. 4777

(M) "Tax period" means the calendar quarter or calendar year 4778
on the basis of which a taxpayer is required to pay the tax 4779
imposed under this chapter. 4780

(N) "Calendar year taxpayer" means a taxpayer for which the 4781
tax period is a calendar year. 4782

(O) "Calendar quarter taxpayer" means a taxpayer for which 4783
the tax period is a calendar quarter. 4784

(P) "Agent" means a person authorized by another person to 4785
act on its behalf to undertake a transaction for the other, 4786
including any of the following: 4787

(1) A person receiving a fee to sell financial instruments; 4788

(2) A person retaining only a commission from a transaction 4789
with the other proceeds from the transaction being remitted to 4790

another person; 4791

(3) A person issuing licenses and permits under section 4792
1533.13 of the Revised Code; 4793

(4) A lottery sales agent holding a valid license issued 4794
under section 3770.05 of the Revised Code; 4795

(5) A person acting as an agent of the division of liquor 4796
control under section 4301.17 of the Revised Code. 4797

(Q) "Received" includes amounts accrued under the accrual 4798
method of accounting. 4799

(R) "Reporting person" means a person in a consolidated 4800
elected taxpayer or combined taxpayer group that is designated by 4801
that group to legally bind the group for all filings and tax 4802
liabilities and to receive all legal notices with respect to 4803
matters under this chapter, or, for the purposes of section 4804
5751.04 of the Revised Code, a separate taxpayer that is not a 4805
member of such a group. 4806

Section 101.02. That existing sections 9.33, 153.65, 718.01, 4807
2937.221, 3354.13, 3355.10, 3357.12, 5503.31, 5503.32, 5513.01, 4808
5533.31, 5537.01, 5537.02, 5537.03, 5537.04, 5537.05, 5537.051, 4809
5537.06, 5537.07, 5537.08, 5537.09, 5537.11, 5537.12, 5537.13, 4810
5537.14, 5537.15, 5537.16, 5537.17, 5537.19, 5537.20, 5537.21, 4811
5537.22, 5537.24, 5537.25, 5537.26, 5537.27, 5537.28, 5537.30, 4812
5728.01, 5735.05, 5735.23, 5739.02, 5747.01, and 5751.01 and 4813
sections 126.60, 126.601, 126.602, 126.603, 126.604, and 126.605 4814
of the Revised Code are hereby repealed. 4815

Section 203.10. All items in this section are hereby 4816
appropriated as designated out of any moneys in the state treasury 4817
to the credit of the designated fund. For all appropriations made 4818
in this act, those in the first column are for fiscal year 2014 4819
and those in the second column are for fiscal year 2015. The 4820

appropriations made in this act are in addition to any other 4821
appropriations made for the FY 2014-FY 2015 biennium. 4822

Appropriations

DOT DEPARTMENT OF TRANSPORTATION 4823

Highway Operating Fund Group 4824

7002 772425 Highway Construction \$ 200,000,000 \$ 300,000,000 4825

- Turnpike

TOTAL HOF Highway Operating Fund \$ 200,000,000 \$ 300,000,000 4826

Group

TOTAL ALL BUDGET FUND GROUPS \$ 200,000,000 \$ 300,000,000 4827

Within the limits set forth in this act, the Director of 4828
Budget and Management shall establish accounts indicating the 4829
source and amount of funds for each appropriation made in this 4830
act, and shall determine the form and manner in which 4831
appropriation accounts shall be maintained. Expenditures from 4832
appropriations contained in this act shall be accounted for as 4833
though made in the transportation budget act of the 130th General 4834
Assembly. 4835

The appropriations made in this act are subject to all 4836
provisions of the transportation budget act of the 130th General 4837
Assembly that are generally applicable to such appropriations. 4838

Section 815.10. The General Assembly, applying the principle 4839
stated in division (B) of section 1.52 of the Revised Code that 4840
amendments are to be harmonized if reasonably capable of 4841
simultaneous operation, finds that the following sections, 4842
presented in this act as composites of the sections as amended by 4843
the acts indicated, are the resulting versions of the sections in 4844
effect prior to the effective date of the sections as presented in 4845
this act: 4846

Section 5739.02 of the Revised Code as amended by both Am. 4847
Sub. H.B. 487 and Am. Sub. H.B. 508 of the 129th General Assembly. 4848

Section 5747.01 of the Revised Code as amended by Am. H.B. 4849
167, Sub. H.B. 365, and Am. Sub. H.B. 510, all of the 129th 4850
General Assembly. 4851

Section 5751.01 of the Revised Code as amended by both Am. 4852
Sub. H.B. 472 and Am. Sub. H.B. 510 of the 129th General Assembly. 4853