

As Reported by the Senate Ways and Means Committee

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Sub. H. B. No. 609

Representative West

**Cosponsors: Representatives Leland, Galonski, Smith, K., O'Brien, Sobecki,
Crawley, Blair, Rogers, Clites, Crossman, Ingram, Lanese, Lightbody, Manning, G.,
Miller, J., Roemer**

Senators Schuring, Roegner

A BILL

To amend sections 5709.09, 5713.08, 5715.27, and 1
5739.02 of the Revised Code to require the Tax 2
Commissioner to administer a temporary amnesty 3
program with respect to delinquent state- 4
administered taxes and fees, to credit most 5
collections to the Budget Stabilization Fund, to 6
authorize property and sales and use tax 7
exemptions, to modify property tax exemption 8
procedures for community schools, to repeal 9
Section 4 of this act on July 16, 2021, and to 10
make an appropriation. 11

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

Section 1. That sections 5709.09, 5713.08, 5715.27, and 12
5739.02 of the Revised Code be amended to read as follows: 13

Sec. 5709.09. (A) Real property or any estate, interest, 14
or right therein dedicated in accordance with section 1517.05 of 15
the Revised Code is exempt from taxation. 16

(B) Real property is exempt from taxation if both of the 17
following apply: 18

(1) The property is owned or held by an organization that 19
is organized for the purpose of natural resources protection, 20
preservation, restoration, or enhancement or water quality 21
improvement and that is described under section 501(c)(3) of the 22
Internal Revenue Code and exempt from taxation under section 23
501(a) of the Internal Revenue Code. 24

(2) The property is subject to an environmental response 25
project described in division (E)(2) of section 5301.80 of the 26
Revised Code. 27

Sec. 5713.08. (A) The county auditor shall make a list of 28
all real and personal property in the auditor's county that is 29
exempted from taxation. Such list shall show the name of the 30
owner, the value of the property exempted, and a statement in 31
brief form of the ground on which such exemption has been 32
granted. It shall be corrected annually by adding thereto the 33
items of property which have been exempted during the year, and 34
by striking therefrom the items which in the opinion of the 35
auditor have lost their right of exemption and which have been 36
reentered on the taxable list, but no property shall be struck 37
from the exempt property list solely because the property has 38
been conveyed to a single member limited liability company with 39
a nonprofit purpose from its nonprofit member or because the 40
property has been conveyed by a single member limited liability 41
company with a nonprofit purpose to its nonprofit member. No 42
additions shall be made to such exempt lists and no additional 43
items of property shall be exempted from taxation without the 44
consent of the tax commissioner as is provided for in section 45
5715.27 of the Revised Code or without the consent of the 46

housing officer under section 3735.67 of the Revised Code, 47
except for property exempted by the auditor under that section, 48
property ~~owned~~used by a community school and subject to the 49
exemption authorized under division (A) (1) of section 5709.07 of 50
the Revised Code for tax years after the tax year for which the 51
commissioner grants an application under section 5715.27 of the 52
Revised Code, as described in division (I) of that section, or 53
qualifying agricultural real property, as defined in section 54
5709.28 of the Revised Code, that is enrolled in an agriculture 55
security area that is exempt under that section. 56

The commissioner may revise at any time the list in every 57
county so that no property is improperly or illegally exempted 58
from taxation. The auditor shall follow the orders of the 59
commissioner given under this section. An abstract of such list 60
shall be filed annually with the commissioner, on a form 61
approved by the commissioner, and a copy thereof shall be kept 62
on file in the office of each auditor for public inspection. 63

An application for exemption of property shall include a 64
certificate executed by the county treasurer certifying one of 65
the following: 66

(1) That all taxes, interest, and penalties levied and 67
assessed against the property sought to be exempted have been 68
paid in full for all of the tax years preceding the tax year for 69
which the application for exemption is filed, except for such 70
taxes, interest, and penalties that may be remitted under 71
division (C) of this section; 72

(2) That the applicant has entered into a valid delinquent 73
tax contract with the county treasurer pursuant to division (A) 74
of section 323.31 of the Revised Code to pay all of the 75
delinquent taxes, interest, and penalties charged against the 76

property, except for such taxes, interest, and penalties that 77
may be remitted under division (C) of this section. If the 78
auditor receives notice under section 323.31 of the Revised Code 79
that such a written delinquent tax contract has become void, the 80
auditor shall strike such property from the list of exempted 81
property and reenter such property on the taxable list. If 82
property is removed from the exempt list because a written 83
delinquent tax contract has become void, current taxes shall 84
first be extended against that property on the general tax list 85
and duplicate of real and public utility property for the tax 86
year in which the auditor receives the notice required by 87
division (A) of section 323.31 of the Revised Code that the 88
delinquent tax contract has become void or, if that notice is 89
not timely made, for the tax year in which falls the latest date 90
by which the treasurer is required by such section to give such 91
notice. A county auditor shall not remove from any tax list and 92
duplicate the amount of any unpaid delinquent taxes, 93
assessments, interest, or penalties owed on property that is 94
placed on the exempt list pursuant to this division. 95

(3) That a tax certificate has been issued under section 96
5721.32 or 5721.33 of the Revised Code with respect to the 97
property that is the subject of the application, and the tax 98
certificate is outstanding. 99

(B) If the treasurer's certificate is not included with 100
the application or the certificate reflects unpaid taxes, 101
penalties, and interest that may not be remitted, the tax 102
commissioner or county auditor with whom the application was 103
filed shall notify the property owner of that fact, and the 104
applicant shall be given sixty days from the date that 105
notification was mailed in which to provide the tax commissioner 106
or county auditor with a corrected treasurer's certificate. If a 107

corrected treasurer's certificate is not received within the 108
time permitted, the tax commissioner or county auditor does not 109
have authority to consider the tax exemption application. 110

(C) Any taxes, interest, and penalties which have become a 111
lien after the property was first used for the exempt purpose, 112
but in no case prior to the date of acquisition of the title to 113
the property by the applicant, may be remitted by the 114
commissioner or county auditor, except as is provided in 115
division (A) of section 5713.081 of the Revised Code. 116

(D) Real property acquired by the state in fee simple is 117
exempt from taxation from the date of acquisition of title or 118
date of possession, whichever is the earlier date, provided that 119
all taxes, interest, and penalties as provided in the 120
apportionment provisions of section 319.20 of the Revised Code 121
have been paid to the date of acquisition of title or date of 122
possession by the state, whichever is earlier. The proportionate 123
amount of taxes that are a lien but not yet determined, 124
assessed, and levied for the year in which the property is 125
acquired, shall be remitted by the county auditor for the 126
balance of the year from date of acquisition of title or date of 127
possession, whichever is earlier. This section shall not be 128
construed to authorize the exemption of such property from 129
taxation or the remission of taxes, interest, and penalties 130
thereon until all private use has terminated. 131

Sec. 5715.27. (A) (1) Except as provided in division (A) (2) 132
of this section and in section 3735.67 of the Revised Code, the 133
owner, a vendee in possession under a purchase agreement or a 134
land contract, the beneficiary of a trust, or a lessee for an 135
initial term of not less than thirty years of any property may 136
file an application with the tax commissioner, on forms 137

prescribed by the commissioner, requesting that such property be 138
exempted from taxation and that taxes, interest, and penalties 139
be remitted as provided in division (C) of section 5713.08 of 140
the Revised Code. 141

(2) If the property that is the subject of the application 142
for exemption is any of the following, the application shall be 143
filed with the county auditor of the county in which the 144
property is listed for taxation: 145

(a) A public road or highway; 146

(b) Property belonging to the federal government of the 147
United States; 148

(c) Additions or other improvements to an existing 149
building or structure that belongs to the state or a political 150
subdivision, as defined in section 5713.081 of the Revised Code, 151
and that is exempted from taxation as property used exclusively 152
for a public purpose. 153

(B) The board of education of any school district may 154
request the tax commissioner or county auditor to provide it 155
with notification of applications for exemption from taxation 156
for property located within that district. If so requested, the 157
commissioner or auditor shall send to the board on a monthly 158
basis reports that contain sufficient information to enable the 159
board to identify each property that is the subject of an 160
exemption application, including, but not limited to, the name 161
of the property owner or applicant, the address of the property, 162
and the auditor's parcel number. The commissioner or auditor 163
shall mail the reports by the fifteenth day of the month 164
following the end of the month in which the commissioner or 165
auditor receives the applications for exemption. 166

(C) A board of education that has requested notification 167
under division (B) of this section may, with respect to any 168
application for exemption of property located in the district 169
and included in the commissioner's or auditor's most recent 170
report provided under that division, file a statement with the 171
commissioner or auditor and with the applicant indicating its 172
intent to submit evidence and participate in any hearing on the 173
application. The statements shall be filed prior to the first 174
day of the third month following the end of the month in which 175
that application was docketed by the commissioner or auditor. A 176
statement filed in compliance with this division entitles the 177
district to submit evidence and to participate in any hearing on 178
the property and makes the district a party for purposes of 179
sections 5717.02 to 5717.04 of the Revised Code in any appeal of 180
the commissioner's or auditor's decision to the board of tax 181
appeals. 182

(D) The commissioner or auditor shall not hold a hearing 183
on or grant or deny an application for exemption of property in 184
a school district whose board of education has requested 185
notification under division (B) of this section until the end of 186
the period within which the board may submit a statement with 187
respect to that application under division (C) of this section. 188
The commissioner or auditor may act upon an application at any 189
time prior to that date upon receipt of a written waiver from 190
each such board of education, or, in the case of exemptions 191
authorized by section 725.02, 1728.10, 5709.40, 5709.41, 192
5709.411, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 193
5709.84, or 5709.88 of the Revised Code, upon the request of the 194
property owner. Failure of a board of education to receive the 195
report required in division (B) of this section shall not void 196
an action of the commissioner or auditor with respect to any 197

application. The commissioner or auditor may extend the time for 198
filing a statement under division (C) of this section. 199

(E) A complaint may also be filed with the commissioner or 200
auditor by any person, board, or officer authorized by section 201
5715.19 of the Revised Code to file complaints with the county 202
board of revision against the continued exemption of any 203
property granted exemption by the commissioner or auditor under 204
this section. 205

(F) An application for exemption and a complaint against 206
exemption shall be filed prior to the thirty-first day of 207
December of the tax year for which exemption is requested or for 208
which the liability of the property to taxation in that year is 209
requested. The commissioner or auditor shall consider such 210
application or complaint in accordance with procedures 211
established by the commissioner, determine whether the property 212
is subject to taxation or exempt therefrom, and, if the 213
commissioner makes the determination, certify the determination 214
to the auditor. Upon making the determination or receiving the 215
commissioner's determination, the auditor shall correct the tax 216
list and duplicate accordingly. If a tax certificate has been 217
sold under section 5721.32 or 5721.33 of the Revised Code with 218
respect to property for which an exemption has been requested, 219
the tax commissioner or auditor shall also certify the findings 220
to the county treasurer of the county in which the property is 221
located. 222

(G) Applications and complaints, and documents of any kind 223
related to applications and complaints, filed with the tax 224
commissioner or county auditor under this section are public 225
records within the meaning of section 149.43 of the Revised 226
Code. 227

(H) If the commissioner or auditor determines that the use 228
of property or other facts relevant to the taxability of 229
property that is the subject of an application for exemption or 230
a complaint under this section has changed while the application 231
or complaint was pending, the commissioner or auditor may make 232
the determination under division (F) of this section separately 233
for each tax year beginning with the year in which the 234
application or complaint was filed or the year for which 235
remission of taxes under division (C) of section 5713.08 of the 236
Revised Code was requested, and including each subsequent tax 237
year during which the application or complaint is pending before 238
the commissioner or auditor. 239

(I) ~~If~~ Except as otherwise provided in this division, if 240
the tax commissioner grants an application filed ~~by a community~~ 241
~~school~~ under this section ~~for the exemption authorized under to~~ 242
exempt real property used by a community school pursuant to 243
division (A) (1) of section 5709.07 of the Revised Code, ~~any that~~ 244
property ~~that is the subject of that application~~ shall be exempt 245
from property tax for each succeeding tax year, regardless of 246
whether the ~~community school~~ applicant that filed that initial 247
application files an application under this section with respect 248
to such property for that succeeding tax year. ~~The community~~ 249
~~school~~ That applicant, on or before the thirty-first day of 250
December of each such succeeding tax year, shall submit a 251
statement to the commissioner attesting that the property that 252
is the subject of that initial application qualifies for the 253
exemption authorized under division (A) (1) of section 5709.07 of 254
the Revised Code for that succeeding tax year. If ~~the community~~ 255
~~school~~ the applicant fails to file such a statement for a tax 256
year or if the commissioner otherwise discovers that the 257
property no longer qualifies for that exemption, the 258

commissioner shall order the county auditor to return the 259
property to the tax list. This division does not apply to any 260
tax year for which either of the following applies: 261

(1) If the initial applicant leases the property to the 262
community school, the lease expires or is renewed on or before 263
the tax lien date. 264

(2) The initial applicant, notwithstanding this division, 265
is not eligible to file an exemption application for the 266
property under this section. 267

Sec. 5739.02. For the purpose of providing revenue with 268
which to meet the needs of the state, for the use of the general 269
revenue fund of the state, for the purpose of securing a 270
thorough and efficient system of common schools throughout the 271
state, for the purpose of affording revenues, in addition to 272
those from general property taxes, permitted under 273
constitutional limitations, and from other sources, for the 274
support of local governmental functions, and for the purpose of 275
reimbursing the state for the expense of administering this 276
chapter, an excise tax is hereby levied on each retail sale made 277
in this state. 278

(A) (1) The tax shall be collected as provided in section 279
5739.025 of the Revised Code. The rate of the tax shall be five 280
and three-fourths per cent. The tax applies and is collectible 281
when the sale is made, regardless of the time when the price is 282
paid or delivered. 283

(2) In the case of the lease or rental, with a fixed term 284
of more than thirty days or an indefinite term with a minimum 285
period of more than thirty days, of any motor vehicles designed 286
by the manufacturer to carry a load of not more than one ton, 287

watercraft, outboard motor, or aircraft, or of any tangible 288
personal property, other than motor vehicles designed by the 289
manufacturer to carry a load of more than one ton, to be used by 290
the lessee or renter primarily for business purposes, the tax 291
shall be collected by the vendor at the time the lease or rental 292
is consummated and shall be calculated by the vendor on the 293
basis of the total amount to be paid by the lessee or renter 294
under the lease agreement. If the total amount of the 295
consideration for the lease or rental includes amounts that are 296
not calculated at the time the lease or rental is executed, the 297
tax shall be calculated and collected by the vendor at the time 298
such amounts are billed to the lessee or renter. In the case of 299
an open-end lease or rental, the tax shall be calculated by the 300
vendor on the basis of the total amount to be paid during the 301
initial fixed term of the lease or rental, and for each 302
subsequent renewal period as it comes due. As used in this 303
division, "motor vehicle" has the same meaning as in section 304
4501.01 of the Revised Code, and "watercraft" includes an 305
outdrive unit attached to the watercraft. 306

A lease with a renewal clause and a termination penalty or 307
similar provision that applies if the renewal clause is not 308
exercised is presumed to be a sham transaction. In such a case, 309
the tax shall be calculated and paid on the basis of the entire 310
length of the lease period, including any renewal periods, until 311
the termination penalty or similar provision no longer applies. 312
The taxpayer shall bear the burden, by a preponderance of the 313
evidence, that the transaction or series of transactions is not 314
a sham transaction. 315

(3) Except as provided in division (A)(2) of this section, 316
in the case of a sale, the price of which consists in whole or 317
in part of the lease or rental of tangible personal property, 318

the tax shall be measured by the installments of that lease or	319
rental.	320
(4) In the case of a sale of a physical fitness facility	321
service or recreation and sports club service, the price of	322
which consists in whole or in part of a membership for the	323
receipt of the benefit of the service, the tax applicable to the	324
sale shall be measured by the installments thereof.	325
(B) The tax does not apply to the following:	326
(1) Sales to the state or any of its political	327
subdivisions, or to any other state or its political	328
subdivisions if the laws of that state exempt from taxation	329
sales made to this state and its political subdivisions;	330
(2) Sales of food for human consumption off the premises	331
where sold;	332
(3) Sales of food sold to students only in a cafeteria,	333
dormitory, fraternity, or sorority maintained in a private,	334
public, or parochial school, college, or university;	335
(4) Sales of newspapers and sales or transfers of	336
magazines distributed as controlled circulation publications;	337
(5) The furnishing, preparing, or serving of meals without	338
charge by an employer to an employee provided the employer	339
records the meals as part compensation for services performed or	340
work done;	341
(6) (a) Sales of motor fuel upon receipt, use,	342
distribution, or sale of which in this state a tax is imposed by	343
the law of this state, but this exemption shall not apply to the	344
sale of motor fuel on which a refund of the tax is allowable	345
under division (A) of section 5735.14 of the Revised Code; and	346

the tax commissioner may deduct the amount of tax levied by this 347
section applicable to the price of motor fuel when granting a 348
refund of motor fuel tax pursuant to division (A) of section 349
5735.14 of the Revised Code and shall cause the amount deducted 350
to be paid into the general revenue fund of this state; 351

(b) Sales of motor fuel other than that described in 352
division (B) (6) (a) of this section and used for powering a 353
refrigeration unit on a vehicle other than one used primarily to 354
provide comfort to the operator or occupants of the vehicle. 355

(7) Sales of natural gas by a natural gas company or 356
municipal gas utility, of water by a water-works company, or of 357
steam by a heating company, if in each case the thing sold is 358
delivered to consumers through pipes or conduits, and all sales 359
of communications services by a telegraph company, all terms as 360
defined in section 5727.01 of the Revised Code, and sales of 361
electricity delivered through wires; 362

(8) Casual sales by a person, or auctioneer employed 363
directly by the person to conduct such sales, except as to such 364
sales of motor vehicles, watercraft or outboard motors required 365
to be titled under section 1548.06 of the Revised Code, 366
watercraft documented with the United States coast guard, 367
snowmobiles, and all-purpose vehicles as defined in section 368
4519.01 of the Revised Code; 369

(9) (a) Sales of services or tangible personal property, 370
other than motor vehicles, mobile homes, and manufactured homes, 371
by churches, organizations exempt from taxation under section 372
501(c) (3) of the Internal Revenue Code of 1986, or nonprofit 373
organizations operated exclusively for charitable purposes as 374
defined in division (B) (12) of this section, provided that the 375
number of days on which such tangible personal property or 376

services, other than items never subject to the tax, are sold 377
does not exceed six in any calendar year, except as otherwise 378
provided in division (B) (9) (b) of this section. If the number of 379
days on which such sales are made exceeds six in any calendar 380
year, the church or organization shall be considered to be 381
engaged in business and all subsequent sales by it shall be 382
subject to the tax. In counting the number of days, all sales by 383
groups within a church or within an organization shall be 384
considered to be sales of that church or organization. 385

(b) The limitation on the number of days on which tax- 386
exempt sales may be made by a church or organization under 387
division (B) (9) (a) of this section does not apply to sales made 388
by student clubs and other groups of students of a primary or 389
secondary school, or a parent-teacher association, booster 390
group, or similar organization that raises money to support or 391
fund curricular or extracurricular activities of a primary or 392
secondary school. 393

(c) Divisions (B) (9) (a) and (b) of this section do not 394
apply to sales by a noncommercial educational radio or 395
television broadcasting station. 396

(10) Sales not within the taxing power of this state under 397
the Constitution or laws of the United States or the 398
Constitution of this state; 399

(11) Except for transactions that are sales under division 400
(B) (3) (r) of section 5739.01 of the Revised Code, the 401
transportation of persons or property, unless the transportation 402
is by a private investigation and security service; 403

(12) Sales of tangible personal property or services to 404
churches, to organizations exempt from taxation under section 405

501(c) (3) of the Internal Revenue Code of 1986, and to any other 406
nonprofit organizations operated exclusively for charitable 407
purposes in this state, no part of the net income of which 408
inures to the benefit of any private shareholder or individual, 409
and no substantial part of the activities of which consists of 410
carrying on propaganda or otherwise attempting to influence 411
legislation; sales to offices administering one or more homes 412
for the aged or one or more hospital facilities exempt under 413
section 140.08 of the Revised Code; and sales to organizations 414
described in division (D) of section 5709.12 of the Revised 415
Code. 416

"Charitable purposes" means the relief of poverty; the 417
improvement of health through the alleviation of illness, 418
disease, or injury; the operation of an organization exclusively 419
for the provision of professional, laundry, printing, and 420
purchasing services to hospitals or charitable institutions; the 421
operation of a home for the aged, as defined in section 5701.13 422
of the Revised Code; the operation of a radio or television 423
broadcasting station that is licensed by the federal 424
communications commission as a noncommercial educational radio 425
or television station; the operation of a nonprofit animal 426
adoption service or a county humane society; the promotion of 427
education by an institution of learning that maintains a faculty 428
of qualified instructors, teaches regular continuous courses of 429
study, and confers a recognized diploma upon completion of a 430
specific curriculum; the operation of a parent-teacher 431
association, booster group, or similar organization primarily 432
engaged in the promotion and support of the curricular or 433
extracurricular activities of a primary or secondary school; the 434
operation of a community or area center in which presentations 435
in music, dramatics, the arts, and related fields are made in 436

order to foster public interest and education therein; the 437
production of performances in music, dramatics, and the arts; or 438
the promotion of education by an organization engaged in 439
carrying on research in, or the dissemination of, scientific and 440
technological knowledge and information primarily for the 441
public. 442

Nothing in this division shall be deemed to exempt sales 443
to any organization for use in the operation or carrying on of a 444
trade or business, or sales to a home for the aged for use in 445
the operation of independent living facilities as defined in 446
division (A) of section 5709.12 of the Revised Code. 447

(13) Building and construction materials and services sold 448
to construction contractors for incorporation into a structure 449
or improvement to real property under a construction contract 450
with this state or a political subdivision of this state, or 451
with the United States government or any of its agencies; 452
building and construction materials and services sold to 453
construction contractors for incorporation into a structure or 454
improvement to real property that are accepted for ownership by 455
this state or any of its political subdivisions, or by the 456
United States government or any of its agencies at the time of 457
completion of the structures or improvements; building and 458
construction materials sold to construction contractors for 459
incorporation into a horticulture structure or livestock 460
structure for a person engaged in the business of horticulture 461
or producing livestock; building materials and services sold to 462
a construction contractor for incorporation into a house of 463
public worship or religious education, or a building used 464
exclusively for charitable purposes under a construction 465
contract with an organization whose purpose is as described in 466
division (B) (12) of this section; building materials and 467

services sold to a construction contractor for incorporation 468
into a building under a construction contract with an 469
organization exempt from taxation under section 501(c)(3) of the 470
Internal Revenue Code of 1986 when the building is to be used 471
exclusively for the organization's exempt purposes; building and 472
construction materials sold for incorporation into the original 473
construction of a sports facility under section 307.696 of the 474
Revised Code; building and construction materials and services 475
sold to a construction contractor for incorporation into real 476
property outside this state if such materials and services, when 477
sold to a construction contractor in the state in which the real 478
property is located for incorporation into real property in that 479
state, would be exempt from a tax on sales levied by that state; 480
building and construction materials for incorporation into a 481
transportation facility pursuant to a public-private agreement 482
entered into under sections 5501.70 to 5501.83 of the Revised 483
Code; and, until one calendar year after the construction of a 484
convention center that qualifies for property tax exemption 485
under section 5709.084 of the Revised Code is completed, 486
building and construction materials and services sold to a 487
construction contractor for incorporation into the real property 488
comprising that convention center; 489

(14) Sales of ships or vessels or rail rolling stock used 490
or to be used principally in interstate or foreign commerce, and 491
repairs, alterations, fuel, and lubricants for such ships or 492
vessels or rail rolling stock; 493

(15) Sales to persons primarily engaged in any of the 494
activities mentioned in division (B)(42)(a), (g), or (h) of this 495
section, to persons engaged in making retail sales, or to 496
persons who purchase for sale from a manufacturer tangible 497
personal property that was produced by the manufacturer in 498

accordance with specific designs provided by the purchaser, of 499
packages, including material, labels, and parts for packages, 500
and of machinery, equipment, and material for use primarily in 501
packaging tangible personal property produced for sale, 502
including any machinery, equipment, and supplies used to make 503
labels or packages, to prepare packages or products for 504
labeling, or to label packages or products, by or on the order 505
of the person doing the packaging, or sold at retail. "Packages" 506
includes bags, baskets, cartons, crates, boxes, cans, bottles, 507
bindings, wrappings, and other similar devices and containers, 508
but does not include motor vehicles or bulk tanks, trailers, or 509
similar devices attached to motor vehicles. "Packaging" means 510
placing in a package. Division (B) (15) of this section does not 511
apply to persons engaged in highway transportation for hire. 512

(16) Sales of food to persons using supplemental nutrition 513
assistance program benefits to purchase the food. As used in 514
this division, "food" has the same meaning as in 7 U.S.C. 2012 515
and federal regulations adopted pursuant to the Food and 516
Nutrition Act of 2008. 517

(17) Sales to persons engaged in farming, agriculture, 518
horticulture, or floriculture, of tangible personal property for 519
use or consumption primarily in the production by farming, 520
agriculture, horticulture, or floriculture of other tangible 521
personal property for use or consumption primarily in the 522
production of tangible personal property for sale by farming, 523
agriculture, horticulture, or floriculture; or material and 524
parts for incorporation into any such tangible personal property 525
for use or consumption in production; and of tangible personal 526
property for such use or consumption in the conditioning or 527
holding of products produced by and for such use, consumption, 528
or sale by persons engaged in farming, agriculture, 529

horticulture, or floriculture, except where such property is 530
incorporated into real property; 531

(18) Sales of drugs for a human being that may be 532
dispensed only pursuant to a prescription; insulin as recognized 533
in the official United States pharmacopoeia; urine and blood 534
testing materials when used by diabetics or persons with 535
hypoglycemia to test for glucose or acetone; hypodermic syringes 536
and needles when used by diabetics for insulin injections; 537
epoetin alfa when purchased for use in the treatment of persons 538
with medical disease; hospital beds when purchased by hospitals, 539
nursing homes, or other medical facilities; and medical oxygen 540
and medical oxygen-dispensing equipment when purchased by 541
hospitals, nursing homes, or other medical facilities; 542

(19) Sales of prosthetic devices, durable medical 543
equipment for home use, or mobility enhancing equipment, when 544
made pursuant to a prescription and when such devices or 545
equipment are for use by a human being. 546

(20) Sales of emergency and fire protection vehicles and 547
equipment to nonprofit organizations for use solely in providing 548
fire protection and emergency services, including trauma care 549
and emergency medical services, for political subdivisions of 550
the state; 551

(21) Sales of tangible personal property manufactured in 552
this state, if sold by the manufacturer in this state to a 553
retailer for use in the retail business of the retailer outside 554
of this state and if possession is taken from the manufacturer 555
by the purchaser within this state for the sole purpose of 556
immediately removing the same from this state in a vehicle owned 557
by the purchaser; 558

(22) Sales of services provided by the state or any of its political subdivisions, agencies, instrumentalities, institutions, or authorities, or by governmental entities of the state or any of its political subdivisions, agencies, instrumentalities, institutions, or authorities;	559 560 561 562 563
(23) Sales of motor vehicles to nonresidents of this state under the circumstances described in division (B) of section 5739.029 of the Revised Code;	564 565 566
(24) Sales to persons engaged in the preparation of eggs for sale of tangible personal property used or consumed directly in such preparation, including such tangible personal property used for cleaning, sanitizing, preserving, grading, sorting, and classifying by size; packages, including material and parts for packages, and machinery, equipment, and material for use in packaging eggs for sale; and handling and transportation equipment and parts therefor, except motor vehicles licensed to operate on public highways, used in intraplant or interplant transfers or shipment of eggs in the process of preparation for sale, when the plant or plants within or between which such transfers or shipments occur are operated by the same person. "Packages" includes containers, cases, baskets, flats, fillers, filler flats, cartons, closure materials, labels, and labeling materials, and "packaging" means placing therein.	567 568 569 570 571 572 573 574 575 576 577 578 579 580 581
(25) (a) Sales of water to a consumer for residential use;	582
(b) Sales of water by a nonprofit corporation engaged exclusively in the treatment, distribution, and sale of water to consumers, if such water is delivered to consumers through pipes or tubing.	583 584 585 586
(26) Fees charged for inspection or reinspection of motor	587

vehicles under section 3704.14 of the Revised Code;	588
(27) Sales to persons licensed to conduct a food service operation pursuant to section 3717.43 of the Revised Code, of tangible personal property primarily used directly for the following:	589
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	592
(a) To prepare food for human consumption for sale;	593
(b) To preserve food that has been or will be prepared for human consumption for sale by the food service operator, not including tangible personal property used to display food for selection by the consumer;	594
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(c) To clean tangible personal property used to prepare or serve food for human consumption for sale.	598
	599
(28) Sales of animals by nonprofit animal adoption services or county humane societies;	600
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(29) Sales of services to a corporation described in division (A) of section 5709.72 of the Revised Code, and sales of tangible personal property that qualifies for exemption from taxation under section 5709.72 of the Revised Code;	602
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(30) Sales and installation of agricultural land tile, as defined in division (B) (5) (a) of section 5739.01 of the Revised Code;	606
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	608
(31) Sales and erection or installation of portable grain bins, as defined in division (B) (5) (b) of section 5739.01 of the Revised Code;	609
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(32) The sale, lease, repair, and maintenance of, parts for, or items attached to or incorporated in, motor vehicles that are primarily used for transporting tangible personal property belonging to others by a person engaged in highway	612
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transportation for hire, except for packages and packaging used 616
for the transportation of tangible personal property; 617

(33) Sales to the state headquarters of any veterans' 618
organization in this state that is either incorporated and 619
issued a charter by the congress of the United States or is 620
recognized by the United States veterans administration, for use 621
by the headquarters; 622

(34) Sales to a telecommunications service vendor, mobile 623
telecommunications service vendor, or satellite broadcasting 624
service vendor of tangible personal property and services used 625
directly and primarily in transmitting, receiving, switching, or 626
recording any interactive, one- or two-way electromagnetic 627
communications, including voice, image, data, and information, 628
through the use of any medium, including, but not limited to, 629
poles, wires, cables, switching equipment, computers, and record 630
storage devices and media, and component parts for the tangible 631
personal property. The exemption provided in this division shall 632
be in lieu of all other exemptions under division (B) (42) (a) or 633
(n) of this section to which the vendor may otherwise be 634
entitled, based upon the use of the thing purchased in providing 635
the telecommunications, mobile telecommunications, or satellite 636
broadcasting service. 637

(35) (a) Sales where the purpose of the consumer is to use 638
or consume the things transferred in making retail sales and 639
consisting of newspaper inserts, catalogues, coupons, flyers, 640
gift certificates, or other advertising material that prices and 641
describes tangible personal property offered for retail sale. 642

(b) Sales to direct marketing vendors of preliminary 643
materials such as photographs, artwork, and typesetting that 644
will be used in printing advertising material; and of printed 645

matter that offers free merchandise or chances to win sweepstake prizes and that is mailed to potential customers with advertising material described in division (B) (35) (a) of this section;

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

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

For purposes of division (B) (35) of this section, "direct marketing" means the method of selling where consumers order tangible personal property by United States mail, delivery service, or telecommunication and the vendor delivers or ships the tangible personal property sold to the consumer from a warehouse, catalogue distribution center, or similar fulfillment facility by means of the United States mail, delivery service, or common carrier.

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

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

(38) Sales of tangible personal property that is not 675
required to be registered or licensed under the laws of this 676
state to a citizen of a foreign nation that is not a citizen of 677
the United States, provided the property is delivered to a 678
person in this state that is not a related member of the 679
purchaser, is physically present in this state for the sole 680
purpose of temporary storage and package consolidation, and is 681
subsequently delivered to the purchaser at a delivery address in 682
a foreign nation. As used in division (B) (38) of this section, 683
"related member" has the same meaning as in section 5733.042 of 684
the Revised Code, and "temporary storage" means the storage of 685
tangible personal property for a period of not more than sixty 686
days. 687

(39) Sales of used manufactured homes and used mobile 688
homes, as defined in section 5739.0210 of the Revised Code, made 689
on or after January 1, 2000; 690

(40) Sales of tangible personal property and services to a 691
provider of electricity used or consumed directly and primarily 692
in generating, transmitting, or distributing electricity for use 693
by others, including property that is or is to be incorporated 694
into and will become a part of the consumer's production, 695
transmission, or distribution system and that retains its 696
classification as tangible personal property after 697
incorporation; fuel or power used in the production, 698
transmission, or distribution of electricity; energy conversion 699
equipment as defined in section 5727.01 of the Revised Code; and 700
tangible personal property and services used in the repair and 701
maintenance of the production, transmission, or distribution 702
system, including only those motor vehicles as are specially 703
designed and equipped for such use. The exemption provided in 704
this division shall be in lieu of all other exemptions in 705

division (B) (42) (a) or (n) of this section to which a provider 706
of electricity may otherwise be entitled based on the use of the 707
tangible personal property or service purchased in generating, 708
transmitting, or distributing electricity. 709

(41) Sales to a person providing services under division 710
(B) (3) (r) of section 5739.01 of the Revised Code of tangible 711
personal property and services used directly and primarily in 712
providing taxable services under that section. 713

(42) Sales where the purpose of the purchaser is to do any 714
of the following: 715

(a) To incorporate the thing transferred as a material or 716
a part into tangible personal property to be produced for sale 717
by manufacturing, assembling, processing, or refining; or to use 718
or consume the thing transferred directly in producing tangible 719
personal property for sale by mining, including, without 720
limitation, the extraction from the earth of all substances that 721
are classed geologically as minerals, or directly in the 722
rendition of a public utility service, except that the sales tax 723
levied by this section shall be collected upon all meals, 724
drinks, and food for human consumption sold when transporting 725
persons. This paragraph does not exempt from "retail sale" or 726
"sales at retail" the sale of tangible personal property that is 727
to be incorporated into a structure or improvement to real 728
property. 729

(b) To hold the thing transferred as security for the 730
performance of an obligation of the vendor; 731

(c) To resell, hold, use, or consume the thing transferred 732
as evidence of a contract of insurance; 733

(d) To use or consume the thing directly in commercial 734

fishing;	735
(e) To incorporate the thing transferred as a material or	736
a part into, or to use or consume the thing transferred directly	737
in the production of, magazines distributed as controlled	738
circulation publications;	739
(f) To use or consume the thing transferred in the	740
production and preparation in suitable condition for market and	741
sale of printed, imprinted, overprinted, lithographic,	742
multilithic, blueprinted, photostatic, or other productions or	743
reproductions of written or graphic matter;	744
(g) To use the thing transferred, as described in section	745
5739.011 of the Revised Code, primarily in a manufacturing	746
operation to produce tangible personal property for sale;	747
(h) To use the benefit of a warranty, maintenance or	748
service contract, or similar agreement, as described in division	749
(B) (7) of section 5739.01 of the Revised Code, to repair or	750
maintain tangible personal property, if all of the property that	751
is the subject of the warranty, contract, or agreement would not	752
be subject to the tax imposed by this section;	753
(i) To use the thing transferred as qualified research and	754
development equipment;	755
(j) To use or consume the thing transferred primarily in	756
storing, transporting, mailing, or otherwise handling purchased	757
sales inventory in a warehouse, distribution center, or similar	758
facility when the inventory is primarily distributed outside	759
this state to retail stores of the person who owns or controls	760
the warehouse, distribution center, or similar facility, to	761
retail stores of an affiliated group of which that person is a	762
member, or by means of direct marketing. This division does not	763

apply to motor vehicles registered for operation on the public highways. As used in this division, "affiliated group" has the same meaning as in division (B) (3) (e) of section 5739.01 of the Revised Code and "direct marketing" has the same meaning as in division (B) (35) of this section.

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

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

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

(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	793
information by electronic publishing;	794
(p) To provide the thing transferred to the owner or	795
lessee of a motor vehicle that is being repaired or serviced, if	796
the thing transferred is a rented motor vehicle and the	797
purchaser is reimbursed for the cost of the rented motor vehicle	798
by a manufacturer, warrantor, or provider of a maintenance,	799
service, or other similar contract or agreement, with respect to	800
the motor vehicle that is being repaired or serviced;	801
(q) To use or consume the thing transferred directly in	802
production of crude oil and natural gas for sale. Persons	803
engaged in rendering production services for others are deemed	804
engaged in production.	805
As used in division (B) (42) (q) of this section,	806
"production" means operations and tangible personal property	807
directly used to expose and evaluate an underground reservoir	808
that may contain hydrocarbon resources, prepare the wellbore for	809
production, and lift and control all substances yielded by the	810
reservoir to the surface of the earth.	811
(i) For the purposes of division (B) (42) (q) of this	812
section, the "thing transferred" includes, but is not limited	813
to, any of the following:	814
(I) Services provided in the construction of permanent	815
access roads, services provided in the construction of the well	816
site, and services provided in the construction of temporary	817
impoundments;	818
(II) Equipment and rigging used for the specific purpose	819
of creating with integrity a wellbore pathway to underground	820
reservoirs;	821

(III) Drilling and workover services used to work within a subsurface wellbore, and tangible personal property directly used in providing such services;	822 823 824
(IV) Casing, tubulars, and float and centralizing equipment;	825 826
(V) Trailers to which production equipment is attached;	827
(VI) Well completion services, including cementing of casing, and tangible personal property directly used in providing such services;	828 829 830
(VII) Wireline evaluation, mud logging, and perforation services, and tangible personal property directly used in providing such services;	831 832 833
(VIII) Reservoir stimulation, hydraulic fracturing, and acidizing services, and tangible personal property directly used in providing such services, including all material pumped downhole;	834 835 836 837
(IX) Pressure pumping equipment;	838
(X) Artificial lift systems equipment;	839
(XI) Wellhead equipment and well site equipment used to separate, stabilize, and control hydrocarbon phases and produced water;	840 841 842
(XII) Tangible personal property directly used to control production equipment.	843 844
(ii) For the purposes of division (B)(42)(q) of this section, the "thing transferred" does not include any of the following:	845 846 847
(I) Tangible personal property used primarily in the	848

exploration and production of any mineral resource regulated	849
under Chapter 1509. of the Revised Code other than oil or gas;	850
(II) Tangible personal property used primarily in storing,	851
holding, or delivering solutions or chemicals used in well	852
stimulation as defined in section 1509.01 of the Revised Code;	853
(III) Tangible personal property used primarily in	854
preparing, installing, or reclaiming foundations for drilling or	855
pumping equipment or well stimulation material tanks;	856
(IV) Tangible personal property used primarily in	857
transporting, delivering, or removing equipment to or from the	858
well site or storing such equipment before its use at the well	859
site;	860
(V) Tangible personal property used primarily in gathering	861
operations occurring off the well site, including gathering	862
pipelines transporting hydrocarbon gas or liquids away from a	863
crude oil or natural gas production facility;	864
(VI) Tangible personal property that is to be incorporated	865
into a structure or improvement to real property;	866
(VII) Well site fencing, lighting, or security systems;	867
(VIII) Communication devices or services;	868
(IX) Office supplies;	869
(X) Trailers used as offices or lodging;	870
(XI) Motor vehicles of any kind;	871
(XII) Tangible personal property used primarily for the	872
storage of drilling byproducts and fuel not used for production;	873
(XIII) Tangible personal property used primarily as a	874
safety device;	875

(XIV) Data collection or monitoring devices;	876
(XV) Access ladders, stairs, or platforms attached to storage tanks.	877 878
The enumeration of tangible personal property in division (B) (42) (q) (ii) of this section is not intended to be exhaustive, and any tangible personal property not so enumerated shall not necessarily be construed to be a "thing transferred" for the purposes of division (B) (42) (q) of this section.	879 880 881 882 883
The commissioner shall adopt and promulgate rules under sections 119.01 to 119.13 of the Revised Code that the commissioner deems necessary to administer division (B) (42) (q) of this section.	884 885 886 887
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.	888 889 890
(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.	891 892 893 894 895 896 897
(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.	898 899 900 901 902 903
(45) Sales of telecommunications service that is used	904

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 volume for the purpose of making sales, marketing, customer service, technical support, or other specialized business activity, and that employs at least fifty individuals that engage in call center activities on a full-time basis, or sufficient individuals to fill fifty full-time equivalent positions.

(46) Sales by a telecommunications service vendor of 900 service to a subscriber. This division does not apply to information services.

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

(48) Sales of feminine hygiene products.

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

(50) Sales of full flight simulators that are used for pilot or flight-crew training, sales of repair or replacement parts or components, and sales of repair or maintenance services for such full flight simulators. "Full flight simulator" means a replica of a specific type, or make, model, and series of

aircraft cockpit. It includes the assemblage of equipment and 934
computer programs necessary to represent aircraft operations in 935
ground and flight conditions, a visual system providing an out- 936
of-the-cockpit view, and a system that provides cues at least 937
equivalent to those of a three-degree-of-freedom motion system, 938
and has the full range of capabilities of the systems installed 939
in the device as described in appendices A and B of part 60 of 940
chapter 1 of title 14 of the Code of Federal Regulations. 941

(51) Any transfer or lease of tangible personal property 942
between the state and JobsOhio in accordance with section 943
4313.02 of the Revised Code. 944

(52) (a) Sales to a qualifying corporation. 945

(b) As used in division (B) (52) of this section: 946

(i) "Qualifying corporation" means a nonprofit corporation 947
organized in this state that leases from an eligible county 948
land, buildings, structures, fixtures, and improvements to the 949
land that are part of or used in a public recreational facility 950
used by a major league professional athletic team or a class A 951
to class AAA minor league affiliate of a major league 952
professional athletic team for a significant portion of the 953
team's home schedule, provided the following apply: 954

(I) The facility is leased from the eligible county 955
pursuant to a lease that requires substantially all of the 956
revenue from the operation of the business or activity conducted 957
by the nonprofit corporation at the facility in excess of 958
operating costs, capital expenditures, and reserves to be paid 959
to the eligible county at least once per calendar year. 960

(II) Upon dissolution and liquidation of the nonprofit 961
corporation, all of its net assets are distributable to the 962

board of commissioners of the eligible county from which the	963
corporation leases the facility.	964
(ii) "Eligible county" has the same meaning as in section	965
307.695 of the Revised Code.	966
(53) Sales to or by a cable service provider, video	967
service provider, or radio or television broadcast station	968
regulated by the federal government of cable service or	969
programming, video service or programming, audio service or	970
programming, or electronically transferred digital audiovisual	971
or audio work. As used in division (B) (53) of this section,	972
"cable service" and "cable service provider" have the same	973
meanings as in section 1332.01 of the Revised Code, and "video	974
service," "video service provider," and "video programming" have	975
the same meanings as in section 1332.21 of the Revised Code.	976
(54) Sales of a digital audio work electronically	977
transferred for delivery through use of a machine, such as a	978
juke box, that does all of the following:	979
(a) Accepts direct payments to operate;	980
(b) Automatically plays a selected digital audio work for	981
a single play upon receipt of a payment described in division	982
(B) (54) (a) of this section;	983
(c) Operates exclusively for the purpose of playing	984
digital audio works in a commercial establishment.	985
(55) (a) Sales of the following occurring on the first	986
Friday of August and the following Saturday and Sunday of each	987
year, beginning in 2018:	988
(i) An item of clothing, the price of which is seventy-	989
five dollars or less;	990

(ii) An item of school supplies, the price of which is	991
twenty dollars or less;	992
(iii) An item of school instructional material, the price	993
of which is twenty dollars or less.	994
(b) As used in division (B) (55) of this section:	995
(i) "Clothing" means all human wearing apparel suitable	996
for general use. "Clothing" includes, but is not limited to,	997
aprons, household and shop; athletic supporters; baby receiving	998
blankets; bathing suits and caps; beach capes and coats; belts	999
and suspenders; boots; coats and jackets; costumes; diapers,	1000
children and adult, including disposable diapers; earmuffs;	1001
footlets; formal wear; garters and garter belts; girdles; gloves	1002
and mittens for general use; hats and caps; hosiery; insoles for	1003
shoes; lab coats; neckties; overshoes; pantyhose; rainwear;	1004
rubber pants; sandals; scarves; shoes and shoe laces; slippers;	1005
sneakers; socks and stockings; steel-toed shoes; underwear;	1006
uniforms, athletic and nonathletic; and wedding apparel.	1007
"Clothing" does not include items purchased for use in a trade	1008
or business; clothing accessories or equipment; protective	1009
equipment; sports or recreational equipment; belt buckles sold	1010
separately; costume masks sold separately; patches and emblems	1011
sold separately; sewing equipment and supplies including, but	1012
not limited to, knitting needles, patterns, pins, scissors,	1013
sewing machines, sewing needles, tape measures, and thimbles;	1014
and sewing materials that become part of "clothing" including,	1015
but not limited to, buttons, fabric, lace, thread, yarn, and	1016
zippers.	1017
(ii) "School supplies" means items commonly used by a	1018
student in a course of study. "School supplies" includes only	1019
the following items: binders; book bags; calculators; cellophane	1020

tape; blackboard chalk; compasses; composition books; crayons; 1021
erasers; folders, expandable, pocket, plastic, and manila; glue, 1022
paste, and paste sticks; highlighters; index cards; index card 1023
boxes; legal pads; lunch boxes; markers; notebooks; paper, 1024
loose-leaf ruled notebook paper, copy paper, graph paper, 1025
tracing paper, manila paper, colored paper, poster board, and 1026
construction paper; pencil boxes and other school supply boxes; 1027
pencil sharpeners; pencils; pens; protractors; rulers; scissors; 1028
and writing tablets. "School supplies" does not include any item 1029
purchased for use in a trade or business. 1030

(iii) "School instructional material" means written 1031
material commonly used by a student in a course of study as a 1032
reference and to learn the subject being taught. "School 1033
instructional material" includes only the following items: 1034
reference books, reference maps and globes, textbooks, and 1035
workbooks. "School instructional material" does not include any 1036
material purchased for use in a trade or business. 1037

(56) (a) Sales of diapers or incontinence underpads sold 1038
pursuant to a prescription, for the benefit of a medicaid 1039
recipient with a diagnosis of incontinence, and by a medicaid 1040
provider that maintains a valid provider agreement under section 1041
5164.30 of the Revised Code with the department of medicaid, 1042
provided that the medicaid program covers diapers or 1043
incontinence underpads as an incontinence garment. 1044

(b) As used in division (B) (56) (a) of this section: 1045

(i) "Diaper" means an absorbent garment worn by humans who 1046
are incapable of, or have difficulty, controlling their bladder 1047
or bowel movements. 1048

(ii) "Incontinence underpad" means an absorbent product, 1049

not worn on the body, designed to protect furniture or other 1050
tangible personal property from soiling or damage due to human 1051
incontinence. 1052

(57) Sales of investment metal bullion and investment 1053
coins. "Investment metal bullion" means any bullion described in 1054
section 408(m)(3)(B) of the Internal Revenue Code, regardless of 1055
whether that bullion is in the physical possession of a trustee. 1056
"Investment coin" means any coin composed primarily of gold, 1057
silver, platinum, or palladium. 1058

(C) For the purpose of the proper administration of this 1059
chapter, and to prevent the evasion of the tax, it is presumed 1060
that all sales made in this state are subject to the tax until 1061
the contrary is established. 1062

(D) The tax collected by the vendor from the consumer 1063
under this chapter is not part of the price, but is a tax 1064
collection for the benefit of the state, and of counties levying 1065
an additional sales tax pursuant to section 5739.021 or 5739.026 1066
of the Revised Code and of transit authorities levying an 1067
additional sales tax pursuant to section 5739.023 of the Revised 1068
Code. Except for the discount authorized under section 5739.12 1069
of the Revised Code and the effects of any rounding pursuant to 1070
section 5703.055 of the Revised Code, no person other than the 1071
state or such a county or transit authority shall derive any 1072
benefit from the collection or payment of the tax levied by this 1073
section or section 5739.021, 5739.023, or 5739.026 of the 1074
Revised Code. 1075

Section 2. That existing sections 5709.09, 5713.08, 1076
5715.27, and 5739.02 of the Revised Code are hereby repealed. 1077

Section 3. The amendment by this act of section 5709.09 of 1078

the Revised Code applies to tax years ending on or after the 1079
effective date of this section. 1080

The amendment by this act of sections 5713.08 and 5715.27 1081
of the Revised Code applies to tax years ending on or after the 1082
effective date of those amendments. 1083

The amendment by this act of section 5739.02 of the 1084
Revised Code applies on and after the first day of the first 1085
month beginning after the effective date of that amendment. 1086

Section 4. (A) As used in this section: 1087

(1) "Qualifying delinquent taxes and fees" means any tax 1088
or fee levied under Chapters 128., 3734., 3769., 4301., 4303., 1089
4305., 5726., 5727., 5728., 5735., 5736., 5739., 5741., 5743., 1090
5747., 5748., 5749., 5751., and 5753. of the Revised Code, not 1091
including a tax levied under section 5739.08, 5739.09, or 1092
5739.101 of the Revised Code but including the taxes required to 1093
be withheld under Chapter 5747. of the Revised Code, which were 1094
due and payable from any person as of the effective date of this 1095
section, were unreported or underreported, and remain unpaid. 1096

(2) "Qualifying delinquent taxes and fees" does not 1097
include any tax or fee for which a notice of assessment or audit 1098
has been issued, for which a bill has been issued, which relates 1099
to a period that ends after the effective date of this section, 1100
or for which an audit has been conducted or is currently being 1101
conducted. 1102

(B) The Tax Commissioner shall establish and administer a 1103
tax and fee amnesty program with respect to qualifying 1104
delinquent taxes and fees. The program shall commence on April 1105
1, 2021, and shall conclude on May 31, 2021. The Tax 1106
Commissioner shall issue forms and instructions and take other 1107

actions necessary to implement the program. The Tax Commissioner 1108
shall publicize the program so as to maximize public awareness 1109
and participation in the program. 1110

(C) During the program, if a person pays the full amount 1111
of qualifying delinquent taxes and fees owed by that person less 1112
any interest and penalties that have accrued as a result of the 1113
person failing to pay those taxes and fees in a timely fashion, 1114
the Tax Commissioner shall waive or abate all applicable 1115
interest and penalties that accrued on the qualifying delinquent 1116
taxes and fees. 1117

(D) The Tax Commissioner may require a person 1118
participating in the program to file returns or reports, 1119
including amended returns and reports, in connection with the 1120
person's payment of qualifying delinquent taxes and fees. 1121

(E) A person who participates in the program and pays in 1122
full any outstanding qualifying delinquent tax or fee in 1123
accordance with this section shall not be subject to any 1124
criminal prosecution or any civil action with respect to that 1125
tax or fee, and no assessment shall thereafter be issued against 1126
that person with respect to that tax or fee. This division does 1127
not prohibit prosecution, a civil action, or an assessment 1128
against such a person with respect to a tax or fee that is due 1129
or payable on or after the effective date of this section. 1130

(F) Except as otherwise required under Section 6 of this 1131
act, taxes and fees collected under the program shall be 1132
credited, distributed, and used in the same manner as other 1133
taxes and fees of the same type that were timely collected under 1134
the applicable provision of the Revised Code. 1135

(G) On or before July 15, 2021, the Director of Budget and 1136

Management shall transfer from the General Revenue Fund to the 1137
 Budget Stabilization Fund an amount equal to collections of 1138
 taxes and fees under the program that were credited to the 1139
 General Revenue Fund pursuant to division (F) of this section, 1140
 excluding any portion of that amount credited to the Local 1141
 Government Fund and Public Library Fund under section 131.51 of 1142
 the Revised Code and Section 387.20 of H.B. 166 of the 133rd 1143
 General Assembly. 1144

Section 5. Section 4 of this act is hereby repealed, 1145
 effective July 16, 2021. The repeal of Section 4 of this act 1146
 does not affect, after the effective date of the repeal, the 1147
 rights, remedies, or actions authorized under that section. 1148

Section 6. All appropriation items in this section are 1149
 appropriated out of money in the state treasury to the credit of 1150
 the designated fund. For all appropriations made in this 1151
 section, the amounts in the first column are for fiscal year 1152
 2020 and the amounts in the second column are for fiscal year 1153
 2021. The appropriations made in this section are in addition to 1154
 any other appropriations made for the FY 2020-FY 2021 biennium. 1155

1156

	1	2	3	4	5
A	TAX DEPARTMENT OF TAXATION				
B	Dedicated Purpose Fund Group				
C	5BW0	110630	Tax Amnesty Promotion and Administration	\$ 0	\$ 250,000
D	TOTAL DPF Dedicated Purpose Fund Group			\$ 0	\$ 250,000

E TOTAL ALL BUDGET FUND GROUPS \$ 0 \$ 250,000

TAX AMNESTY PROMOTION AND ADMINISTRATION 1157

The foregoing appropriation item 110630, Tax Amnesty 1158
Promotion and Administration, shall be used by the Department of 1159
Taxation to promote and administer a tax amnesty program in 1160
fiscal year 2021. The Director of Budget and Management shall 1161
transfer up to \$250,000, if requested to do so by the Tax 1162
Commissioner, from Fund 5KM0, the Controlling Board Emergency 1163
Purposes/Contingencies Fund, to Fund 5BW0 to pay initial costs 1164
of establishing a tax amnesty program. From initial receipts 1165
from the tax amnesty program, an amount equal to the amount so 1166
transferred is to be transferred back from Fund 5BW0 to Fund 1167
5KM0. 1168

Section 7. Within the limits set forth in this act, the 1169
Director of Budget and Management shall establish accounts 1170
indicating the source and amount of money for each appropriation 1171
made in this act and shall determine the form and manner in 1172
which appropriation accounts shall be maintained. Expenditures 1173
from appropriations contained in this act shall be accounted for 1174
as though made in H.B. 166 of the 133rd General Assembly that 1175
are generally applicable to such appropriations. 1176