

As Passed by the Senate

134th General Assembly

Regular Session

2021-2022

Am. Sub. H. B. No. 66

Representative Hoops

Cosponsors: Representatives Riedel, Stephens, Troy, Schmidt, Miller, J., Young, T., Fowler Arthur, Cross, Bird, Brown, Carruthers, Click, Crossman, Fraizer, Galonski, Gross, Hillyer, Koehler, Lanese, Liston, Miller, A., Plummer, Ray, Richardson, Russo, Sheehy, Smith, M., Sobecki, Swearingen, Weinstein, West, White, Young, B.

Senators Blessing, Cirino, Gavarone, Hackett, Lang, Maharath, Manning, Reineke, Romanchuk, Rulli, Schaffer

A BILL

To amend sections 107.03, 128.47, 340.01, 718.91, 1
1332.21, 3734.905, 4307.05, 5703.48, 5705.221, 2
5709.20, 5713.08, 5715.27, 5725.222, 5726.30, 3
5727.28, 5727.91, 5728.061, 5729.102, 5735.11, 4
5735.122, 5736.08, 5739.01, 5739.02, 5739.03, 5
5739.07, 5739.104, 5741.02, 5741.10, 5743.53, 6
5745.11, 5747.11, 5747.73, 5747.98, 5748.09, 7
5749.08, 5751.08, and 5753.06; to enact sections 8
122.91 and 5747.82; and to repeal section 9
5703.95 of the Revised Code and to amend Section 10
130.12 of H.B. 110 of the 134th General Assembly 11
to revise the tax laws and to make certain 12
operating appropriations for the biennium ending 13
June 30, 2023, and capital appropriations for 14
the biennium ending June 30, 2024. 15

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

Section 1. That sections 107.03, 128.47, 340.01, 718.91, 16
1332.21, 3734.905, 4307.05, 5703.48, 5705.221, 5709.20, 5713.08, 17
5715.27, 5725.222, 5726.30, 5727.28, 5727.91, 5728.061, 18
5729.102, 5735.11, 5735.122, 5736.08, 5739.01, 5739.02, 5739.03, 19
5739.07, 5739.104, 5741.02, 5741.10, 5743.53, 5745.11, 5747.11, 20
5747.73, 5747.98, 5748.09, 5749.08, 5751.08, and 5753.06 be 21
amended and sections 122.91 and 5747.82 of the Revised Code be 22
enacted to read as follows: 23

Sec. 107.03. (A) As used in this section, "transportation 24
budget" means the biennial budget that primarily includes the 25
following: 26

(1) Motor fuel excise tax-related appropriations for the 27
department of transportation, public works commission, and 28
department of development; 29

(2) Other appropriations that pertain to transportation 30
and infrastructure related to transportation. 31

(B) The governor shall submit a transportation budget to 32
the general assembly not later than four weeks after the general 33
assembly's organization. 34

(C) The governor shall submit to the general assembly, not 35
later than four weeks after its organization, a state budget 36
containing a complete financial plan for the ensuing fiscal 37
biennium, excluding items of revenue and expenditure described 38
in section 126.022 of the Revised Code. However, in years of a 39
new governor's inauguration, this budget shall be submitted not 40
later than the fifteenth day of March. 41

(D) In years of a new governor's inauguration, only the 42
new governor shall submit a budget to the general assembly. In 43
addition to other things required by law, each of the governor's 44

budgets shall contain:	45
(1) A general budget summary by function and agency	46
setting forth the proposed total expenses from each and all	47
funds and the anticipated resources for meeting such expenses;	48
such resources to include any available balances in the several	49
funds at the beginning of the biennium and a classification by	50
totals of all revenue receipts estimated to accrue during the	51
biennium under existing law and proposed legislation.	52
(2) A detailed statement showing the amounts recommended	53
to be appropriated from each fund for each fiscal year of the	54
biennium for current expenses, including, but not limited to,	55
personal services, supplies and materials, equipment, subsidies	56
and revenue distribution, merchandise for resale, transfers, and	57
nonexpense disbursements, obligations, interest on debt, and	58
retirement of debt, and for the biennium for capital outlay, to	59
the respective departments, offices, institutions, as defined in	60
section 121.01 of the Revised Code, and all other public	61
purposes; and, in comparative form, the actual expenses by	62
source of funds during each fiscal year of the previous two	63
bienniums for each such purpose. No alterations shall be made in	64
the requests for the legislative and judicial branches of the	65
state filed with the director of budget and management under	66
section 126.02 of the Revised Code. If any amount of federal	67
money is recommended to be appropriated or has been expended for	68
a purpose for which state money also is recommended to be	69
appropriated or has been expended, the amounts of federal money	70
and state money involved shall be separately identified.	71
(3) A detailed estimate of the revenue receipts in each	72
fund from each source under existing laws during each year of	73
the biennium; and, in comparative form, actual revenue receipts	74

in each fund from each source for each year of the two previous 75
bienniums; 76

(4) The estimated cash balance in each fund at the 77
beginning of the biennium covered by the budget; the estimated 78
liabilities outstanding against each such balance; and the 79
estimated net balance remaining and available for new 80
appropriations; 81

(5) A detailed estimate of the additional revenue receipts 82
in each fund from each source under proposed legislation, if 83
enacted, during each year of the biennium; 84

~~(6) A description of each tax expenditure; a detailed 85
estimate of the amount of revenues not available to the general 86
revenue fund under existing laws during each fiscal year of the 87
biennium covered by the budget due to the operation of each tax 88
expenditure; and, in comparative form, the amount of revenue not 89
available to the general revenue fund during each fiscal year of 90
the immediately preceding biennium due to the operation of each 91
tax expenditure. The most recent report prepared by the 92
department of taxation pursuant to under section 5703.48 of the 93
Revised Code, which shall be submitted to the general assembly 94
as an appendix to the governor's budget. ~~As used in this 95
division, "tax expenditure" has the same meaning as in section 96
5703.48 of the Revised Code.~~; 97~~

(7) The most recent TANF spending plan prepared by the 98
department of job and family services under section 5101.806 of 99
the Revised Code, which shall be submitted to the general 100
assembly as an appendix to the governor's budget. 101

Sec. 122.91. (A) As used in this section: 102

(1) "Qualifying individual" means an individual who holds 103

a valid commercial driver's license or who is eligible to obtain 104
such a license. 105

(2) "Commercial driver's license" and "commercial motor 106
vehicle" have the same meanings as in section 4506.01 of the 107
Revised Code. 108

(3) "Training expense" means any cost customarily incurred 109
by an employer to train an employee who is a qualifying 110
individual to obtain a commercial driver's license or to operate 111
a commercial motor vehicle. "Training expense" shall not include 112
such an employee's wages. 113

(4) "Tax credit-eligible training expense" means any 114
training expense certified under division (B) of this section. 115

(5) "Director" means the director of development. 116

(B) (1) For calendar years 2023 through 2026, an employer 117
may apply to the director, on or before the first day of 118
December of each year and on a form prescribed by the director, 119
to certify training expenses that an employer estimates the 120
employer will incur during the following calendar year as tax 121
credit-eligible training expenses. Within thirty days after 122
receiving such an application, the director shall certify to 123
each applicant the amount of the applicant's submitted expenses 124
the director finds to be tax credit-eligible training expenses. 125
The director shall not certify more than fifty thousand dollars 126
of training expenses per year as tax credit-eligible training 127
expenses for any employer. 128

(2) The director shall not certify more than three million 129
dollars in tax credit-eligible training expenses for each 130
calendar year, increased by the sum of tax credit-eligible 131
expenses the director was authorized to certify within the limit 132

described in division (B) (2) of this section for preceding years 133
that were not the basis of a tax credit certificate issued under 134
division (C) (2) of this section in the current year or any 135
preceding year. 136

(C) (1) An employer that incurs tax credit-eligible 137
training expenses in a calendar year that were certified for 138
that year under division (B) of this section may apply to the 139
director for a nonrefundable credit against the tax imposed by 140
section 5747.02 of the Revised Code. The credit shall equal one- 141
half of the tax credit-eligible training expenses actually 142
incurred by the employer in, and certified for, the preceding 143
calendar year. The application may be submitted after the first 144
day and before the twenty-first day of January of the year 145
following the year for which the director certified the 146
expenses. The application shall be submitted on a form 147
prescribed by the director and shall, at a minimum, include an 148
itemized list of tax credit-eligible training expenses incurred 149
by the employer for each employee and the identities of those 150
employees. 151

(2) If the director approves an application described in 152
division (C) (1) of this section, the director, within sixty days 153
after receipt of the application, shall issue a tax credit 154
certificate to the applicant. The director in consultation with 155
the tax commissioner shall prescribe the form and manner of 156
issuing certificates. The director shall assign a unique 157
identifying number to each tax credit certificate and shall 158
record the certificate in a register devised and maintained by 159
the director for that purpose. The certificate shall state the 160
amount of the tax credit-eligible training expenses on which the 161
credit is based, the amount of the credit, and the date the 162
certificate is issued. Upon issuance of a certificate, the 163

director shall certify to the tax commissioner the name of the 164
applicant, the amount of tax credit-eligible training expenses 165
stated on the certificate, and any other information required by 166
the rules adopted under this section. 167

(D) (1) An employer that has been issued a tax credit 168
certificate under division (C) (2) of this section during the 169
preceding calendar year shall file a form with the director 170
identifying all employees, the training of which is the basis of 171
that tax credit, whose employment with the employer was 172
terminated during the preceding calendar year, the amount of the 173
tax credit that is attributable to those employees, and any 174
other information requested by the director. The form shall be 175
prescribed by the director, and shall be filed on or before the 176
twenty-first day of January of the year following the issuance 177
year stated on the certificate. 178

(2) The director shall annually submit to the general 179
assembly a report in accordance with division (B) of section 180
101.68 of the Revised Code that includes the total number of 181
employees described in division (D) (1) of this section and 182
reported to the director for the preceding calendar year, the 183
total amount of tax credits attributable to those employees, and 184
any other information the director finds pertinent. 185

(E) The director in consultation with the tax commissioner 186
shall adopt rules under Chapter 119. of the Revised Code for the 187
administration of this section. Such rules shall set forth any 188
applicable fees, any penalties for noncompliance with the 189
reporting requirements prescribed in division (D) of this 190
section, and the types of expenses that qualify as training 191
expenses for purposes of this section. 192

Sec. 128.47. Beginning January 1, 2014: 193

(A) A wireless service provider, reseller, seller, 194
wireless service subscriber, or consumer of a prepaid wireless 195
calling service may apply to the tax commissioner for a refund 196
of wireless 9-1-1 charges described in division (B) of this 197
section and of any penalties assessed with respect to such 198
charges. The application shall be made on the form prescribed by 199
the tax commissioner. The application shall be made not later 200
than four years after the date of the illegal or erroneous 201
payment ~~of the wireless 9-1-1 charge~~ by the subscriber or 202
consumer, unless the wireless service provider, reseller, or 203
seller waives the time limitation under division (A) (3) of 204
section 128.462 of the Revised Code. If the time limitation is 205
waived, the refund application period shall be extended for the 206
same period as the waiver. 207

(B) (1) If a wireless service provider, reseller, or seller 208
refunds to a subscriber or consumer the full amount of wireless 209
9-1-1 charges that the subscriber or consumer paid illegally or 210
erroneously, and if the provider, reseller, or seller remitted 211
that amount under section 128.46 of the Revised Code, the tax 212
commissioner shall refund that amount to the provider, reseller, 213
or seller. 214

(2) If a wireless service provider, reseller, or seller 215
has illegally or erroneously billed a subscriber or charged a 216
consumer for a wireless 9-1-1 charge, and if the provider, 217
reseller, or seller has not collected the charge but has 218
remitted that amount under section 128.46 of the Revised Code, 219
the tax commissioner shall refund that amount to the provider, 220
reseller, or seller. 221

(C) (1) The tax commissioner may refund to a subscriber or 222
consumer wireless 9-1-1 charges paid illegally or erroneously to 223

a provider, reseller, or seller only if both of the following	224
apply:	225
(a) The tax commissioner has not refunded the wireless 9-	226
1-1 charges to the provider, reseller, or seller.	227
(b) The provider, reseller, or seller has not refunded the	228
wireless 9-1-1 charges to the subscriber or consumer.	229
(2) The tax commissioner may require the subscriber or	230
consumer to obtain from the provider, reseller, or seller a	231
written statement confirming that the provider, reseller, or	232
seller has not refunded the wireless 9-1-1 charges to the	233
subscriber or consumer and that the provider, reseller, or	234
seller has not filed an application for a refund under this	235
section. The tax commissioner may also require the provider,	236
reseller, or seller to provide this statement.	237
(D) On the filing of an application for a refund under	238
this section, the tax commissioner shall determine the amount of	239
refund to which the applicant is entitled. If the amount is not	240
less than that claimed, the commissioner shall certify the	241
determined amount to the director of budget and management and	242
the treasurer of state for payment from the tax refund fund	243
created under section 5703.052 of the Revised Code. If the	244
amount is less than that claimed, the commissioner shall proceed	245
in accordance with section 5703.70 of the Revised Code.	246
(E) Refunds granted under this section shall include	247
interest as provided by section 5739.132 of the Revised Code.	248
Sec. 340.01. (A) As used in this chapter:	249
(1) "Addiction," "addiction services," "alcohol and drug	250
addiction services," "alcoholism," "certifiable services and	251
supports," "community addiction services provider," "community	252

mental health services provider," "drug addiction," "gambling 253
addiction services," "included opioid and co-occurring drug 254
addiction services and recovery supports," "mental health 255
services," "mental illness," and "recovery supports" have the 256
same meanings as in section 5119.01 of the Revised Code. 257

(2) "Medication-assisted treatment" means alcohol and drug 258
addiction services that are accompanied by medication approved 259
by the United States food and drug administration for the 260
treatment of alcoholism or drug addiction, prevention of relapse 261
of alcoholism or drug addiction, or both. 262

(3) "Recovery housing" means housing for individuals 263
recovering from alcoholism or drug addiction that provides an 264
alcohol and drug-free living environment, peer support, 265
assistance with obtaining alcohol and drug addiction services, 266
and other alcoholism and drug addiction recovery assistance. 267

(B) An alcohol, drug addiction, and mental health service 268
district shall be established in any county or combination of 269
counties having a population of at least fifty thousand. With 270
the approval of the director of mental health and addiction 271
services, any county or combination of counties having a 272
population of less than fifty thousand may establish such a 273
district. Districts comprising more than one county shall be 274
known as joint-county districts. 275

The board of county commissioners of any county 276
participating in a joint-county district may submit a resolution 277
requesting withdrawal from the district together with a 278
comprehensive plan or plans that are in compliance with rules 279
adopted by the director of mental health and addiction services 280
under section 5119.22 of the Revised Code, and that provide for 281
the equitable adjustment and division of all services, assets, 282

property, debts, and obligations, if any, of the joint-county 283
district to the board of alcohol, drug addiction, and mental 284
health services, to the boards of county commissioners of each 285
county in the district, and to the director. No county 286
participating in a joint-county service district may withdraw 287
from the district without the consent of the director of mental 288
health and addiction services nor earlier than one year after 289
the submission of such resolution unless all of the 290
participating counties agree to an earlier withdrawal. Any 291
county withdrawing from a joint-county district shall continue 292
to have levied against its tax list and duplicate any tax levied 293
by the district during the period in which the county was a 294
member of the district until such time as the levy expires or is 295
renewed or replaced. 296

(C) For any tax levied under section 5705.19 of the 297
Revised Code by a board of a joint-county district formed on or 298
after the effective date of this amendment, revenue from the tax 299
shall only be expended for the benefit of the residents of the 300
county from which the revenue is derived. For the purpose of 301
this division, a joint-county district is not formed by virtue 302
of a county joining or withdrawing from a district or if a 303
joint-county service district merges with another joint-county 304
district. 305

Sec. 718.91. (A) An application to refund to a taxpayer 306
~~the amount of taxes paid on any illegal, erroneous, or excessive~~ 307
~~payment of tax under sections 718.80 to 718.95 of the Revised~~ 308
~~Code, including assessments, amounts that were overpaid, paid~~ 309
~~illegally or erroneously, or paid on an illegal or erroneous~~ 310
~~assessment pursuant to sections 718.80 to 718.95 of the Revised~~ 311
Code shall be filed with the tax commissioner within three years 312
after the date of the illegal, erroneous, or excessive payment 313

~~of the tax~~, or within any additional period allowed by division 314
(A) of section 718.90 of the Revised Code. The application shall 315
be filed in the form prescribed by the tax commissioner. 316

(B) (1) On the filing of a refund application, the tax 317
commissioner shall determine the amount of refund to which the 318
applicant is entitled. The amount determined shall be based on 319
the amount overpaid per return or assessment. If the amount is 320
greater than ten dollars and not less than that claimed, the 321
commissioner shall certify that amount to the director of budget 322
and management and the treasurer of state for payment from the 323
tax refund fund created in section 5703.052 of the Revised Code. 324
If the amount is greater than ten dollars but less than that 325
claimed, the commissioner shall proceed in accordance with 326
section 5703.70 of the Revised Code. 327

(2) Upon issuance of a refund under this section, the 328
commissioner shall notify each municipal corporation of the 329
amount refunded to the taxpayer attributable to that municipal 330
corporation, which shall be deducted from the municipal 331
corporation's next distribution under section 718.83 of the 332
Revised Code. 333

(C) Any portion of a refund determined under division (B) 334
of this section that is not issued within ninety days after such 335
determination shall bear interest at the rate per annum 336
prescribed by section 5703.47 of the Revised Code from the 337
ninety-first day after such determination until the day the 338
refund is paid or credited. On an illegal or erroneous 339
assessment, interest shall be paid at that rate from the date of 340
payment on the illegal or erroneous assessment until the day the 341
refund is paid or credited. 342

Sec. 1332.21. As used in sections 1332.21 to 1332.34 of 343

the Revised Code: 344

(A) "Access to video service" means the capability of a 345
video service provider to provide video service at a household 346
address irrespective of whether a subscriber has ordered the 347
service or whether the service is actually provided at that 348
address. 349

(B) "Basic local exchange service" has the same meaning as 350
in section 4927.01 of the Revised Code. 351

(C) "Cable operator," "cable service," "cable system," 352
"franchise," and "franchising authority" have the same meanings 353
as in the "Cable Communications Policy Act of 1984," Pub. L. No. 354
98-549, 98 Stat. 2780, 2781, 47 U.S.C. 522, as amended by the 355
"Telecommunications Act of 1996," Pub. L. No. 104-104, 110 Stat. 356
56. 357

(D) "Competitive video service agreement" means any 358
agreement, memorandum of understanding, or other document that 359
provides or has the effect of providing, whether or not as a 360
franchise, authorization by a municipal corporation or township 361
for the provision of video service within its boundaries by a 362
person using telecommunications facilities to provide that 363
service. 364

(E) "Household" means, consistent with the regulations of 365
the bureau of the census of the United States department of 366
commerce, a house, an apartment, a mobile home, a group of 367
rooms, or a single room that is intended for occupancy as 368
separate living quarters. "Separate living quarters" are those 369
in which the occupants live and eat separately from any other 370
persons in the building and that have direct access from the 371
outside of the building or through a common hall. 372

(F) "Low-income households" means those residential 373
households that are located within the video service provider's 374
video service area and have an average annual household income 375
of less than thirty-five thousand dollars based on United States 376
census bureau estimates on January 1, 2007. 377

(G) "PEG channel" means a channel, for public, 378
educational, and governmental programming, made available by a 379
video service provider or cable operator for noncommercial use. 380

(H) "Telecommunications service" has the same meaning as 381
in the "Telecommunications Act of 1996," Pub. L. No. 104-104, 382
Title I, Section 3, 110 Stat. 60, 47 U.S.C. 153. 383

(I) "Video programming" has the same meaning as in the 384
"Cable Communications Policy Act of 1984," Pub. L. No. 98-549, 385
98 Stat. 2781, 47 U.S.C. 522. 386

(J) "Video service" means the provision by a video service 387
provider of video programming over wires or cables located at 388
least in part in public rights-of-way, regardless of the 389
technology used to deliver that programming, including internet 390
protocol technology or any other technology. The term includes 391
cable service, but excludes ~~video~~ the following: 392

(1) Video programming provided to persons in their 393
capacity as subscribers to commercial mobile service as defined 394
in the "Telecommunications Act of 1996," Pub. L. No. 104-104, 395
Title VII, Sections 704(a) and 705, 110 Stat. 61, 151, 153, 47 396
U.S.C. 332; ~~video~~ 397

(2) Direct-to-home satellite services as defined in 47 398
U.S.C. 303; 399

(3) Video programming provided solely as part of and 400
accessed via a service that enables users to access content, 401

information, electronic mail, or other services offered over the 402
~~public internet, including video streaming content; and signals~~ 403

(4) Signals distributed by a cable television system to 404
paying subscribers in the unincorporated area of a township 405
prior to October 1, 1979, as authorized under section 505.91 of 406
the Revised Code as that section existed prior to its repeal by 407
S.B. 117 of the 127th general assembly, unless a franchise was 408
subsequently issued to the same company as authorized under that 409
section. 410

(K) "Video service area" means the service area specified 411
pursuant to divisions (A) and (B) of section 1332.25 of the 412
Revised Code. 413

(L) "Video service network" means wires or cables and 414
associated facilities or components used to deliver video 415
service and includes a cable system. 416

(M) "Video service provider" means a person granted a 417
video service authorization under sections 1332.21 to 1332.34 of 418
the Revised Code. 419

Sec. 3734.905. (A) The treasurer of state shall refund the 420
fee imposed by section 3734.901 of the Revised Code paid 421
illegally or erroneously, or paid on an illegal or erroneous 422
assessment, or any penalty assessed with respect to such a fee. 423
Applications for refund shall be filed with the tax commissioner 424
on a form prescribed by the commissioner, within four years of 425
the illegal or erroneous payment ~~of the fee.~~ 426

On the filing of the application, the commissioner shall 427
determine the amount of refund to which the applicant is 428
entitled. If the amount is not less than that claimed, the 429
commissioner shall certify the amount to the director of budget 430

and management and treasurer of state for payment from the tax 431
refund fund created by section 5703.052 of the Revised Code. If 432
the amount is less than that claimed, the commissioner shall 433
proceed in accordance with section 5703.70 of the Revised Code. 434

The certified amount shall include interest calculated at 435
the rate per annum prescribed by section 5703.47 of the Revised 436
Code from the date of overpayment to the date of the 437
commissioner's certification. 438

(B) When the fee imposed pursuant to section 3734.901 of 439
the Revised Code has been paid on tires that are sold by a 440
retail dealer or wholesale distributor to a motor vehicle 441
manufacturer, or to a wholesale distributor or retail dealer for 442
the purpose of resale outside this state, the seller in this 443
state is entitled to a refund of the amount of the fee actually 444
paid on the tires. To obtain a refund under this division, the 445
seller shall apply to the tax commissioner, shall furnish 446
documentary evidence satisfactory to the commissioner that the 447
price paid by the purchaser did not include the fee, and shall 448
provide the name and address of the purchaser to the 449
commissioner. The seller shall apply on the form prescribed by 450
the commissioner, within four years after the date of the sale. 451
Upon receipt of an application, the commissioner shall determine 452
the amount of any refund due and shall certify that amount to 453
the director of budget and management and the treasurer of state 454
for payment from the tax refund fund created in section 5703.052 455
of the Revised Code. The certified amount shall include interest 456
calculated at the rate per annum prescribed by section 5703.47 457
of the Revised Code from the date of overpayment to the date of 458
the commissioner's certification. 459

(C) If any person entitled to a refund ~~of fees~~ under this 460

section, or section 5703.70 of the Revised Code, is indebted to 461
the state for any tax administered by the tax commissioner, or 462
any charge, penalties, or interest arising from such tax, the 463
amount allowable on the application for refund first shall be 464
applied in satisfaction of the debt. 465

Sec. 4307.05. (A) The tax commissioner shall refund to 466
persons required to pay the tax levied under section 4301.42, 467
4301.421, 4301.424, 4301.43, 4301.432, 4303.33, or 4305.01 of 468
the Revised Code ~~the amount of tax amounts~~ paid illegally or 469
erroneously or paid on an illegal or erroneous assessment. 470
Applications for refund shall be filed with the commissioner, on 471
the form prescribed by the commissioner, within three years from 472
the date of the illegal or erroneous payment ~~of the tax or~~ 473
~~assessment.~~ 474

On the filing of the application, the commissioner shall 475
determine the amount of the refund to which the applicant is 476
entitled. If the amount is not less than that claimed, the 477
commissioner shall certify the amount to the director of budget 478
and management and treasurer of state for payment from the tax 479
refund fund created by section 5703.052 of the Revised Code. If 480
the amount is less than that claimed, the commissioner shall 481
proceed in accordance with section 5703.70 of the Revised Code. 482

(B) The holder of a B-3 permit is entitled to a refund of 483
the actual amount of tax paid on wine sold for sacramental 484
purposes, upon the conditions that the permit holder make 485
affidavit that the wine was so sold, that the tax had been paid 486
on the wine, and that the permit holder furnish both of the 487
following: 488

(1) A written acknowledgment from the purchaser that the 489
purchaser has received the wine and that the price paid did not 490

include the tax; 491

(2) The name and address of the purchaser. 492

Application for a refund shall be made as an application 493
for refund of ~~tax~~amounts erroneously paid and shall be subject 494
to the requirements and procedures of division (A) of this 495
section. On the filing of the application, the commissioner 496
shall determine the amount of refund due and certify that amount 497
to the director of budget and management and treasurer of state 498
for payment from the tax refund fund. When a refund is granted 499
for payment of an illegal or erroneous assessment issued by the 500
commissioner, the refund shall include interest on the amount of 501
the refund from the date of the overpayment. The interest shall 502
be computed at the rate per annum prescribed by section 5703.47 503
of the Revised Code. 504

Sec. 5703.48. (A) As used in this section ~~and section~~ 505
~~107.03 of the Revised Code, "tax:~~ 506

(1) "Tax expenditure" means a tax provision in the Revised 507
Code that exempts, either in whole or in part, certain persons, 508
income, goods, services, or property from the effect of taxes 509
levied by the state, including, but not limited to, tax 510
deductions, exemptions, deferrals, exclusions, allowances, 511
credits, reimbursements, and preferential tax rates, provided 512
all of the following apply to the provision: 513

~~(1)~~(a) The provision reduces, or has the potential to 514
reduce, revenue to the general revenue fund; 515

~~(2)~~(b) The persons, income, goods, services, or property 516
exempted by the provision would have been part of a defined tax 517
base; 518

~~(3)~~(c) The persons, income, goods, services, or property 519

exempted by the provision are not subject to an alternate tax 520
levied by the state; 521

~~(4)~~ (d) The provision is subject to modification or repeal 522
by an act of the general assembly. 523

(2) "Property tax exemption" means a provision in the 524
Revised Code that exempts or authorizes a subdivision to exempt 525
from taxation all or a portion of the value of real property, as 526
reported on forms otherwise prescribed by the tax commissioner 527
and as categorized by the tax commissioner for purposes of this 528
section as: 529

(a) Charitable and public worship; 530

(b) Public and educational; 531

(c) Local economic development; 532

(d) Other exemptions. 533

(B) The department of taxation shall prepare and submit to 534
the governor not later than the first day of November in each 535
even-numbered year a report ~~describing the effect of~~ containing 536
certain information about tax expenditures on the general 537
revenue fund and property tax exemptions. The report shall 538
contain ~~a~~ each of the following: 539

(1) A description of each existing tax expenditure under 540
existing laws and, in and property tax exemption; 541

(2) In comparative form, a detailed estimate of the 542
approximate amount of revenue not available to the state general 543
revenue fund in each fiscal year of the current and ensuing 544
fiscal bienniums as a result of the operation of each tax 545
expenditure; 546

(3) The aggregate true value of real property exempted in 547
this state for the preceding tax year as the result of the 548
operation of each property tax exemption; 549

(4) The amount of revenue paid from the general revenue 550
fund in the preceding calendar year to reimburse subdivisions 551
for each property tax exemption for which such reimbursement is 552
required. The 553

The report shall be prepared in such a manner as to 554
facilitate the inclusion of the information provided by the 555
report in the governor's budget. 556

Sec. 5705.221. (A) At any time, the board of county 557
commissioners of any county by a majority vote of the full 558
membership may declare by resolution and certify to the board of 559
elections of the county that the amount of taxes which may be 560
raised within the ten-mill limitation by levies on the current 561
tax duplicate will be insufficient to provide the necessary 562
requirements of the county's alcohol, drug addiction, and mental 563
health service district established pursuant to Chapter 340. of 564
the Revised Code, or the county's contribution to a joint-county 565
district of which the county is a part, and that it is necessary 566
to levy a tax in excess of such limitation for the operation of 567
community addiction services providers and community mental 568
health services providers and the acquisition, construction, 569
renovation, financing, maintenance, and operation of alcohol and 570
drug addiction facilities and mental health facilities. 571

Such resolution shall conform to section 5705.19 of the 572
Revised Code, except that the increased rate may be in effect 573
for any number of years not exceeding ten. 574

The resolution shall be certified and submitted in the 575

manner provided in section 5705.25 of the Revised Code, except 576
that it may be placed on the ballot in any election, and except 577
as otherwise provided in division (G) of this section. The 578
resolution shall be certified to the board of elections not less 579
than ninety days before the election at which it will be voted 580
upon. 581

If the majority of the electors voting on a levy to 582
supplement general fund appropriations for the support of the 583
comprehensive community addiction and mental health services 584
providers vote in favor of the levy, the board may levy a tax 585
within the county at the additional rate outside the ten-mill 586
limitation during the specified ~~or continuing~~ period, for the 587
purpose stated in the resolution. 588

(B) When electors have approved a tax levy under this 589
section, the board of county commissioners may anticipate a 590
fraction of the proceeds of the levy and, from time to time, 591
issue anticipation notes in accordance with section 5705.191 or 592
5705.193 of the Revised Code. 593

(C) The county auditor who is the fiscal officer of the 594
alcohol, drug addiction, and mental health service district, 595
upon receipt of a resolution from the board of alcohol, drug 596
addiction, and mental health services, shall establish for the 597
district a capital improvements account or a reserve balance 598
account, or both, as specified in the resolution. The capital 599
improvements account shall be a contingency fund for the 600
necessary acquisition, replacement, renovation, or construction 601
of facilities and movable and fixed equipment. Upon the request 602
of the board, funds not needed to pay for current expenses may 603
be appropriated to the capital improvements account, in amounts 604
such that the account does not exceed twenty-five per cent of 605

the replacement value of all capital facilities and equipment 606
currently used by the board for programs and services. Other 607
funds which are available for current capital expenses from 608
federal, state, or local sources may also be appropriated to 609
this account. 610

The reserve balance account shall contain those funds that 611
are not needed to pay for current operating expenses and not 612
deposited in the capital improvements account but that will be 613
needed to pay for operating expenses in the future. Upon the 614
request of a board, such funds shall be appropriated to the 615
reserve balance account. Payments from the capital improvements 616
account and the reserve balance account shall be made by the 617
county treasurer who is the custodian of funds for the district 618
upon warrants issued by the county auditor who is the fiscal 619
officer of the district pursuant to orders of the board. 620

(D) If a board of county commissioners levies a tax under 621
this section for the county's contribution to a joint-county 622
district of which the county is a part, revenue from the tax 623
shall only be expended for the benefit of the residents of the 624
county. 625

(E) If a board of county commissioners levies a tax under 626
this section for the county's contribution to a joint-county 627
district of which the county is a part and that district expands 628
or contracts due to the addition or withdrawal of another 629
county, the board, provided that county remains a part of the 630
newly expanded or contracted joint-county district, shall 631
continue to levy and collect that tax, pursuant to the terms 632
originally approved by electors, for the county's contribution 633
to the newly expanded or contracted joint-county district of 634
which the county is a part. Notwithstanding sections 5705.192 635

and 5705.25 of the Revised Code, the election notice and ballot 636
language of a renewal or replacement of such a levy shall 637
identify the name of the newly expanded or contracted joint- 638
county district. 639

(F) If a board of county commissioners levies a tax under 640
this section for the county's contribution to a joint-county 641
district of which the county is a part and the county withdraws 642
from the district, the board shall continue to levy and collect 643
that tax, pursuant to the terms originally approved by electors, 644
for one of the following purposes, if either situation applies: 645

(1) For the county's contribution to a newly joined joint- 646
county district, if the county joins such a joint-county 647
district in the tax year after the year in which the county 648
withdraws from the other joint-county district; 649

(2) To provide the necessary requirements of the county's 650
alcohol, drug addiction, and mental health service district, if 651
the county establishes such a district under Chapter 340. of the 652
Revised Code in the tax year after the year in which the county 653
withdraws from the joint-county district. 654

Notwithstanding sections 5705.192 and 5705.25 of the 655
Revised Code, the election notice and ballot language of a 656
renewal or replacement of such a levy shall identify the name of 657
the newly established district or newly joined joint-county 658
district. 659

(G) Division (G) of this section applies only if all of 660
the following apply: 661

(1) The county withdraws from a joint-county district. 662

(2) The board of alcohol, drug addiction, and mental 663
health services of that joint-county district levies a tax under 664

section 5705.19 of the Revised Code in the tax year for which 665
the county withdraws from the joint-county district. 666

(3) The board of county commissioners of the withdrawing 667
county adopts a resolution under division (A) of this section 668
proposing a tax under this section that specifies that the first 669
tax year the tax is to be levied by the board is the tax year 670
after the year the tax described in division (G) (2) of this 671
section expires or is renewed or replaced, as authorized under 672
division (B) of section 340.01 of the Revised Code. 673

The proposed tax described in division (G) (3) of this 674
section may be a renewal, renewal and decrease, or renewal and 675
increase of the tax described in division (G) (2) of this 676
section, except that, notwithstanding section 5705.25 of the 677
Revised Code, the election notice and ballot language of a 678
renewal of such a levy shall identify the county as the 679
subdivision within which the tax will be levied and not the 680
joint-county district from which the county withdrew. 681

Alternatively, the tax described in division (G) (3) of 682
this section may be a replacement, replacement and decrease, or 683
replacement and increase of the tax described in division (G) (2) 684
of this section, as authorized under section 5705.192 of the 685
Revised Code, except that, notwithstanding that section, the 686
election notice and ballot language of a replacement of such a 687
levy shall identify the county as the subdivision within which 688
the tax will be levied and not the joint-county district from 689
which the county withdrew. 690

Sec. 5709.20. As used in sections 5709.20 to 5709.27 of 691
the Revised Code: 692

(A) "Air contaminant" means particulate matter, dust, 693

fumes, gas, mist, smoke, vapor, or odorous substances, or any combination thereof. 694
695

(B) "Air pollution control facility" means any property 696
designed, constructed, or installed for the primary purpose of 697
eliminating or reducing the emission of, or ground level 698
concentration of, air contaminants generated at an industrial or 699
commercial plant or site that renders air harmful or inimical to 700
the public health or to property within this state, or such 701
property installed on or after November 1, 1993, at a petroleum 702
refinery for the primary purpose of eliminating or reducing 703
substances within fuel that otherwise would create the emission 704
of air contaminants upon the combustion of fuel. 705

(C) "Energy conversion" means the conversion of fuel or 706
power usage and consumption from natural gas to an alternate 707
fuel or power source other than propane, butane, naphtha, or 708
fuel oil; or the conversion of fuel or power usage and 709
consumption from fuel oil to an alternate fuel or power source 710
other than natural gas, propane, butane, or naphtha. 711

(D) "Energy conversion facility" means any additional 712
property or equipment designed, constructed, or installed after 713
December 31, 1974, for use at an industrial or commercial plant 714
or site for the primary purpose of energy conversion. 715

(E) "Exempt facility" means any of the facilities defined 716
in division (B), (D), (F), (I), (K), or (L) of this section for 717
which an exempt facility certificate is issued pursuant to 718
section 5709.21 or for which a certificate remains valid under 719
section 5709.201 of the Revised Code. "Exempt facility" includes 720
both property that is owned and property that is leased by the 721
holder of the exempt facility certificate or the person to which 722
the certificate is issued. 723

(F) "Noise pollution control facility" means any property 724
designed, constructed, or installed for use at an industrial or 725
commercial plant or site for the primary purpose of eliminating 726
or reducing, at that plant or site, the emission of sound which 727
is harmful or inimical to persons or property, or materially 728
reduces the quality of the environment, as shall be determined 729
by the director of environmental protection within such 730
standards for noise pollution control facilities and standards 731
for environmental noise necessary to protect public health and 732
welfare as may be promulgated by the United States environmental 733
protection agency. In the absence of such United States 734
environmental protection agency standards, the determination 735
shall be made in accordance with generally accepted current 736
standards of good engineering practice in environmental noise 737
control. 738

(G) "Solid waste" means such unwanted residual solid or 739
semi-solid material as results from industrial operations, 740
including those of public utility companies, and commercial, 741
distribution, research, agricultural, and community operations, 742
including garbage, combustible or noncombustible, street dirt, 743
and debris. 744

(H) "Solid waste energy conversion" means the conversion 745
of solid waste into energy and the utilization of such energy 746
for some useful purpose. 747

(I) "Solid waste energy conversion facility" means any 748
property or equipment designed, constructed, or installed after 749
December 31, 1974, for use at an industrial or a commercial 750
plant or site for the primary purpose of solid waste energy 751
conversion. 752

(J) "Thermal efficiency improvement" means the recovery 753

and use of waste heat or waste steam produced incidental to 754
electric power generation, industrial process heat generation, 755
lighting, refrigeration, or space heating. 756

(K) "Thermal efficiency improvement facility" means any 757
property or equipment designed, constructed, or installed after 758
December 31, 1974, for use at an industrial or a commercial 759
plant or site for the primary purpose of thermal efficiency 760
improvement. 761

(L) "Industrial water pollution control facility" means 762
any property designed, constructed, or installed for the primary 763
purpose of collecting, hauling, or conducting industrial waste 764
to a point of disposal or treatment; storing, filtering, 765
processing, or disposing of industrial waste; reducing, 766
controlling, or eliminating water pollution caused by industrial 767
waste; or reducing, controlling, or eliminating the discharge 768
into a disposal system of industrial waste or what would be 769
industrial waste if discharged into the waters of this state. 770
This division applies only to property related to an industrial 771
water pollution control facility placed into operation or 772
initially capable of operation after December 31, 1965, and 773
installed pursuant to the approval of the environmental 774
protection agency, department of natural resources, or any other 775
governmental agency having authority to approve the installation 776
of industrial water pollution control facilities. The 777
definitions in section 6111.01 of the Revised Code, as 778
applicable, apply to the terms used in this division. 779

(M) Property designed, constructed, installed, used, or 780
placed in operation primarily for the safety, health, 781
protection, or benefit, or any combination thereof, of personnel 782
of a business, or primarily for a ~~business's own benefit~~business 783

purpose other than a purpose described in division (B), (D), 784
(F), (I), (K), or (L) of this section, as applicable, is not an 785
"exempt facility." 786

Sec. 5713.08. (A) The county auditor shall make a list of 787
all real and personal property in the auditor's county that is 788
exempted from taxation. Such list shall show the name of the 789
owner, the value of the property exempted, and a statement in 790
brief form of the ground on which such exemption has been 791
granted. It shall be corrected annually by adding thereto the 792
items of property which have been exempted during the year, and 793
by striking therefrom the items which in the opinion of the 794
auditor have lost their right of exemption and which have been 795
reentered on the taxable list, but no property shall be struck 796
from the exempt property list solely because the property has 797
been conveyed to a single member limited liability company with 798
a nonprofit purpose from its nonprofit member or because the 799
property has been conveyed by a single member limited liability 800
company with a nonprofit purpose to its nonprofit member. No 801
additions shall be made to such exempt lists and no additional 802
items of property shall be exempted from taxation without the 803
consent of the tax commissioner as is provided for in section 804
5715.27 of the Revised Code or without the consent of the 805
housing officer under section 3735.67 of the Revised Code, 806
except for property exempted by the auditor under that section, 807
~~property owned by a community school and subject to the~~ 808
~~exemption authorized under division (A) (1) of section 5709.07 of~~ 809
~~the Revised Code for tax years after the tax year for which the~~ 810
~~commissioner grants an application under section 5715.27 of the~~ 811
~~Revised Code, as described in division (I) of that section, or~~ 812
qualifying agricultural real property, as defined in section 813
5709.28 of the Revised Code, that is enrolled in an agriculture 814

security area that is exempt under that section. 815

The commissioner may revise at any time the list in every 816
county so that no property is improperly or illegally exempted 817
from taxation. The auditor shall follow the orders of the 818
commissioner given under this section. An abstract of such list 819
shall be filed annually with the commissioner, on a form 820
approved by the commissioner, and a copy thereof shall be kept 821
on file in the office of each auditor for public inspection. 822

An application for exemption of property shall include a 823
certificate executed by the county treasurer certifying one of 824
the following: 825

(1) That all taxes, interest, and penalties levied and 826
assessed against the property sought to be exempted have been 827
paid in full for all of the tax years preceding the tax year for 828
which the application for exemption is filed, except for such 829
taxes, interest, and penalties that may be remitted under 830
division (C) of this section; 831

(2) That the applicant has entered into a valid delinquent 832
tax contract with the county treasurer pursuant to division (A) 833
of section 323.31 of the Revised Code to pay all of the 834
delinquent taxes, interest, and penalties charged against the 835
property, except for such taxes, interest, and penalties that 836
may be remitted under division (C) of this section. If the 837
auditor receives notice under section 323.31 of the Revised Code 838
that such a written delinquent tax contract has become void, the 839
auditor shall strike such property from the list of exempted 840
property and reenter such property on the taxable list. If 841
property is removed from the exempt list because a written 842
delinquent tax contract has become void, current taxes shall 843
first be extended against that property on the general tax list 844

and duplicate of real and public utility property for the tax 845
year in which the auditor receives the notice required by 846
division (A) of section 323.31 of the Revised Code that the 847
delinquent tax contract has become void or, if that notice is 848
not timely made, for the tax year in which falls the latest date 849
by which the treasurer is required by such section to give such 850
notice. A county auditor shall not remove from any tax list and 851
duplicate the amount of any unpaid delinquent taxes, 852
assessments, interest, or penalties owed on property that is 853
placed on the exempt list pursuant to this division. 854

(3) That a tax certificate has been issued under section 855
5721.32 or 5721.33 of the Revised Code with respect to the 856
property that is the subject of the application, and the tax 857
certificate is outstanding. 858

(B) If the treasurer's certificate is not included with 859
the application or the certificate reflects unpaid taxes, 860
penalties, and interest that may not be remitted, the tax 861
commissioner or county auditor with whom the application was 862
filed shall notify the property owner of that fact, and the 863
applicant shall be given sixty days from the date that 864
notification was mailed in which to provide the tax commissioner 865
or county auditor with a corrected treasurer's certificate. If a 866
corrected treasurer's certificate is not received within the 867
time permitted, the tax commissioner or county auditor does not 868
have authority to consider the tax exemption application. 869

(C) Any taxes, interest, and penalties which have become a 870
lien after the property was first used for the exempt purpose, 871
but in no case prior to the date of acquisition of the title to 872
the property by the applicant, may be remitted by the 873
commissioner or county auditor, except as is provided in 874

division (A) of section 5713.081 of the Revised Code. 875

(D) Real property acquired by the state in fee simple is 876
exempt from taxation from the date of acquisition of title or 877
date of possession, whichever is the earlier date, provided that 878
all taxes, interest, and penalties as provided in the 879
apportionment provisions of section 319.20 of the Revised Code 880
have been paid to the date of acquisition of title or date of 881
possession by the state, whichever is earlier. The proportionate 882
amount of taxes that are a lien but not yet determined, 883
assessed, and levied for the year in which the property is 884
acquired, shall be remitted by the county auditor for the 885
balance of the year from date of acquisition of title or date of 886
possession, whichever is earlier. This section shall not be 887
construed to authorize the exemption of such property from 888
taxation or the remission of taxes, interest, and penalties 889
thereon until all private use has terminated. 890

Sec. 5715.27. (A) (1) Except as provided in division (A) (2) 891
of this section and in section 3735.67 of the Revised Code, the 892
owner, a vendee in possession under a purchase agreement or a 893
land contract, the beneficiary of a trust, or a lessee for an 894
initial term of not less than thirty years of any property may 895
file an application with the tax commissioner, on forms 896
prescribed by the commissioner, requesting that such property be 897
exempted from taxation and that taxes, interest, and penalties 898
be remitted as provided in division (C) of section 5713.08 of 899
the Revised Code. 900

(2) If the property that is the subject of the application 901
for exemption is any of the following, the application shall be 902
filed with the county auditor of the county in which the 903
property is listed for taxation: 904

(a) A public road or highway;	905
(b) Property belonging to the federal government of the United States;	906 907
(c) Additions or other improvements to an existing building or structure that belongs to the state or a political subdivision, as defined in section 5713.081 of the Revised Code, and that is exempted from taxation as property used exclusively for a public purpose.	908 909 910 911 912
(B) The board of education of any school district may request the tax commissioner or county auditor to provide it with notification of applications for exemption from taxation for property located within that district. If so requested, the commissioner or auditor shall send to the board on a monthly basis reports that contain sufficient information to enable the board to identify each property that is the subject of an exemption application, including, but not limited to, the name of the property owner or applicant, the address of the property, and the auditor's parcel number. The commissioner or auditor shall mail the reports by the fifteenth day of the month following the end of the month in which the commissioner or auditor receives the applications for exemption.	913 914 915 916 917 918 919 920 921 922 923 924 925
(C) A board of education that has requested notification under division (B) of this section may, with respect to any application for exemption of property located in the district and included in the commissioner's or auditor's most recent report provided under that division, file a statement with the commissioner or auditor and with the applicant indicating its intent to submit evidence and participate in any hearing on the application. The statements shall be filed prior to the first day of the third month following the end of the month in which	926 927 928 929 930 931 932 933 934

that application was docketed by the commissioner or auditor. A 935
statement filed in compliance with this division entitles the 936
district to submit evidence and to participate in any hearing on 937
the property and makes the district a party for purposes of 938
sections 5717.02 to 5717.04 of the Revised Code in any appeal of 939
the commissioner's or auditor's decision to the board of tax 940
appeals. 941

(D) The commissioner or auditor shall not hold a hearing 942
on or grant or deny an application for exemption of property in 943
a school district whose board of education has requested 944
notification under division (B) of this section until the end of 945
the period within which the board may submit a statement with 946
respect to that application under division (C) of this section. 947
The commissioner or auditor may act upon an application at any 948
time prior to that date upon receipt of a written waiver from 949
each such board of education, or, in the case of exemptions 950
authorized by section 725.02, 1728.10, 5709.40, 5709.41, 951
5709.411, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 952
5709.84, or 5709.88 of the Revised Code, upon the request of the 953
property owner. Failure of a board of education to receive the 954
report required in division (B) of this section shall not void 955
an action of the commissioner or auditor with respect to any 956
application. The commissioner or auditor may extend the time for 957
filing a statement under division (C) of this section. 958

(E) A complaint may also be filed with the commissioner or 959
auditor by any person, board, or officer authorized by section 960
5715.19 of the Revised Code to file complaints with the county 961
board of revision against the continued exemption of any 962
property granted exemption by the commissioner or auditor under 963
this section. 964

(F) An application for exemption and a complaint against 965
exemption shall be filed prior to the thirty-first day of 966
December of the tax year for which exemption is requested or for 967
which the liability of the property to taxation in that year is 968
requested. The commissioner or auditor shall consider such 969
application or complaint in accordance with procedures 970
established by the commissioner, determine whether the property 971
is subject to taxation or exempt therefrom, and, if the 972
commissioner makes the determination, certify the determination 973
to the auditor. Upon making the determination or receiving the 974
commissioner's determination, the auditor shall correct the tax 975
list and duplicate accordingly. If a tax certificate has been 976
sold under section 5721.32 or 5721.33 of the Revised Code with 977
respect to property for which an exemption has been requested, 978
the tax commissioner or auditor shall also certify the findings 979
to the county treasurer of the county in which the property is 980
located. 981

(G) Applications and complaints, and documents of any kind 982
related to applications and complaints, filed with the tax 983
commissioner or county auditor under this section are public 984
records within the meaning of section 149.43 of the Revised 985
Code. 986

(H) If the commissioner or auditor determines that the use 987
of property or other facts relevant to the taxability of 988
property that is the subject of an application for exemption or 989
a complaint under this section has changed while the application 990
or complaint was pending, the commissioner or auditor may make 991
the determination under division (F) of this section separately 992
for each tax year beginning with the year in which the 993
application or complaint was filed or the year for which 994
remission of taxes under division (C) of section 5713.08 of the 995

Revised Code was requested, and including each subsequent tax 996
year during which the application or complaint is pending before 997
the commissioner or auditor. 998

~~(I) If the tax commissioner grants an application filed by 999
a community school under this section for the exemption 1000
authorized under division (A) (1) of section 5709.07 of the 1001
Revised Code, any property that is the subject of that 1002
application shall be exempt from property tax for each 1003
succeeding tax year regardless of whether the community school 1004
files an application under this section with respect to such 1005
property. The community school, on or before the thirty first 1006
day of December of each such succeeding tax year, shall submit a 1007
statement to the commissioner attesting that the property that 1008
is the subject of that initial application qualifies for the 1009
exemption authorized under division (A) (1) of section 5709.07 of 1010
the Revised Code for that succeeding tax year. If the community 1011
school fails to file such a statement for a tax year or if the 1012
commissioner otherwise discovers that the property no longer 1013
qualifies for that exemption, the commissioner shall order the 1014
county auditor to return the property to the tax list. 1015~~

Sec. 5725.222. (A) An application to refund to a domestic 1016
insurance company any taxes imposed by section 3737.71 of the 1017
Revised Code or amounts imposed under this chapter that are 1018
overpaid, paid illegally or erroneously, or paid on any illegal, 1019
erroneous, or excessive assessment, with interest thereon as 1020
provided by section 5725.221 of the Revised Code, shall be filed 1021
with the superintendent of insurance, on the form prescribed by 1022
the superintendent, within three years after the date of the 1023
illegal, erroneous, or excessive payment ~~of the tax~~. No refund 1024
shall be allowed unless an application has been filed in 1025
accordance with this section. The time limit imposed under this 1026

division may be extended if both the domestic insurance company 1027
and the superintendent of insurance agree in writing to the 1028
extension. 1029

(B) Except as otherwise provided in this division, the 1030
superintendent may make an assessment against a domestic 1031
insurance company for any deficiency for the period for which a 1032
report, tax return, or tax payment is due for any taxes imposed 1033
by section 3737.71 of the Revised Code or this chapter, based on 1034
any information in the superintendent's possession. No 1035
assessment shall be made against a domestic insurance company 1036
more than three years after the later of the final date the 1037
report, tax return, or tax payment subject to the assessment was 1038
required to be filed or paid, or the date the report or tax 1039
return was filed, provided that there shall be no bar if the 1040
domestic insurance company failed to file the required report or 1041
tax return or if the deficiency results from fraud or any 1042
felonious act. The time limit may be extended if both the 1043
domestic insurance company and the superintendent agree in 1044
writing to the extension. For the purposes of this division, an 1045
assessment is made on the date the notification of the 1046
assessment is sent by the department of insurance or the date of 1047
an invoice for the assessment from the treasurer of state, 1048
whichever is earlier. 1049

Sec. 5726.30. (A) The tax commissioner shall refund ~~the~~ 1050
~~amount of taxes~~ amounts imposed under this chapter that a person 1051
overpaid, paid illegally or erroneously, or paid on an illegal 1052
or erroneous assessment. The person shall file an application 1053
for refund with the tax commissioner, on the form prescribed by 1054
the commissioner, within four years after the date of the 1055
illegal or erroneous payment ~~of the tax~~, or within any 1056
additional period allowed under division (B) of section 5726.20 1057

of the Revised Code. The applicant shall provide the amount of 1058
the requested refund along with the claimed reasons for, and 1059
documentation to support, the issuance of a refund. 1060

For purposes of this division, a payment that an applicant 1061
made before the due date for filing the report to which the 1062
payment relates shall be deemed to have been made on the due 1063
date of the report. 1064

(B) Upon the filing of a refund application, the tax 1065
commissioner shall determine the amount of refund to which the 1066
applicant is entitled. If the amount is not less than that 1067
claimed, the commissioner shall certify the amount to the 1068
director of budget and management and treasurer of state for 1069
payment from the tax refund fund created under section 5703.052 1070
of the Revised Code. If the amount is less than that claimed, 1071
the commissioner shall proceed in accordance with section 1072
5703.70 of the Revised Code. 1073

(C) (1) Except as provided in division (C) (2) of this 1074
section, interest on a refund applied for under this section, 1075
computed at the rate provided for in section 5703.47 of the 1076
Revised Code, shall be allowed from the later of the date the 1077
~~tax amount~~ was paid or the date the ~~tax~~ payment was due until 1078
the refund is paid. 1079

(2) No interest shall be allowed under this section on an 1080
amount refunded to a person to the extent that the refund 1081
results from the allowance of a refundable credit against the 1082
tax imposed by section 5726.02 of the Revised Code. 1083

Sec. 5727.28. (A) The tax commissioner shall refund to a 1084
natural gas company or combined company subject to the tax 1085
imposed by section 5727.24 of the Revised Code, ~~the amount of~~ 1086

~~tax amounts~~ paid illegally or erroneously, or paid on an 1087
illegal or erroneous assessment. Applications for a refund shall 1088
be filed with the tax commissioner, on a form prescribed by the 1089
commissioner, within four years of the illegal or erroneous 1090
payment ~~of the tax~~. 1091

On the filing of the application, the commissioner shall 1092
determine the amount of refund to which the applicant is 1093
entitled. If the amount is not less than that claimed, the 1094
commissioner shall notify the director of budget and management 1095
and issue the refund from the tax refund fund under section 1096
5703.052 of the Revised Code. If the amount is less than that 1097
claimed, the commissioner shall proceed in accordance with 1098
section 5703.70 of the Revised Code. 1099

If the application for refund is for ~~taxes paid on payment~~ 1100
of an illegal or erroneous assessment, the commissioner shall 1101
include in the certified amount interest calculated at the rate 1102
per annum prescribed by section 5703.47 of the Revised Code from 1103
the date of overpayment to the date of the commissioner's 1104
certification. 1105

(B) If a natural gas company or combined company entitled 1106
to a refund ~~of taxes~~ under this section, or section 5703.70 of 1107
the Revised Code, is indebted to the state for any tax or fee 1108
administered by the tax commissioner that is paid to the state, 1109
or any charge, penalty, or interest arising from such a tax or 1110
fee, the amount refundable may be applied in satisfaction of 1111
that debt. If the amount refundable is less than the amount of 1112
the debt, it may be applied in partial satisfaction of the debt. 1113
If the amount refundable is greater than the amount of the debt, 1114
the amount remaining after satisfaction of the debt shall be 1115
refunded. 1116

(C) In lieu of granting a refund under division (A) or (B) 1117
of this section, the tax commissioner may allow a natural gas 1118
company or combined company to claim a credit of the amount of 1119
the tax refund on the return for the period during which the tax 1120
became refundable. The commissioner may require the company to 1121
submit information to support a claim for a credit under this 1122
division, and the commissioner may disallow the credit if the 1123
information is not provided. 1124

Sec. 5727.91. (A) The treasurer of state shall refund the 1125
amount of tax paid under section 5727.81 or 5727.811 of the 1126
Revised Code that was paid illegally or erroneously, or paid on 1127
an illegal or erroneous assessment, or any penalty assessed with 1128
respect to such taxes. A natural gas distribution company, an 1129
electric distribution company, or a self-assessing purchaser 1130
shall file an application for a refund with the tax commissioner 1131
on a form prescribed by the commissioner, within four years of 1132
the illegal or erroneous payment ~~of the tax.~~ 1133

On the filing of the application, the commissioner shall 1134
determine the amount of refund to which the applicant is 1135
entitled. If the amount is not less than that claimed, the 1136
commissioner shall certify that amount to the director of budget 1137
and management and the treasurer of state for payment from the 1138
tax refund fund under section 5703.052 of the Revised Code. If 1139
the amount is less than that claimed, the commissioner shall 1140
proceed in accordance with section 5703.70 of the Revised Code. 1141

The commissioner shall include in the certified amount 1142
interest calculated at the rate per annum prescribed by section 1143
5703.47 of the Revised Code from the date of overpayment to the 1144
date of the commissioner's certification. 1145

(B) If a natural gas distribution company or an electric 1146

distribution company entitled to a refund ~~of taxes~~ under this 1147
section, or section 5703.70 of the Revised Code, is indebted to 1148
the state for any tax or fee administered by the tax 1149
commissioner that is paid to the state, or any charge, penalty, 1150
or interest arising from such a tax or fee, the amount 1151
refundable may be applied in satisfaction of the debt. If the 1152
amount refundable is less than the amount of the debt, it may be 1153
applied in partial satisfaction of the debt. If the amount 1154
refundable is greater than the amount of the debt, the amount 1155
remaining after satisfaction of the debt shall be refunded. If 1156
the natural gas distribution company or electric distribution 1157
company has more than one such debt, any debt subject to section 1158
5739.33 or division (G) of section 5747.07 of the Revised Code 1159
shall be satisfied first. This section applies only to debts 1160
that have become final. 1161

(C) (1) Any electric distribution company that can 1162
substantiate to the tax commissioner that the tax imposed by 1163
section 5727.81 of the Revised Code was paid on electricity 1164
distributed via wires and consumed at a location outside of this 1165
state may claim a refund in the manner and within the time 1166
period prescribed in division (A) of this section. 1167

(2) Any natural gas distribution company that can 1168
substantiate to the tax commissioner that the tax imposed by 1169
section 5727.811 of the Revised Code was paid on natural gas 1170
distributed via its facilities and consumed at a location 1171
outside of this state may claim a refund in the manner and 1172
within the time period prescribed in division (A) of this 1173
section. 1174

(3) If the commissioner certifies a refund based on an 1175
application filed under division (C) (1) or (2) of this section, 1176

the commissioner shall include in the certified amount interest 1177
calculated at the rate per annum prescribed by section 5703.47 1178
of the Revised Code from the date of overpayment to the date of 1179
the commissioner's certification. 1180

(D) Before a refund is issued under this section or 1181
section 5703.70 of the Revised Code, a natural gas company or an 1182
electric distribution company shall certify, as prescribed by 1183
the tax commissioner, that it either did not include the tax 1184
imposed by section 5727.81 of the Revised Code in the case of an 1185
electric distribution company, or the tax imposed by section 1186
5727.811 of the Revised Code in the case of a natural gas 1187
distribution company, in its distribution charge to its customer 1188
upon which a refund of the tax is claimed, or it has refunded or 1189
credited to the customer the excess distribution charge related 1190
to the tax that was erroneously included in the customer's 1191
distribution charge. 1192

Sec. 5728.061. The treasurer of state shall refund the 1193
amount of fuel use taxes overpaid, paid illegally or 1194
erroneously, or paid on any illegal or erroneous assessment, or 1195
any penalty assessed with respect to such taxes. Applications 1196
for refund shall be filed with the tax commissioner, on the form 1197
prescribed by the commissioner, within four years from the date 1198
of the overpayment, the illegal or erroneous payment ~~of the tax,~~ 1199
or the payment of the illegal or erroneous assessment. An 1200
application shall be filed by the person who made the payment of 1201
~~the tax~~ for which the refund is claimed. When a refund is 1202
granted for payment of an illegal or erroneous assessment issued 1203
by the commissioner, the refund shall include interest on the 1204
amount of the refund from the date of the payment. The interest 1205
shall be computed at the rate per annum prescribed by section 1206
5703.47 of the Revised Code. 1207

On the filing of the application, the commissioner shall 1208
determine the amount of refund to which the applicant is 1209
entitled. If the amount is not less than that claimed, the 1210
commissioner shall certify the amount to the director of budget 1211
and management and treasurer of state for payment from the tax 1212
refund fund created by section 5703.052 of the Revised Code. If 1213
the amount is less than that claimed, the commissioner shall 1214
proceed in accordance with section 5703.70 of the Revised Code. 1215

Sec. 5729.102. (A) An application to refund to a foreign 1216
insurance company any taxes imposed by section 3737.71 of the 1217
Revised Code or amounts imposed under this chapter that are 1218
overpaid, paid illegally or erroneously, or paid on any illegal, 1219
erroneous, or excessive assessment, with interest thereon as 1220
provided by section 5729.101 of the Revised Code, shall be filed 1221
with the superintendent of insurance, on the form prescribed by 1222
the superintendent, within three years after the date of the 1223
illegal, erroneous, or excessive payment ~~of the tax~~. No refund 1224
shall be allowed unless an application has been filed in 1225
accordance with this section. The time limit imposed under this 1226
division may be extended if both the foreign insurance company 1227
and the superintendent of insurance agree in writing to the 1228
extension. 1229

(B) Except as otherwise provided in this division, the 1230
superintendent may make an assessment against a foreign 1231
insurance company for any deficiency for the period for which a 1232
report, tax return, or tax payment is due for any taxes imposed 1233
by section 3737.71 of the Revised Code or this chapter, based on 1234
any information in the superintendent's possession. No 1235
assessment shall be made against a foreign insurance company 1236
more than three years after the later of the final date the 1237
report, tax return, or tax payment subject to the assessment was 1238

required to be filed or paid, or the date the report or tax 1239
return was filed, provided that there shall be no bar if the 1240
foreign insurance company failed to file the required report or 1241
tax return or if the deficiency results from fraud or any 1242
felonious act. The time limit may be extended if both the 1243
foreign insurance company and the superintendent agree in 1244
writing to the extension. For the purposes of this division, an 1245
assessment is made on the date the notification of the 1246
assessment is sent by the department of insurance or the date of 1247
an invoice for the assessment from the treasurer of state, 1248
whichever is earlier. 1249

Sec. 5735.11. (A) If the tax or any portion of the tax 1250
imposed by this chapter, whether determined by the tax 1251
commissioner or the motor fuel dealer, is not paid on or before 1252
the date prescribed in section 5735.06 of the Revised Code, 1253
interest shall be collected and paid in the same manner as the 1254
tax upon the unpaid amount, computed at the rate per annum 1255
prescribed by section 5703.47 of the Revised Code, from the date 1256
prescribed for payment of the tax to the date of payment or to 1257
the date an assessment is issued under section 5735.12 or 1258
5735.121 of the Revised Code, whichever occurs first. Interest 1259
may be collected by assessment in the manner provided in section 1260
5735.12 or 5735.121 of the Revised Code. All interest shall be 1261
paid in the same manner as the tax and shall be considered as 1262
revenue arising from the portion of the tax described in 1263
division (A) of section 5735.05 of the Revised Code. 1264

(B) Interest shall be allowed and paid upon any refund 1265
granted in respect to the payment of an illegal or erroneous 1266
assessment ~~for any tax~~ imposed under this chapter from the date 1267
of the overpayment. The interest shall be computed at the rate 1268
per annum prescribed by section 5703.47 of the Revised Code. 1269

Sec. 5735.122. The tax commissioner shall refund to 1270
dealers or to any person assessed motor fuel tax ~~the amount of~~ 1271
~~taxes amounts~~ paid illegally or erroneously or paid on an 1272
illegal or erroneous assessment. Applications for refund shall 1273
be filed with the tax commissioner, on the form prescribed by 1274
the commissioner, within four years from the date of the illegal 1275
or erroneous payment. No person shall file a claim for the tax 1276
on fewer than one hundred gallons of motor fuel. 1277

On the filing of the application, the commissioner shall 1278
determine the amount of refund to which the applicant is 1279
entitled. If the amount is not less than that claimed, the 1280
commissioner shall certify the amount to the director of budget 1281
and management and treasurer of state for payment from the tax 1282
refund fund created by section 5703.052 of the Revised Code, 1283
except that no refund shall be authorized or paid on a claim for 1284
the tax on fewer than one hundred gallons of motor fuel. If the 1285
amount is less than that claimed, the commissioner shall proceed 1286
in accordance with section 5703.70 of the Revised Code. 1287

The refund authorized by this section or section 5703.70 1288
of the Revised Code shall be reduced by the cents per gallon 1289
amount of any qualified fuel credit received under section 1290
5735.145 of the Revised Code, as determined by the commissioner, 1291
for each gallon of qualified fuel included in the total 1292
gallage of motor fuel upon which the refund is computed. 1293

Sec. 5736.08. (A) An application for refund to the 1294
taxpayer of ~~the amount of taxes amounts~~ imposed under this 1295
chapter that are overpaid, paid illegally or erroneously, or 1296
paid on any illegal or erroneous assessment shall be filed by 1297
the taxpayer with the tax commissioner, on the form prescribed 1298
by the commissioner, within four years after the date of the 1299

illegal or erroneous payment ~~of the tax~~, or within any 1300
additional period allowed under division (F) of section 5736.09 1301
of the Revised Code. The applicant shall provide the amount of 1302
the requested refund along with the claimed reasons for, and 1303
documentation to support, the issuance of a refund. 1304

(B) On the filing of the refund application, the 1305
commissioner shall determine the amount of refund to which the 1306
applicant is entitled. If the amount is not less than that 1307
claimed, the commissioner shall certify the amount to the 1308
director of budget and management and treasurer of state for 1309
payment from the tax refund fund created under section 5703.052 1310
of the Revised Code. If the amount is less than that claimed, 1311
the commissioner shall proceed in accordance with section 1312
5703.70 of the Revised Code. 1313

(C) Interest on a refund applied for under this section, 1314
computed at the rate provided for in section 5703.47 of the 1315
Revised Code, shall be allowed from the later of the date the 1316
~~tax amount~~ was paid or when the ~~tax~~ payment was due. 1317

(D) Except as provided in section 5736.081 of the Revised 1318
Code, the commissioner may provide for the crediting against tax 1319
due for a tax period the amount of any refund due the taxpayer 1320
under this chapter for a preceding tax period. 1321

Sec. 5739.01. As used in this chapter: 1322

(A) "Person" includes individuals, receivers, assignees, 1323
trustees in bankruptcy, estates, firms, partnerships, 1324
associations, joint-stock companies, joint ventures, clubs, 1325
societies, corporations, the state and its political 1326
subdivisions, and combinations of individuals of any form. 1327

(B) "Sale" and "selling" include all of the following 1328

transactions for a consideration in any manner, whether 1329
absolutely or conditionally, whether for a price or rental, in 1330
money or by exchange, and by any means whatsoever: 1331

(1) All transactions by which title or possession, or 1332
both, of tangible personal property, is or is to be transferred, 1333
or a license to use or consume tangible personal property is or 1334
is to be granted; 1335

(2) All transactions by which lodging by a hotel is or is 1336
to be furnished to transient guests; 1337

(3) All transactions by which: 1338

(a) An item of tangible personal property is or is to be 1339
repaired, except property, the purchase of which would not be 1340
subject to the tax imposed by section 5739.02 of the Revised 1341
Code; 1342

(b) An item of tangible personal property is or is to be 1343
installed, except property, the purchase of which would not be 1344
subject to the tax imposed by section 5739.02 of the Revised 1345
Code or property that is or is to be incorporated into and will 1346
become a part of a production, transmission, transportation, or 1347
distribution system for the delivery of a public utility 1348
service; 1349

(c) The service of washing, cleaning, waxing, polishing, 1350
or painting a motor vehicle is or is to be furnished; 1351

(d) Laundry and dry cleaning services are or are to be 1352
provided; 1353

(e) Automatic data processing, computer services, or 1354
electronic information services are or are to be provided for 1355
use in business when the true object of the transaction is the 1356

receipt by the consumer of automatic data processing, computer 1357
services, or electronic information services rather than the 1358
receipt of personal or professional services to which automatic 1359
data processing, computer services, or electronic information 1360
services are incidental or supplemental. Notwithstanding any 1361
other provision of this chapter, such transactions that occur 1362
between members of an affiliated group are not sales. An 1363
"affiliated group" means two or more persons related in such a 1364
way that one person owns or controls the business operation of 1365
another member of the group. In the case of corporations with 1366
stock, one corporation owns or controls another if it owns more 1367
than fifty per cent of the other corporation's common stock with 1368
voting rights. 1369

(f) Telecommunications service, including prepaid calling 1370
service, prepaid wireless calling service, or ancillary service, 1371
is or is to be provided, but not including coin-operated 1372
telephone service; 1373

(g) Landscaping and lawn care service is or is to be 1374
provided; 1375

(h) Private investigation and security service is or is to 1376
be provided; 1377

(i) Information services or tangible personal property is 1378
provided or ordered by means of a nine hundred telephone call; 1379

(j) Building maintenance and janitorial service is or is 1380
to be provided; 1381

(k) Exterminating service is or is to be provided; 1382

(l) Physical fitness facility service is or is to be 1383
provided; 1384

- (m) Recreation and sports club service is or is to be provided; 1385
1386
- (n) Satellite broadcasting service is or is to be provided; 1387
1388
- (o) Personal care service is or is to be provided to an individual. As used in this division, "personal care service" includes skin care, the application of cosmetics, manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician or licensed chiropractor, or the cutting, coloring, or styling of an individual's hair. 1389
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- (p) The transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102; 1397
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- (q) Motor vehicle towing service is or is to be provided. As used in this division, "motor vehicle towing service" means the towing or conveyance of a wrecked, disabled, or illegally parked motor vehicle. 1404
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- (r) Snow removal service is or is to be provided. As used in this division, "snow removal service" means the removal of snow by any mechanized means, but does not include the providing of such service by a person that has less than five thousand dollars in sales of such service during the calendar year. 1408
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- (s) Electronic publishing service is or is to be provided 1413

to a consumer for use in business, except that such transactions 1414
occurring between members of an affiliated group, as defined in 1415
division (B) (3) (e) of this section, are not sales. 1416

(4) All transactions by which printed, imprinted, 1417
overprinted, lithographic, multilithic, blueprinted, 1418
photostatic, or other productions or reproductions of written or 1419
graphic matter are or are to be furnished or transferred; 1420

(5) The production or fabrication of tangible personal 1421
property for a consideration for consumers who furnish either 1422
directly or indirectly the materials used in the production of 1423
fabrication work; and include the furnishing, preparing, or 1424
serving for a consideration of any tangible personal property 1425
consumed on the premises of the person furnishing, preparing, or 1426
serving such tangible personal property. Except as provided in 1427
section 5739.03 of the Revised Code, a construction contract 1428
pursuant to which tangible personal property is or is to be 1429
incorporated into a structure or improvement on and becoming a 1430
part of real property is not a sale of such tangible personal 1431
property. The construction contractor is the consumer of such 1432
tangible personal property, provided that the sale and 1433
installation of carpeting, the sale and installation of 1434
agricultural land tile, the sale and erection or installation of 1435
portable grain bins, or the provision of landscaping and lawn 1436
care service and the transfer of property as part of such 1437
service is never a construction contract. 1438

As used in division (B) (5) of this section: 1439

(a) "Agricultural land tile" means fired clay or concrete 1440
tile, or flexible or rigid perforated plastic pipe or tubing, 1441
incorporated or to be incorporated into a subsurface drainage 1442
system appurtenant to land used or to be used primarily in 1443

production by farming, agriculture, horticulture, or 1444
floriculture. The term does not include such materials when they 1445
are or are to be incorporated into a drainage system appurtenant 1446
to a building or structure even if the building or structure is 1447
used or to be used in such production. 1448

(b) "Portable grain bin" means a structure that is used or 1449
to be used by a person engaged in farming or agriculture to 1450
shelter the person's grain and that is designed to be 1451
disassembled without significant damage to its component parts. 1452

(6) All transactions in which all of the shares of stock 1453
of a closely held corporation are transferred, or an ownership 1454
interest in a pass-through entity, as defined in section 5733.04 1455
of the Revised Code, is transferred, if the corporation or pass- 1456
through entity is not engaging in business and its entire assets 1457
consist of boats, planes, motor vehicles, or other tangible 1458
personal property operated primarily for the use and enjoyment 1459
of the shareholders or owners; 1460

(7) All transactions in which a warranty, maintenance or 1461
service contract, or similar agreement by which the vendor of 1462
the warranty, contract, or agreement agrees to repair or 1463
maintain the tangible personal property of the consumer is or is 1464
to be provided; 1465

(8) The transfer of copyrighted motion picture films used 1466
solely for advertising purposes, except that the transfer of 1467
such films for exhibition purposes is not a sale; 1468

(9) All transactions by which tangible personal property 1469
is or is to be stored, except such property that the consumer of 1470
the storage holds for sale in the regular course of business; 1471

(10) All transactions in which "guaranteed auto 1472

protection" is provided whereby a person promises to pay to the 1473
consumer the difference between the amount the consumer receives 1474
from motor vehicle insurance and the amount the consumer owes to 1475
a person holding title to or a lien on the consumer's motor 1476
vehicle in the event the consumer's motor vehicle suffers a 1477
total loss under the terms of the motor vehicle insurance policy 1478
or is stolen and not recovered, if the protection and its price 1479
are included in the purchase or lease agreement; 1480

(11) (a) Except as provided in division (B) (11) (b) of this 1481
section, all transactions by which health care services are paid 1482
for, reimbursed, provided, delivered, arranged for, or otherwise 1483
made available by a medicaid health insuring corporation 1484
pursuant to the corporation's contract with the state. 1485

(b) If the centers for medicare and medicaid services of 1486
the United States department of health and human services 1487
determines that the taxation of transactions described in 1488
division (B) (11) (a) of this section constitutes an impermissible 1489
health care-related tax under the "Social Security Act," section 1490
1903(w), 42 U.S.C. 1396b(w), and regulations adopted thereunder, 1491
the medicaid director shall notify the tax commissioner of that 1492
determination. Beginning with the first day of the month 1493
following that notification, the transactions described in 1494
division (B) (11) (a) of this section are not sales for the 1495
purposes of this chapter or Chapter 5741. of the Revised Code. 1496
The tax commissioner shall order that the collection of taxes 1497
under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 1498
5741.021, 5741.022, and 5741.023 of the Revised Code shall cease 1499
for transactions occurring on or after that date. 1500

(12) All transactions by which a specified digital product 1501
is provided for permanent use or less than permanent use, 1502

regardless of whether continued payment is required. 1503

Except as provided in this section, "sale" and "selling" 1504
do not include transfers of interest in leased property where 1505
the original lessee and the terms of the original lease 1506
agreement remain unchanged, or professional, insurance, or 1507
personal service transactions that involve the transfer of 1508
tangible personal property as an inconsequential element, for 1509
which no separate charges are made. 1510

(C) "Vendor" means the person providing the service or by 1511
whom the transfer effected or license given by a sale is or is 1512
to be made or given and, for sales described in division (B)(3) 1513
(i) of this section, the telecommunications service vendor that 1514
provides the nine hundred telephone service; if two or more 1515
persons are engaged in business at the same place of business 1516
under a single trade name in which all collections on account of 1517
sales by each are made, such persons shall constitute a single 1518
vendor. 1519

Physicians, dentists, hospitals, and veterinarians who are 1520
engaged in selling tangible personal property as received from 1521
others, such as eyeglasses, mouthwashes, dentifrices, or similar 1522
articles, are vendors. Veterinarians who are engaged in 1523
transferring to others for a consideration drugs, the dispensing 1524
of which does not require an order of a licensed veterinarian or 1525
physician under federal law, are vendors. 1526

The operator of any peer-to-peer car sharing program shall 1527
be considered to be the vendor. 1528

(D)(1) "Consumer" means the person for whom the service is 1529
provided, to whom the transfer effected or license given by a 1530
sale is or is to be made or given, to whom the service described 1531

in division (B) (3) (f) or (i) of this section is charged, or to 1532
whom the admission is granted. 1533

(2) Physicians, dentists, hospitals, and blood banks 1534
operated by nonprofit institutions and persons licensed to 1535
practice veterinary medicine, surgery, and dentistry are 1536
consumers of all tangible personal property and services 1537
purchased by them in connection with the practice of medicine, 1538
dentistry, the rendition of hospital or blood bank service, or 1539
the practice of veterinary medicine, surgery, and dentistry. In 1540
addition to being consumers of drugs administered by them or by 1541
their assistants according to their direction, veterinarians 1542
also are consumers of drugs that under federal law may be 1543
dispensed only by or upon the order of a licensed veterinarian 1544
or physician, when transferred by them to others for a 1545
consideration to provide treatment to animals as directed by the 1546
veterinarian. 1547

(3) A person who performs a facility management, or 1548
similar service contract for a contractee is a consumer of all 1549
tangible personal property and services purchased for use in 1550
connection with the performance of such contract, regardless of 1551
whether title to any such property vests in the contractee. The 1552
purchase of such property and services is not subject to the 1553
exception for resale under division (E) of this section. 1554

(4) (a) In the case of a person who purchases printed 1555
matter for the purpose of distributing it or having it 1556
distributed to the public or to a designated segment of the 1557
public, free of charge, that person is the consumer of that 1558
printed matter, and the purchase of that printed matter for that 1559
purpose is a sale. 1560

(b) In the case of a person who produces, rather than 1561

purchases, printed matter for the purpose of distributing it or 1562
having it distributed to the public or to a designated segment 1563
of the public, free of charge, that person is the consumer of 1564
all tangible personal property and services purchased for use or 1565
consumption in the production of that printed matter. That 1566
person is not entitled to claim exemption under division (B)(42) 1567
(f) of section 5739.02 of the Revised Code for any material 1568
incorporated into the printed matter or any equipment, supplies, 1569
or services primarily used to produce the printed matter. 1570

(c) The distribution of printed matter to the public or to 1571
a designated segment of the public, free of charge, is not a 1572
sale to the members of the public to whom the printed matter is 1573
distributed or to any persons who purchase space in the printed 1574
matter for advertising or other purposes. 1575

(5) A person who makes sales of any of the services listed 1576
in division (B)(3) of this section is the consumer of any 1577
tangible personal property used in performing the service. The 1578
purchase of that property is not subject to the resale exception 1579
under division (E) of this section. 1580

(6) A person who engages in highway transportation for 1581
hire is the consumer of all packaging materials purchased by 1582
that person and used in performing the service, except for 1583
packaging materials sold by such person in a transaction 1584
separate from the service. 1585

(7) In the case of a transaction for health care services 1586
under division (B)(11) of this section, a medicaid health 1587
insuring corporation is the consumer of such services. The 1588
purchase of such services by a medicaid health insuring 1589
corporation is not subject to the exception for resale under 1590
division (E) of this section or to the exemptions provided under 1591

divisions (B) (12), (18), (19), and (22) of section 5739.02 of 1592
the Revised Code. 1593

(E) "Retail sale" and "sales at retail" include all sales, 1594
except those in which the purpose of the consumer is to resell 1595
the thing transferred or benefit of the service provided, by a 1596
person engaging in business, in the form in which the same is, 1597
or is to be, received by the person. 1598

(F) "Business" includes any activity engaged in by any 1599
person with the object of gain, benefit, or advantage, either 1600
direct or indirect. "Business" does not include the activity of 1601
a person in managing and investing the person's own funds. 1602

(G) "Engaging in business" means commencing, conducting, 1603
or continuing in business, and liquidating a business when the 1604
liquidator thereof holds itself out to the public as conducting 1605
such business. Making a casual sale is not engaging in business. 1606

(H) (1) (a) "Price," except as provided in divisions (H) (2), 1607
(3), and (4) of this section, means the total amount of 1608
consideration, including cash, credit, property, and services, 1609
for which tangible personal property or services are sold, 1610
leased, or rented, valued in money, whether received in money or 1611
otherwise, without any deduction for any of the following: 1612

(i) The vendor's cost of the property sold; 1613

(ii) The cost of materials used, labor or service costs, 1614
interest, losses, all costs of transportation to the vendor, all 1615
taxes imposed on the vendor, including the tax imposed under 1616
Chapter 5751. of the Revised Code, and any other expense of the 1617
vendor; 1618

(iii) Charges by the vendor for any services necessary to 1619
complete the sale; 1620

(iv) Delivery charges. As used in this division, "delivery charges" means charges by the vendor for preparation and delivery to a location designated by the consumer of tangible personal property or a service, including transportation, shipping, postage, handling, crating, and packing.

(v) Installation charges;

(vi) Credit for any trade-in.

(b) "Price" includes consideration received by the vendor from a third party, if the vendor actually receives the consideration from a party other than the consumer, and the consideration is directly related to a price reduction or discount on the sale; the vendor has an obligation to pass the price reduction or discount through to the consumer; the amount of the consideration attributable to the sale is fixed and determinable by the vendor at the time of the sale of the item to the consumer; and one of the following criteria is met:

(i) The consumer presents a coupon, certificate, or other document to the vendor to claim a price reduction or discount where the coupon, certificate, or document is authorized, distributed, or granted by a third party with the understanding that the third party will reimburse any vendor to whom the coupon, certificate, or document is presented;

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

(iii) The price reduction or discount is identified as a third party price reduction or discount on the invoice received

by the consumer, or on a coupon, certificate, or other document 1650
presented by the consumer. 1651

(c) "Price" does not include any of the following: 1652

(i) Discounts, including cash, term, or coupons that are 1653
not reimbursed by a third party that are allowed by a vendor and 1654
taken by a consumer on a sale; 1655

(ii) Interest, financing, and carrying charges from credit 1656
extended on the sale of tangible personal property or services, 1657
if the amount is separately stated on the invoice, bill of sale, 1658
or similar document given to the purchaser; 1659

(iii) Any taxes legally imposed directly on the consumer 1660
that are separately stated on the invoice, bill of sale, or 1661
similar document given to the consumer. For the purpose of this 1662
division, the tax imposed under Chapter 5751. of the Revised 1663
Code is not a tax directly on the consumer, even if the tax or a 1664
portion thereof is separately stated. 1665

(iv) Notwithstanding divisions (H) (1) (b) (i) to (iii) of 1666
this section, any discount allowed by an automobile manufacturer 1667
to its employee, or to the employee of a supplier, on the 1668
purchase of a new motor vehicle from a new motor vehicle dealer 1669
in this state. 1670

(v) The dollar value of a gift card that is not sold by a 1671
vendor or purchased by a consumer and that is redeemed by the 1672
consumer in purchasing tangible personal property or services if 1673
the vendor is not reimbursed and does not receive compensation 1674
from a third party to cover all or part of the gift card value. 1675
For the purposes of this division, a gift card is not sold by a 1676
vendor or purchased by a consumer if it is distributed pursuant 1677
to an awards, loyalty, or promotional program. Past and present 1678

purchases of tangible personal property or services by the consumer shall not be treated as consideration exchanged for a gift card.

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

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

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

(I) "Receipts" means the total amount of the prices of the sales of vendors, provided that the dollar value of gift cards distributed pursuant to an awards, loyalty, or promotional program, and cash discounts allowed and taken on sales at the time they are consummated are not included, minus any amount deducted as a bad debt pursuant to section 5739.121 of the

Revised Code. "Receipts" does not include the sale price of 1709
property returned or services rejected by consumers when the 1710
full sale price and tax are refunded either in cash or by 1711
credit. 1712

(J) "Place of business" means any location at which a 1713
person engages in business. 1714

(K) "Premises" includes any real property or portion 1715
thereof upon which any person engages in selling tangible 1716
personal property at retail or making retail sales and also 1717
includes any real property or portion thereof designated for, or 1718
devoted to, use in conjunction with the business engaged in by 1719
such person. 1720

(L) "Casual sale" means a sale of an item of tangible 1721
personal property that was obtained by the person making the 1722
sale, through purchase or otherwise, for the person's own use 1723
and was previously subject to any state's taxing jurisdiction on 1724
its sale or use, and includes such items acquired for the 1725
seller's use that are sold by an auctioneer employed directly by 1726
the person for such purpose, provided the location of such sales 1727
is not the auctioneer's permanent place of business. As used in 1728
this division, "permanent place of business" includes any 1729
location where such auctioneer has conducted more than two 1730
auctions during the year. 1731

(M) "Hotel" means every establishment kept, used, 1732
maintained, advertised, or held out to the public to be a place 1733
where sleeping accommodations are offered to guests, in which 1734
five or more rooms are used for the accommodation of such 1735
guests, whether the rooms are in one or several structures, 1736
except as otherwise provided in section 5739.091 of the Revised 1737
Code. 1738

(N) "Transient guests" means persons occupying a room or 1739
rooms for sleeping accommodations for less than thirty 1740
consecutive days. 1741

(O) "Making retail sales" means the effecting of 1742
transactions wherein one party is obligated to pay the price and 1743
the other party is obligated to provide a service or to transfer 1744
title to or possession of the item sold. "Making retail sales" 1745
does not include the preliminary acts of promoting or soliciting 1746
the retail sales, other than the distribution of printed matter 1747
which displays or describes and prices the item offered for 1748
sale, nor does it include delivery of a predetermined quantity 1749
of tangible personal property or transportation of property or 1750
personnel to or from a place where a service is performed. 1751

(P) "Used directly in the rendition of a public utility 1752
service" means that property that is to be incorporated into and 1753
will become a part of the consumer's production, transmission, 1754
transportation, or distribution system and that retains its 1755
classification as tangible personal property after such 1756
incorporation; fuel or power used in the production, 1757
transmission, transportation, or distribution system; and 1758
tangible personal property used in the repair and maintenance of 1759
the production, transmission, transportation, or distribution 1760
system, including only such motor vehicles as are specially 1761
designed and equipped for such use. Tangible personal property 1762
and services used primarily in providing highway transportation 1763
for hire are not used directly in the rendition of a public 1764
utility service. In this definition, "public utility" includes a 1765
citizen of the United States holding, and required to hold, a 1766
certificate of public convenience and necessity issued under 49 1767
U.S.C. 41102. 1768

(Q) "Refining" means removing or separating a desirable 1769
product from raw or contaminated materials by distillation or 1770
physical, mechanical, or chemical processes. 1771

(R) "Assembly" and "assembling" mean attaching or fitting 1772
together parts to form a product, but do not include packaging a 1773
product. 1774

(S) "Manufacturing operation" means a process in which 1775
materials are changed, converted, or transformed into a 1776
different state or form from which they previously existed and 1777
includes refining materials, assembling parts, and preparing raw 1778
materials and parts by mixing, measuring, blending, or otherwise 1779
committing such materials or parts to the manufacturing process. 1780
"Manufacturing operation" does not include packaging. 1781

(T) "Fiscal officer" means, with respect to a regional 1782
transit authority, the secretary-treasurer thereof, and with 1783
respect to a county that is a transit authority, the fiscal 1784
officer of the county transit board if one is appointed pursuant 1785
to section 306.03 of the Revised Code or the county auditor if 1786
the board of county commissioners operates the county transit 1787
system. 1788

(U) "Transit authority" means a regional transit authority 1789
created pursuant to section 306.31 of the Revised Code or a 1790
county in which a county transit system is created pursuant to 1791
section 306.01 of the Revised Code. For the purposes of this 1792
chapter, a transit authority must extend to at least the entire 1793
area of a single county. A transit authority that includes 1794
territory in more than one county must include all the area of 1795
the most populous county that is a part of such transit 1796
authority. County population shall be measured by the most 1797
recent census taken by the United States census bureau. 1798

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

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

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

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

(b) "Computer services" means providing services consisting of specifying computer hardware configurations and evaluating technical processing characteristics, computer programming, and training of computer programmers and operators, provided in conjunction with and to support the sale, lease, or operation of taxable computer equipment or systems.

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

(i) Examining or acquiring data stored in or accessible to

the computer equipment; 1828

(ii) Placing data into the computer equipment to be 1829
retrieved by designated recipients with access to the computer 1830
equipment. 1831

"Electronic information services" does not include 1832
electronic publishing. 1833

(d) "Automatic data processing, computer services, or 1834
electronic information services" shall not include personal or 1835
professional services. 1836

(2) As used in divisions (B) (3) (e) and (Y) (1) of this 1837
section, "personal and professional services" means all services 1838
other than automatic data processing, computer services, or 1839
electronic information services, including but not limited to: 1840

(a) Accounting and legal services such as advice on tax 1841
matters, asset management, budgetary matters, quality control, 1842
information security, and auditing and any other situation where 1843
the service provider receives data or information and studies, 1844
alters, analyzes, interprets, or adjusts such material; 1845

(b) Analyzing business policies and procedures; 1846

(c) Identifying management information needs; 1847

(d) Feasibility studies, including economic and technical 1848
analysis of existing or potential computer hardware or software 1849
needs and alternatives; 1850

(e) Designing policies, procedures, and custom software 1851
for collecting business information, and determining how data 1852
should be summarized, sequenced, formatted, processed, 1853
controlled, and reported so that it will be meaningful to 1854
management; 1855

(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled;

(g) Testing of business procedures;

(h) Training personnel in business procedure applications;

(i) Providing credit information to users of such information by a consumer reporting agency, as defined in the "Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or as hereafter amended, including but not limited to gathering, organizing, analyzing, recording, and furnishing such information by any oral, written, graphic, or electronic medium;

(j) Providing debt collection services by any oral, written, graphic, or electronic means;

(k) Providing digital advertising services;

(l) Providing services to electronically file any federal, state, or local individual income tax return, report, or other related document or schedule with a federal, state, or local government entity or to electronically remit a payment of any such individual income tax to such an entity. For the purpose of this division, "individual income tax" does not include federal, state, or local taxes withheld by an employer from an employee's compensation.

The services listed in divisions (Y) (2) (a) to ~~(k)~~ (l) of this section are not automatic data processing or computer services.

(Z) "Highway transportation for hire" means the transportation of personal property belonging to others for

consideration by any of the following: 1884

(1) The holder of a permit or certificate issued by this 1885
state or the United States authorizing the holder to engage in 1886
transportation of personal property belonging to others for 1887
consideration over or on highways, roadways, streets, or any 1888
similar public thoroughfare; 1889

(2) A person who engages in the transportation of personal 1890
property belonging to others for consideration over or on 1891
highways, roadways, streets, or any similar public thoroughfare 1892
but who could not have engaged in such transportation on 1893
December 11, 1985, unless the person was the holder of a permit 1894
or certificate of the types described in division (Z) (1) of this 1895
section; 1896

(3) A person who leases a motor vehicle to and operates it 1897
for a person described by division (Z) (1) or (2) of this 1898
section. 1899

(AA) (1) "Telecommunications service" means the electronic 1900
transmission, conveyance, or routing of voice, data, audio, 1901
video, or any other information or signals to a point, or 1902
between or among points. "Telecommunications service" includes 1903
such transmission, conveyance, or routing in which computer 1904
processing applications are used to act on the form, code, or 1905
protocol of the content for purposes of transmission, 1906
conveyance, or routing without regard to whether the service is 1907
referred to as voice-over internet protocol service or is 1908
classified by the federal communications commission as enhanced 1909
or value-added. "Telecommunications service" does not include 1910
any of the following: 1911

(a) Data processing and information services that allow 1912

data to be generated, acquired, stored, processed, or retrieved 1913
and delivered by an electronic transmission to a consumer where 1914
the consumer's primary purpose for the underlying transaction is 1915
the processed data or information; 1916

(b) Installation or maintenance of wiring or equipment on 1917
a customer's premises; 1918

(c) Tangible personal property; 1919

(d) Advertising, including directory advertising; 1920

(e) Billing and collection services provided to third 1921
parties; 1922

(f) Internet access service; 1923

(g) Radio and television audio and video programming 1924
services, regardless of the medium, including the furnishing of 1925
transmission, conveyance, and routing of such services by the 1926
programming service provider. Radio and television audio and 1927
video programming services include, but are not limited to, 1928
cable service, as defined in 47 U.S.C. 522(6), and audio and 1929
video programming services delivered by commercial mobile radio 1930
service providers, as defined in 47 C.F.R. 20.3; 1931

(h) Ancillary service; 1932

(i) Digital products delivered electronically, including 1933
software, music, video, reading materials, or ring tones. 1934

(2) "Ancillary service" means a service that is associated 1935
with or incidental to the provision of telecommunications 1936
service, including conference bridging service, detailed 1937
telecommunications billing service, directory assistance, 1938
vertical service, and voice mail service. As used in this 1939
division: 1940

- (a) "Conference bridging service" means an ancillary service that links two or more participants of an audio or video conference call, including providing a telephone number. "Conference bridging service" does not include telecommunications services used to reach the conference bridge.
- (b) "Detailed telecommunications billing service" means an ancillary service of separately stating information pertaining to individual calls on a customer's billing statement.
- (c) "Directory assistance" means an ancillary service of providing telephone number or address information.
- (d) "Vertical service" means an ancillary service that is offered in connection with one or more telecommunications services, which offers advanced calling features that allow customers to identify callers and manage multiple calls and call connections, including conference bridging service.
- (e) "Voice mail service" means an ancillary service that enables the customer to store, send, or receive recorded messages. "Voice mail service" does not include any vertical services that the customer may be required to have in order to utilize the voice mail service.
- (3) "900 service" means an inbound toll telecommunications service purchased by a subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded announcement or live service, and which is typically marketed under the name "900 service" and any subsequent numbers designated by the federal communications commission. "900 service" does not include the charge for collection services provided by the seller of the telecommunications service to the subscriber, or services or products sold by the subscriber to

the subscriber's customer. 1970

(4) "Prepaid calling service" means the right to access 1971
exclusively telecommunications services, which must be paid for 1972
in advance and which enables the origination of calls using an 1973
access number or authorization code, whether manually or 1974
electronically dialed, and that is sold in predetermined units 1975
or dollars of which the number declines with use in a known 1976
amount. 1977

(5) "Prepaid wireless calling service" means a 1978
telecommunications service that provides the right to utilize 1979
mobile telecommunications service as well as other non- 1980
telecommunications services, including the download of digital 1981
products delivered electronically, and content and ancillary 1982
services, that must be paid for in advance and that is sold in 1983
predetermined units or dollars of which the number declines with 1984
use in a known amount. 1985

(6) "Value-added non-voice data service" means a 1986
telecommunications service in which computer processing 1987
applications are used to act on the form, content, code, or 1988
protocol of the information or data primarily for a purpose 1989
other than transmission, conveyance, or routing. 1990

(7) "Coin-operated telephone service" means a 1991
telecommunications service paid for by inserting money into a 1992
telephone accepting direct deposits of money to operate. 1993

(8) "Customer" has the same meaning as in section 5739.034 1994
of the Revised Code. 1995

(BB) "Laundry and dry cleaning services" means removing 1996
soil or dirt from towels, linens, articles of clothing, or other 1997
fabric items that belong to others and supplying towels, linens, 1998

articles of clothing, or other fabric items. "Laundry and dry
cleaning services" does not include the provision of self-
service facilities for use by consumers to remove soil or dirt
from towels, linens, articles of clothing, or other fabric
items.

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

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

(EE) "Private investigation and security service" means
the performance of any activity for which the provider of such
service is required to be licensed pursuant to Chapter 4749. of
the Revised Code, or would be required to be so licensed in

performing such services in this state, and also includes the 2029
services of conducting polygraph examinations and of monitoring 2030
or overseeing the activities on or in, or the condition of, the 2031
consumer's home, business, or other facility by means of 2032
electronic or similar monitoring devices. "Private investigation 2033
and security service" does not include special duty services 2034
provided by off-duty police officers, deputy sheriffs, and other 2035
peace officers regularly employed by the state or a political 2036
subdivision. 2037

(FF) "Information services" means providing conversation, 2038
giving consultation or advice, playing or making a voice or 2039
other recording, making or keeping a record of the number of 2040
callers, and any other service provided to a consumer by means 2041
of a nine hundred telephone call, except when the nine hundred 2042
telephone call is the means by which the consumer makes a 2043
contribution to a recognized charity. 2044

(GG) "Research and development" means designing, creating, 2045
or formulating new or enhanced products, equipment, or 2046
manufacturing processes, and also means conducting scientific or 2047
technological inquiry and experimentation in the physical 2048
sciences with the goal of increasing scientific knowledge which 2049
may reveal the bases for new or enhanced products, equipment, or 2050
manufacturing processes. 2051

(HH) "Qualified research and development equipment" means 2052
either of the following: 2053

(1) Capitalized tangible personal property, and leased 2054
personal property that would be capitalized if purchased, used 2055
by a person primarily to perform research and development; 2056

(2) Any tangible personal property used by a megaproject 2057

operator primarily to perform research and development at the 2058
site of a megaproject that satisfies the criteria described in 2059
division (A) (11) (a) (ii) of section 122.17 of the Revised Code 2060
during the period that the megaproject operator has an agreement 2061
for such megaproject with the tax credit authority under 2062
division (D) of that section that remains in effect and has not 2063
expired or been terminated. 2064

"Qualified research and development equipment" does not 2065
include tangible personal property primarily used in testing, as 2066
defined in division (A) (4) of section 5739.011 of the Revised 2067
Code, or used for recording or storing test results, unless such 2068
property is primarily used by the consumer in testing the 2069
product, equipment, or manufacturing process being created, 2070
designed, or formulated by the consumer in the research and 2071
development activity or in recording or storing such test 2072
results. 2073

(II) "Building maintenance and janitorial service" means 2074
cleaning the interior or exterior of a building and any tangible 2075
personal property located therein or thereon, including any 2076
services incidental to such cleaning for which no separate 2077
charge is made. However, "building maintenance and janitorial 2078
service" does not include the providing of such service by a 2079
person who has less than five thousand dollars in sales of such 2080
service during the calendar year. As used in this division, 2081
"cleaning" does not include sanitation services necessary for an 2082
establishment described in 21 U.S.C. 608 to comply with rules 2083
and regulations adopted pursuant to that section. 2084

(JJ) "Exterminating service" means eradicating or 2085
attempting to eradicate vermin infestations from a building or 2086
structure, or the area surrounding a building or structure, and 2087

includes activities to inspect, detect, or prevent vermin 2088
infestation of a building or structure. 2089

(KK) "Physical fitness facility service" means all 2090
transactions by which a membership is granted, maintained, or 2091
renewed, including initiation fees, membership dues, renewal 2092
fees, monthly minimum fees, and other similar fees and dues, by 2093
a physical fitness facility such as an athletic club, health 2094
spa, or gymnasium, which entitles the member to use the facility 2095
for physical exercise. 2096

(LL) "Recreation and sports club service" means all 2097
transactions by which a membership is granted, maintained, or 2098
renewed, including initiation fees, membership dues, renewal 2099
fees, monthly minimum fees, and other similar fees and dues, by 2100
a recreation and sports club, which entitles the member to use 2101
the facilities of the organization. "Recreation and sports club" 2102
means an organization that has ownership of, or controls or 2103
leases on a continuing, long-term basis, the facilities used by 2104
its members and includes an aviation club, gun or shooting club, 2105
yacht club, card club, swimming club, tennis club, golf club, 2106
country club, riding club, amateur sports club, or similar 2107
organization. 2108

(MM) "Livestock" means farm animals commonly raised for 2109
food, food production, or other agricultural purposes, 2110
including, but not limited to, cattle, sheep, goats, swine, 2111
poultry, and captive deer. "Livestock" does not include 2112
invertebrates, amphibians, reptiles, domestic pets, animals for 2113
use in laboratories or for exhibition, or other animals not 2114
commonly raised for food or food production. 2115

(NN) "Livestock structure" means a building or structure 2116
used exclusively for the housing, raising, feeding, or 2117

sheltering of livestock, and includes feed storage or handling 2118
structures and structures for livestock waste handling. 2119

(OO) "Horticulture" means the growing, cultivation, and 2120
production of flowers, fruits, herbs, vegetables, sod, 2121
mushrooms, and nursery stock. As used in this division, "nursery 2122
stock" has the same meaning as in section 927.51 of the Revised 2123
Code. 2124

(PP) "Horticulture structure" means a building or 2125
structure used exclusively for the commercial growing, raising, 2126
or overwintering of horticultural products, and includes the 2127
area used for stocking, storing, and packing horticultural 2128
products when done in conjunction with the production of those 2129
products. 2130

(QQ) "Newspaper" means an unbound publication bearing a 2131
title or name that is regularly published, at least as 2132
frequently as biweekly, and distributed from a fixed place of 2133
business to the public in a specific geographic area, and that 2134
contains a substantial amount of news matter of international, 2135
national, or local events of interest to the general public. 2136

(RR) (1) "Feminine hygiene products" means tampons, panty 2137
liners, menstrual cups, sanitary napkins, and other similar 2138
tangible personal property designed for feminine hygiene in 2139
connection with the human menstrual cycle, but does not include 2140
grooming and hygiene products. 2141

(2) "Grooming and hygiene products" means soaps and 2142
cleaning solutions, shampoo, toothpaste, mouthwash, 2143
antiperspirants, and sun tan lotions and screens, regardless of 2144
whether any of these products are over-the-counter drugs. 2145

(3) "Over-the-counter drugs" means a drug that contains a 2146

label that identifies the product as a drug as required by 21 2147
C.F.R. 201.66, which label includes a drug facts panel or a 2148
statement of the active ingredients with a list of those 2149
ingredients contained in the compound, substance, or 2150
preparation. 2151

(SS) (1) "Lease" or "rental" means any transfer of the 2152
possession or control of tangible personal property for a fixed 2153
or indefinite term, for consideration. "Lease" or "rental" 2154
includes future options to purchase or extend, and agreements 2155
described in 26 U.S.C. 7701(h) (1) covering motor vehicles and 2156
trailers where the amount of consideration may be increased or 2157
decreased by reference to the amount realized upon the sale or 2158
disposition of the property. "Lease" or "rental" does not 2159
include: 2160

(a) A transfer of possession or control of tangible 2161
personal property under a security agreement or a deferred 2162
payment plan that requires the transfer of title upon completion 2163
of the required payments; 2164

(b) A transfer of possession or control of tangible 2165
personal property under an agreement that requires the transfer 2166
of title upon completion of required payments and payment of an 2167
option price that does not exceed the greater of one hundred 2168
dollars or one per cent of the total required payments; 2169

(c) Providing tangible personal property along with an 2170
operator for a fixed or indefinite period of time, if the 2171
operator is necessary for the property to perform as designed. 2172
For purposes of this division, the operator must do more than 2173
maintain, inspect, or set up the tangible personal property. 2174

(2) "Lease" and "rental," as defined in division (SS) of 2175

this section, shall not apply to leases or rentals that exist 2176
before June 26, 2003. 2177

(3) "Lease" and "rental" have the same meaning as in 2178
division (SS) (1) of this section regardless of whether a 2179
transaction is characterized as a lease or rental under 2180
generally accepted accounting principles, the Internal Revenue 2181
Code, Title XIII of the Revised Code, or other federal, state, 2182
or local laws. 2183

(TT) "Mobile telecommunications service" has the same 2184
meaning as in the "Mobile Telecommunications Sourcing Act," Pub. 2185
L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as 2186
amended, and, on and after August 1, 2003, includes related fees 2187
and ancillary services, including universal service fees, 2188
detailed billing service, directory assistance, service 2189
initiation, voice mail service, and vertical services, such as 2190
caller ID and three-way calling. 2191

(UU) "Certified service provider" has the same meaning as 2192
in section 5740.01 of the Revised Code. 2193

(VV) "Satellite broadcasting service" means the 2194
distribution or broadcasting of programming or services by 2195
satellite directly to the subscriber's receiving equipment 2196
without the use of ground receiving or distribution equipment, 2197
except the subscriber's receiving equipment or equipment used in 2198
the uplink process to the satellite, and includes all service 2199
and rental charges, premium channels or other special services, 2200
installation and repair service charges, and any other charges 2201
having any connection with the provision of the satellite 2202
broadcasting service. 2203

(WW) "Tangible personal property" means personal property 2204

that can be seen, weighed, measured, felt, or touched, or that 2205
is in any other manner perceptible to the senses. For purposes 2206
of this chapter and Chapter 5741. of the Revised Code, "tangible 2207
personal property" includes motor vehicles, electricity, water, 2208
gas, steam, and prewritten computer software. 2209

(XX) "Municipal gas utility" means a municipal corporation 2210
that owns or operates a system for the distribution of natural 2211
gas. 2212

(YY) "Computer" means an electronic device that accepts 2213
information in digital or similar form and manipulates it for a 2214
result based on a sequence of instructions. 2215

(ZZ) "Computer software" means a set of coded instructions 2216
designed to cause a computer or automatic data processing 2217
equipment to perform a task. 2218

(AAA) "Delivered electronically" means delivery of 2219
computer software from the seller to the purchaser by means 2220
other than tangible storage media. 2221

(BBB) "Prewritten computer software" means computer 2222
software, including prewritten upgrades, that is not designed 2223
and developed by the author or other creator to the 2224
specifications of a specific purchaser. The combining of two or 2225
more prewritten computer software programs or prewritten 2226
portions thereof does not cause the combination to be other than 2227
prewritten computer software. "Prewritten computer software" 2228
includes software designed and developed by the author or other 2229
creator to the specifications of a specific purchaser when it is 2230
sold to a person other than the purchaser. If a person modifies 2231
or enhances computer software of which the person is not the 2232
author or creator, the person shall be deemed to be the author 2233

or creator only of such person's modifications or enhancements. 2234
Prewritten computer software or a prewritten portion thereof 2235
that is modified or enhanced to any degree, where such 2236
modification or enhancement is designed and developed to the 2237
specifications of a specific purchaser, remains prewritten 2238
computer software; provided, however, that where there is a 2239
reasonable, separately stated charge or an invoice or other 2240
statement of the price given to the purchaser for the 2241
modification or enhancement, the modification or enhancement 2242
shall not constitute prewritten computer software. 2243

(CCC) (1) "Food" means substances, whether in liquid, 2244
concentrated, solid, frozen, dried, or dehydrated form, that are 2245
sold for ingestion or chewing by humans and are consumed for 2246
their taste or nutritional value. "Food" does not include 2247
alcoholic beverages, dietary supplements, soft drinks, or 2248
tobacco. 2249

(2) As used in division (CCC) (1) of this section: 2250

(a) "Alcoholic beverages" means beverages that are 2251
suitable for human consumption and contain one-half of one per 2252
cent or more of alcohol by volume. 2253

(b) "Dietary supplements" means any product, other than 2254
tobacco, that is intended to supplement the diet and that is 2255
intended for ingestion in tablet, capsule, powder, softgel, 2256
gelcap, or liquid form, or, if not intended for ingestion in 2257
such a form, is not represented as conventional food for use as 2258
a sole item of a meal or of the diet; that is required to be 2259
labeled as a dietary supplement, identifiable by the "supplement 2260
facts" box found on the label, as required by 21 C.F.R. 101.36; 2261
and that contains one or more of the following dietary 2262
ingredients: 2263

(i) A vitamin;	2264
(ii) A mineral;	2265
(iii) An herb or other botanical;	2266
(iv) An amino acid;	2267
(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake;	2268 2269
(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (CCC) (2) (b) (i) to (v) of this section.	2270 2271 2272
(c) "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or that contains greater than fifty per cent vegetable or fruit juice by volume.	2273 2274 2275 2276 2277
(d) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.	2278 2279
(DDD) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food, dietary supplements, or alcoholic beverages that is recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, and supplements to them; is intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or is intended to affect the structure or any function of the body.	2280 2281 2282 2283 2284 2285 2286 2287 2288
(EEE) "Prescription" means an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by	2289 2290 2291

the laws of this state to issue a prescription. 2292

(FFF) "Durable medical equipment" means equipment, 2293
including repair and replacement parts for such equipment, that 2294
can withstand repeated use, is primarily and customarily used to 2295
serve a medical purpose, generally is not useful to a person in 2296
the absence of illness or injury, and is not worn in or on the 2297
body. "Durable medical equipment" does not include mobility 2298
enhancing equipment. 2299

(GGG) "Mobility enhancing equipment" means equipment, 2300
including repair and replacement parts for such equipment, that 2301
is primarily and customarily used to provide or increase the 2302
ability to move from one place to another and is appropriate for 2303
use either in a home or a motor vehicle, that is not generally 2304
used by persons with normal mobility, and that does not include 2305
any motor vehicle or equipment on a motor vehicle normally 2306
provided by a motor vehicle manufacturer. "Mobility enhancing 2307
equipment" does not include durable medical equipment. 2308

(HHH) "Prosthetic device" means a replacement, corrective, 2309
or supportive device, including repair and replacement parts for 2310
the device, worn on or in the human body to artificially replace 2311
a missing portion of the body, prevent or correct physical 2312
deformity or malfunction, or support a weak or deformed portion 2313
of the body. As used in this division, before July 1, 2019, 2314
"prosthetic device" does not include corrective eyeglasses, 2315
contact lenses, or dental prosthesis. On or after July 1, 2019, 2316
"prosthetic device" does not include dental prosthesis but does 2317
include corrective eyeglasses or contact lenses. 2318

(III) (1) "Fractional aircraft ownership program" means a 2319
program in which persons within an affiliated group sell and 2320
manage fractional ownership program aircraft, provided that at 2321

least one hundred airworthy aircraft are operated in the program 2322
and the program meets all of the following criteria: 2323

(a) Management services are provided by at least one 2324
program manager within an affiliated group on behalf of the 2325
fractional owners. 2326

(b) Each program aircraft is owned or possessed by at 2327
least one fractional owner. 2328

(c) Each fractional owner owns or possesses at least a 2329
one-sixteenth interest in at least one fixed-wing program 2330
aircraft. 2331

(d) A dry-lease aircraft interchange arrangement is in 2332
effect among all of the fractional owners. 2333

(e) Multi-year program agreements are in effect regarding 2334
the fractional ownership, management services, and dry-lease 2335
aircraft interchange arrangement aspects of the program. 2336

(2) As used in division (III) (1) of this section: 2337

(a) "Affiliated group" has the same meaning as in division 2338
(B) (3) (e) of this section. 2339

(b) "Fractional owner" means a person that owns or 2340
possesses at least a one-sixteenth interest in a program 2341
aircraft and has entered into the agreements described in 2342
division (III) (1) (e) of this section. 2343

(c) "Fractional ownership program aircraft" or "program 2344
aircraft" means a turbojet aircraft that is owned or possessed 2345
by a fractional owner and that has been included in a dry-lease 2346
aircraft interchange arrangement and agreement under divisions 2347
(III) (1) (d) and (e) of this section, or an aircraft a program 2348
manager owns or possesses primarily for use in a fractional 2349

aircraft ownership program. 2350

(d) "Management services" means administrative and 2351
aviation support services furnished under a fractional aircraft 2352
ownership program in accordance with a management services 2353
agreement under division (III) (1) (e) of this section, and 2354
offered by the program manager to the fractional owners, 2355
including, at a minimum, the establishment and implementation of 2356
safety guidelines; the coordination of the scheduling of the 2357
program aircraft and crews; program aircraft maintenance; 2358
program aircraft insurance; crew training for crews employed, 2359
furnished, or contracted by the program manager or the 2360
fractional owner; the satisfaction of record-keeping 2361
requirements; and the development and use of an operations 2362
manual and a maintenance manual for the fractional aircraft 2363
ownership program. 2364

(e) "Program manager" means the person that offers 2365
management services to fractional owners pursuant to a 2366
management services agreement under division (III) (1) (e) of this 2367
section. 2368

(JJJ) "Electronic publishing" means providing access to 2369
one or more of the following primarily for business customers, 2370
including the federal government or a state government or a 2371
political subdivision thereof, to conduct research: news; 2372
business, financial, legal, consumer, or credit materials; 2373
editorials, columns, reader commentary, or features; photos or 2374
images; archival or research material; legal notices, identity 2375
verification, or public records; scientific, educational, 2376
instructional, technical, professional, trade, or other literary 2377
materials; or other similar information which has been gathered 2378
and made available by the provider to the consumer in an 2379

electronic format. Providing electronic publishing includes the 2380
functions necessary for the acquisition, formatting, editing, 2381
storage, and dissemination of data or information that is the 2382
subject of a sale. 2383

(KKK) "Medicaid health insuring corporation" means a 2384
health insuring corporation that holds a certificate of 2385
authority under Chapter 1751. of the Revised Code and is under 2386
contract with the department of medicaid pursuant to section 2387
5167.10 of the Revised Code. 2388

(LLL) "Managed care premium" means any premium, 2389
capitation, or other payment a medicaid health insuring 2390
corporation receives for providing or arranging for the 2391
provision of health care services to its members or enrollees 2392
residing in this state. 2393

(MMM) "Captive deer" means deer and other cervidae that 2394
have been legally acquired, or their offspring, that are 2395
privately owned for agricultural or farming purposes. 2396

(NNN) "Gift card" means a document, card, certificate, or 2397
other record, whether tangible or intangible, that may be 2398
redeemed by a consumer for a dollar value when making a purchase 2399
of tangible personal property or services. 2400

(OOO) "Specified digital product" means an electronically 2401
transferred digital audiovisual work, digital audio work, or 2402
digital book. 2403

As used in division (OOO) of this section: 2404

(1) "Digital audiovisual work" means a series of related 2405
images that, when shown in succession, impart an impression of 2406
motion, together with accompanying sounds, if any. 2407

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

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

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

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

(QQQ) "Peer-to-peer car sharing program" has the same meaning as in section 4516.01 of the Revised Code.

(RRR) "Megaproject" and "megaproject operator" have the same meanings as in section 122.17 of the Revised Code.

Sec. 5739.02. For the purpose of providing revenue with which to meet the needs of the state, for the use of the general revenue fund of the state, for the purpose of securing a thorough and efficient system of common schools throughout the state, for the purpose of affording revenues, in addition to those from general property taxes, permitted under constitutional limitations, and from other sources, for the support of local governmental functions, and for the purpose of reimbursing the state for the expense of administering this

chapter, an excise tax is hereby levied on each retail sale made 2437
in this state. 2438

(A) (1) The tax shall be collected as provided in section 2439
5739.025 of the Revised Code. The rate of the tax shall be five 2440
and three-fourths per cent. The tax applies and is collectible 2441
when the sale is made, regardless of the time when the price is 2442
paid or delivered. 2443

(2) In the case of the lease or rental, with a fixed term 2444
of more than thirty days or an indefinite term with a minimum 2445
period of more than thirty days, of any motor vehicles designed 2446
by the manufacturer to carry a load of not more than one ton, 2447
watercraft, outboard motor, or aircraft, or of any tangible 2448
personal property, other than motor vehicles designed by the 2449
manufacturer to carry a load of more than one ton, to be used by 2450
the lessee or renter primarily for business purposes, the tax 2451
shall be collected by the vendor at the time the lease or rental 2452
is consummated and shall be calculated by the vendor on the 2453
basis of the total amount to be paid by the lessee or renter 2454
under the lease agreement. If the total amount of the 2455
consideration for the lease or rental includes amounts that are 2456
not calculated at the time the lease or rental is executed, the 2457
tax shall be calculated and collected by the vendor at the time 2458
such amounts are billed to the lessee or renter. In the case of 2459
an open-end lease or rental, the tax shall be calculated by the 2460
vendor on the basis of the total amount to be paid during the 2461
initial fixed term of the lease or rental, and for each 2462
subsequent renewal period as it comes due. As used in this 2463
division, "motor vehicle" has the same meaning as in section 2464
4501.01 of the Revised Code, and "watercraft" includes an 2465
outdrive unit attached to the watercraft. 2466

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

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

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

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

(1) Sales to the state or any of its political subdivisions, or to any other state or its political subdivisions if the laws of that state exempt from taxation sales made to this state and its political subdivisions;

(2) Sales of food for human consumption off the premises where sold;

(3) Sales of food sold to students only in a cafeteria, dormitory, fraternity, or sorority maintained in a private, public, or parochial school, college, or university;

(4) Sales of newspapers and sales or transfers of	2496
magazines distributed as controlled circulation publications;	2497
(5) The furnishing, preparing, or serving of meals without	2498
charge by an employer to an employee provided the employer	2499
records the meals as part compensation for services performed or	2500
work done;	2501
(6) (a) Sales of motor fuel upon receipt, use,	2502
distribution, or sale of which in this state a tax is imposed by	2503
the law of this state, but this exemption shall not apply to the	2504
sale of motor fuel on which a refund of the tax is allowable	2505
under division (A) of section 5735.14 of the Revised Code; and	2506
the tax commissioner may deduct the amount of tax levied by this	2507
section applicable to the price of motor fuel when granting a	2508
refund of motor fuel tax pursuant to division (A) of section	2509
5735.14 of the Revised Code and shall cause the amount deducted	2510
to be paid into the general revenue fund of this state;	2511
(b) Sales of motor fuel other than that described in	2512
division (B) (6) (a) of this section and used for powering a	2513
refrigeration unit on a vehicle other than one used primarily to	2514
provide comfort to the operator or occupants of the vehicle.	2515
(7) Sales of natural gas by a natural gas company or	2516
municipal gas utility, of water by a water-works company, or of	2517
steam by a heating company, if in each case the thing sold is	2518
delivered to consumers through pipes or conduits, and all sales	2519
of communications services by a telegraph company, all terms as	2520
defined in section 5727.01 of the Revised Code, and sales of	2521
electricity delivered through wires;	2522
(8) Casual sales by a person, or auctioneer employed	2523
directly by the person to conduct such sales, except as to such	2524

sales of motor vehicles, watercraft or outboard motors required 2525
to be titled under section 1548.06 of the Revised Code, 2526
watercraft documented with the United States coast guard, 2527
snowmobiles, and all-purpose vehicles as defined in section 2528
4519.01 of the Revised Code; 2529

(9) (a) Sales of services or tangible personal property, 2530
other than motor vehicles, mobile homes, and manufactured homes, 2531
by churches, organizations exempt from taxation under section 2532
501(c) (3) of the Internal Revenue Code of 1986, or nonprofit 2533
organizations operated exclusively for charitable purposes as 2534
defined in division (B) (12) of this section, provided that the 2535
number of days on which such tangible personal property or 2536
services, other than items never subject to the tax, are sold 2537
does not exceed six in any calendar year, except as otherwise 2538
provided in division (B) (9) (b) of this section. If the number of 2539
days on which such sales are made exceeds six in any calendar 2540
year, the church or organization shall be considered to be 2541
engaged in business and all subsequent sales by it shall be 2542
subject to the tax. In counting the number of days, all sales by 2543
groups within a church or within an organization shall be 2544
considered to be sales of that church or organization. 2545

(b) The limitation on the number of days on which tax- 2546
exempt sales may be made by a church or organization under 2547
division (B) (9) (a) of this section does not apply to sales made 2548
by student clubs and other groups of students of a primary or 2549
secondary school, or a parent-teacher association, booster 2550
group, or similar organization that raises money to support or 2551
fund curricular or extracurricular activities of a primary or 2552
secondary school. 2553

(c) Divisions (B) (9) (a) and (b) of this section do not 2554

apply to sales by a noncommercial educational radio or 2555
television broadcasting station. 2556

(10) Sales not within the taxing power of this state under 2557
the Constitution or laws of the United States or the 2558
Constitution of this state; 2559

(11) Except for transactions that are sales under division 2560
(B) (3) (p) of section 5739.01 of the Revised Code, the 2561
transportation of persons or property, unless the transportation 2562
is by a private investigation and security service; 2563

(12) Sales of tangible personal property or services to 2564
churches, to organizations exempt from taxation under section 2565
501(c) (3) of the Internal Revenue Code of 1986, and to any other 2566
nonprofit organizations operated exclusively for charitable 2567
purposes in this state, no part of the net income of which 2568
inures to the benefit of any private shareholder or individual, 2569
and no substantial part of the activities of which consists of 2570
carrying on propaganda or otherwise attempting to influence 2571
legislation; sales to offices administering one or more homes 2572
for the aged or one or more hospital facilities exempt under 2573
section 140.08 of the Revised Code; and sales to organizations 2574
described in division (D) of section 5709.12 of the Revised 2575
Code. 2576

"Charitable purposes" means the relief of poverty; the 2577
improvement of health through the alleviation of illness, 2578
disease, or injury; the operation of an organization exclusively 2579
for the provision of professional, laundry, printing, and 2580
purchasing services to hospitals or charitable institutions; the 2581
operation of a home for the aged, as defined in section 5701.13 2582
of the Revised Code; the operation of a radio or television 2583
broadcasting station that is licensed by the federal 2584

communications commission as a noncommercial educational radio 2585
or television station; the operation of a nonprofit animal 2586
adoption service or a county humane society; the promotion of 2587
education by an institution of learning that maintains a faculty 2588
of qualified instructors, teaches regular continuous courses of 2589
study, and confers a recognized diploma upon completion of a 2590
specific curriculum; the operation of a parent-teacher 2591
association, booster group, or similar organization primarily 2592
engaged in the promotion and support of the curricular or 2593
extracurricular activities of a primary or secondary school; the 2594
operation of a community or area center in which presentations 2595
in music, dramatics, the arts, and related fields are made in 2596
order to foster public interest and education therein; the 2597
production of performances in music, dramatics, and the arts; or 2598
the promotion of education by an organization engaged in 2599
carrying on research in, or the dissemination of, scientific and 2600
technological knowledge and information primarily for the 2601
public. 2602

Nothing in this division shall be deemed to exempt sales 2603
to any organization for use in the operation or carrying on of a 2604
trade or business, or sales to a home for the aged for use in 2605
the operation of independent living facilities as defined in 2606
division (A) of section 5709.12 of the Revised Code. 2607

(13) Building and construction materials and services sold 2608
to construction contractors for incorporation into a structure 2609
or improvement to real property under a construction contract 2610
with this state or a political subdivision of this state, or 2611
with the United States government or any of its agencies; 2612
building and construction materials and services sold to 2613
construction contractors for incorporation into a structure or 2614
improvement to real property that are accepted for ownership by 2615

this state or any of its political subdivisions, or by the 2616
United States government or any of its agencies at the time of 2617
completion of the structures or improvements; building and 2618
construction materials sold to construction contractors for 2619
incorporation into a horticulture structure or livestock 2620
structure for a person engaged in the business of horticulture 2621
or producing livestock; building materials and services sold to 2622
a construction contractor for incorporation into a house of 2623
public worship or religious education, or a building used 2624
exclusively for charitable purposes under a construction 2625
contract with an organization whose purpose is as described in 2626
division (B) (12) of this section; building materials and 2627
services sold to a construction contractor for incorporation 2628
into a building under a construction contract with an 2629
organization exempt from taxation under section 501(c) (3) of the 2630
Internal Revenue Code of 1986 when the building is to be used 2631
exclusively for the organization's exempt purposes; building and 2632
construction materials sold for incorporation into the original 2633
construction of a sports facility under section 307.696 of the 2634
Revised Code; building and construction materials and services 2635
sold to a construction contractor for incorporation into real 2636
property outside this state if such materials and services, when 2637
sold to a construction contractor in the state in which the real 2638
property is located for incorporation into real property in that 2639
state, would be exempt from a tax on sales levied by that state; 2640
building and construction materials for incorporation into a 2641
transportation facility pursuant to a public-private agreement 2642
entered into under sections 5501.70 to 5501.83 of the Revised 2643
Code; until one calendar year after the construction of a 2644
convention center that qualifies for property tax exemption 2645
under section 5709.084 of the Revised Code is completed, 2646
building and construction materials and services sold to a 2647

construction contractor for incorporation into the real property 2648
comprising that convention center; and building and construction 2649
materials sold for incorporation into a structure or improvement 2650
to real property that is used primarily as, or primarily in 2651
support of, a manufacturing facility or research and development 2652
facility and that is to be owned by a megaproject operator upon 2653
completion and located at the site of a megaproject that 2654
satisfies the criteria described in division (A) (11) (a) (ii) of 2655
section 122.17 of the Revised Code, provided that the sale 2656
occurs during the period that the megaproject operator has an 2657
agreement for such megaproject with the tax credit authority 2658
under division (D) of section 122.17 of the Revised Code that 2659
remains in effect and has not expired or been terminated. 2660

(14) Sales of ships or vessels or rail rolling stock used 2661
or to be used principally in interstate or foreign commerce, and 2662
repairs, alterations, fuel, and lubricants for such ships or 2663
vessels or rail rolling stock; 2664

(15) Sales to persons primarily engaged in any of the 2665
activities mentioned in division (B) (42) (a), (g), or (h) of this 2666
section, to persons engaged in making retail sales, or to 2667
persons who purchase for sale from a manufacturer tangible 2668
personal property that was produced by the manufacturer in 2669
accordance with specific designs provided by the purchaser, of 2670
packages, including material, labels, and parts for packages, 2671
and of machinery, equipment, and material for use primarily in 2672
packaging tangible personal property produced for sale, 2673
including any machinery, equipment, and supplies used to make 2674
labels or packages, to prepare packages or products for 2675
labeling, or to label packages or products, by or on the order 2676
of the person doing the packaging, or sold at retail. "Packages" 2677
includes bags, baskets, cartons, crates, boxes, cans, bottles, 2678

bindings, wrappings, and other similar devices and containers, 2679
but does not include motor vehicles or bulk tanks, trailers, or 2680
similar devices attached to motor vehicles. "Packaging" means 2681
placing in a package. Division (B) (15) of this section does not 2682
apply to persons engaged in highway transportation for hire. 2683

(16) Sales of food to persons using supplemental nutrition 2684
assistance program benefits to purchase the food. As used in 2685
this division, "food" has the same meaning as in 7 U.S.C. 2012 2686
and federal regulations adopted pursuant to the Food and 2687
Nutrition Act of 2008. 2688

(17) Sales to persons engaged in farming, agriculture, 2689
horticulture, or floriculture, of tangible personal property for 2690
use or consumption primarily in the production by farming, 2691
agriculture, horticulture, or floriculture of other tangible 2692
personal property for use or consumption primarily in the 2693
production of tangible personal property for sale by farming, 2694
agriculture, horticulture, or floriculture; or material and 2695
parts for incorporation into any such tangible personal property 2696
for use or consumption in production; and of tangible personal 2697
property for such use or consumption in the conditioning or 2698
holding of products produced by and for such use, consumption, 2699
or sale by persons engaged in farming, agriculture, 2700
horticulture, or floriculture, except where such property is 2701
incorporated into real property; 2702

(18) Sales of drugs for a human being that may be 2703
dispensed only pursuant to a prescription; insulin as recognized 2704
in the official United States pharmacopoeia; urine and blood 2705
testing materials when used by diabetics or persons with 2706
hypoglycemia to test for glucose or acetone; hypodermic syringes 2707
and needles when used by diabetics for insulin injections; 2708

epoetin alfa when purchased for use in the treatment of persons	2709
with medical disease; hospital beds when purchased by hospitals,	2710
nursing homes, or other medical facilities; and medical oxygen	2711
and medical oxygen-dispensing equipment when purchased by	2712
hospitals, nursing homes, or other medical facilities;	2713
(19) Sales of prosthetic devices, durable medical	2714
equipment for home use, or mobility enhancing equipment, when	2715
made pursuant to a prescription and when such devices or	2716
equipment are for use by a human being.	2717
(20) Sales of emergency and fire protection vehicles and	2718
equipment to nonprofit organizations for use solely in providing	2719
fire protection and emergency services, including trauma care	2720
and emergency medical services, for political subdivisions of	2721
the state;	2722
(21) Sales of tangible personal property manufactured in	2723
this state, if sold by the manufacturer in this state to a	2724
retailer for use in the retail business of the retailer outside	2725
of this state and if possession is taken from the manufacturer	2726
by the purchaser within this state for the sole purpose of	2727
immediately removing the same from this state in a vehicle owned	2728
by the purchaser;	2729
(22) Sales of services provided by the state or any of its	2730
political subdivisions, agencies, instrumentalities,	2731
institutions, or authorities, or by governmental entities of the	2732
state or any of its political subdivisions, agencies,	2733
instrumentalities, institutions, or authorities;	2734
(23) Sales of motor vehicles to nonresidents of this state	2735
under the circumstances described in division (B) of section	2736
5739.029 of the Revised Code;	2737

(24) Sales to persons engaged in the preparation of eggs	2738
for sale of tangible personal property used or consumed directly	2739
in such preparation, including such tangible personal property	2740
used for cleaning, sanitizing, preserving, grading, sorting, and	2741
classifying by size; packages, including material and parts for	2742
packages, and machinery, equipment, and material for use in	2743
packaging eggs for sale; and handling and transportation	2744
equipment and parts therefor, except motor vehicles licensed to	2745
operate on public highways, used in intraplant or interplant	2746
transfers or shipment of eggs in the process of preparation for	2747
sale, when the plant or plants within or between which such	2748
transfers or shipments occur are operated by the same person.	2749
"Packages" includes containers, cases, baskets, flats, fillers,	2750
filler flats, cartons, closure materials, labels, and labeling	2751
materials, and "packaging" means placing therein.	2752
(25) (a) Sales of water to a consumer for residential use;	2753
(b) Sales of water by a nonprofit corporation engaged	2754
exclusively in the treatment, distribution, and sale of water to	2755
consumers, if such water is delivered to consumers through pipes	2756
or tubing.	2757
(26) Fees charged for inspection or reinspection of motor	2758
vehicles under section 3704.14 of the Revised Code;	2759
(27) Sales to persons licensed to conduct a food service	2760
operation pursuant to section 3717.43 of the Revised Code, of	2761
tangible personal property primarily used directly for the	2762
following:	2763
(a) To prepare food for human consumption for sale;	2764
(b) To preserve food that has been or will be prepared for	2765
human consumption for sale by the food service operator, not	2766

including tangible personal property used to display food for selection by the consumer;	2767 2768
(c) To clean tangible personal property used to prepare or serve food for human consumption for sale.	2769 2770
(28) Sales of animals by nonprofit animal adoption services or county humane societies;	2771 2772
(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;	2773 2774 2775 2776
(30) Sales and installation of agricultural land tile, as defined in division (B) (5) (a) of section 5739.01 of the Revised Code;	2777 2778 2779
(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;	2780 2781 2782
(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 transportation for hire, except for packages and packaging used for the transportation of tangible personal property;	2783 2784 2785 2786 2787 2788
(33) Sales to the state headquarters of any veterans' organization in this state that is either incorporated and issued a charter by the congress of the United States or is recognized by the United States veterans administration, for use by the headquarters;	2789 2790 2791 2792 2793
(34) Sales to a telecommunications service vendor, mobile	2794

telecommunications service vendor, or satellite broadcasting 2795
service vendor of tangible personal property and services used 2796
directly and primarily in transmitting, receiving, switching, or 2797
recording any interactive, one- or two-way electromagnetic 2798
communications, including voice, image, data, and information, 2799
through the use of any medium, including, but not limited to, 2800
poles, wires, cables, switching equipment, computers, and record 2801
storage devices and media, and component parts for the tangible 2802
personal property. The exemption provided in this division shall 2803
be in lieu of all other exemptions under division (B) (42) (a) or 2804
(n) of this section to which the vendor may otherwise be 2805
entitled, based upon the use of the thing purchased in providing 2806
the telecommunications, mobile telecommunications, or satellite 2807
broadcasting service. 2808

(35) (a) Sales where the purpose of the consumer is to use 2809
or consume the things transferred in making retail sales and 2810
consisting of newspaper inserts, catalogues, coupons, flyers, 2811
gift certificates, or other advertising material that prices and 2812
describes tangible personal property offered for retail sale. 2813

(b) Sales to direct marketing vendors of preliminary 2814
materials such as photographs, artwork, and typesetting that 2815
will be used in printing advertising material; and of printed 2816
matter that offers free merchandise or chances to win sweepstake 2817
prizes and that is mailed to potential customers with 2818
advertising material described in division (B) (35) (a) of this 2819
section; 2820

(c) Sales of equipment such as telephones, computers, 2821
facsimile machines, and similar tangible personal property 2822
primarily used to accept orders for direct marketing retail 2823
sales. 2824

(d) Sales of automatic food vending machines that preserve 2825
food with a shelf life of forty-five days or less by 2826
refrigeration and dispense it to the consumer. 2827

For purposes of division (B) (35) of this section, "direct 2828
marketing" means the method of selling where consumers order 2829
tangible personal property by United States mail, delivery 2830
service, or telecommunication and the vendor delivers or ships 2831
the tangible personal property sold to the consumer from a 2832
warehouse, catalogue distribution center, or similar fulfillment 2833
facility by means of the United States mail, delivery service, 2834
or common carrier. 2835

(36) Sales to a person engaged in the business of 2836
horticulture or producing livestock of materials to be 2837
incorporated into a horticulture structure or livestock 2838
structure; 2839

(37) Sales of personal computers, computer monitors, 2840
computer keyboards, modems, and other peripheral computer 2841
equipment to an individual who is licensed or certified to teach 2842
in an elementary or a secondary school in this state for use by 2843
that individual in preparation for teaching elementary or 2844
secondary school students; 2845

(38) Sales of tangible personal property that is not 2846
required to be registered or licensed under the laws of this 2847
state to a citizen of a foreign nation that is not a citizen of 2848
the United States, provided the property is delivered to a 2849
person in this state that is not a related member of the 2850
purchaser, is physically present in this state for the sole 2851
purpose of temporary storage and package consolidation, and is 2852
subsequently delivered to the purchaser at a delivery address in 2853
a foreign nation. As used in division (B) (38) of this section, 2854

"related member" has the same meaning as in section 5733.042 of 2855
the Revised Code, and "temporary storage" means the storage of 2856
tangible personal property for a period of not more than sixty 2857
days. 2858

(39) Sales of used manufactured homes and used mobile 2859
homes, as defined in section 5739.0210 of the Revised Code, made 2860
on or after January 1, 2000; 2861

(40) Sales of tangible personal property and services to a 2862
provider of electricity used or consumed directly and primarily 2863
in generating, transmitting, or distributing electricity for use 2864
by others, including property that is or is to be incorporated 2865
into and will become a part of the consumer's production, 2866
transmission, or distribution system and that retains its 2867
classification as tangible personal property after 2868
incorporation; fuel or power used in the production, 2869
transmission, or distribution of electricity; energy conversion 2870
equipment as defined in section 5727.01 of the Revised Code; and 2871
tangible personal property and services used in the repair and 2872
maintenance of the production, transmission, or distribution 2873
system, including only those motor vehicles as are specially 2874
designed and equipped for such use. The exemption provided in 2875
this division shall be in lieu of all other exemptions in 2876
division (B) (42) (a) or (n) of this section to which a provider 2877
of electricity may otherwise be entitled based on the use of the 2878
tangible personal property or service purchased in generating, 2879
transmitting, or distributing electricity. 2880

(41) Sales to a person providing services under division 2881
(B) (3) (p) of section 5739.01 of the Revised Code of tangible 2882
personal property and services used directly and primarily in 2883
providing taxable services under that section. 2884

(42) Sales where the purpose of the purchaser is to do any	2885
of the following:	2886
(a) To incorporate the thing transferred as a material or	2887
a part into tangible personal property to be produced for sale	2888
by manufacturing, assembling, processing, or refining; or to use	2889
or consume the thing transferred directly in producing tangible	2890
personal property for sale by mining, including, without	2891
limitation, the extraction from the earth of all substances that	2892
are classed geologically as minerals, or directly in the	2893
rendition of a public utility service, except that the sales tax	2894
levied by this section shall be collected upon all meals,	2895
drinks, and food for human consumption sold when transporting	2896
persons. This paragraph does not exempt from "retail sale" or	2897
"sales at retail" the sale of tangible personal property that is	2898
to be incorporated into a structure or improvement to real	2899
property.	2900
(b) To hold the thing transferred as security for the	2901
performance of an obligation of the vendor;	2902
(c) To resell, hold, use, or consume the thing transferred	2903
as evidence of a contract of insurance;	2904
(d) To use or consume the thing directly in commercial	2905
fishing;	2906
(e) To incorporate the thing transferred as a material or	2907
a part into, or to use or consume the thing transferred directly	2908
in the production of, magazines distributed as controlled	2909
circulation publications;	2910
(f) To use or consume the thing transferred in the	2911
production and preparation in suitable condition for market and	2912
sale of printed, imprinted, overprinted, lithographic,	2913

multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter;	2914 2915
(g) To use the thing transferred, as described in section 5739.011 of the Revised Code, primarily in a manufacturing operation to produce tangible personal property for sale;	2916 2917 2918
(h) To use the benefit of a warranty, maintenance or service contract, or similar agreement, as described in division (B) (7) of section 5739.01 of the Revised Code, to repair or maintain tangible personal property, if all of the property that is the subject of the warranty, contract, or agreement would not be subject to the tax imposed by this section;	2919 2920 2921 2922 2923 2924
(i) To use the thing transferred as qualified research and development equipment;	2925 2926
(j) To use or consume the thing transferred primarily in storing, transporting, mailing, or otherwise handling purchased sales inventory in a warehouse, distribution center, or similar facility when the inventory is primarily distributed outside this state to retail stores of the person who owns or controls the warehouse, distribution center, or similar facility, to retail stores of an affiliated group of which that person is a member, or by means of direct marketing. This division does not 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.	2927 2928 2929 2930 2931 2932 2933 2934 2935 2936 2937 2938 2939
(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	2940 2941 2942

personal property sold or by a vendor of a warranty, maintenance 2943
or service contract, or similar agreement the provision of which 2944
is defined as a sale under division (B) (7) of section 5739.01 of 2945
the Revised Code; 2946

(l) To use or consume the thing transferred in the 2947
production of a newspaper for distribution to the public; 2948

(m) To use tangible personal property to perform a service 2949
listed in division (B) (3) of section 5739.01 of the Revised 2950
Code, if the property is or is to be permanently transferred to 2951
the consumer of the service as an integral part of the 2952
performance of the service; 2953

(n) To use or consume the thing transferred primarily in 2954
producing tangible personal property for sale by farming, 2955
agriculture, horticulture, or floriculture. Persons engaged in 2956
rendering farming, agriculture, horticulture, or floriculture 2957
services for others are deemed engaged primarily in farming, 2958
agriculture, horticulture, or floriculture. This paragraph does 2959
not exempt from "retail sale" or "sales at retail" the sale of 2960
tangible personal property that is to be incorporated into a 2961
structure or improvement to real property. 2962

(o) To use or consume the thing transferred in acquiring, 2963
formatting, editing, storing, and disseminating data or 2964
information by electronic publishing; 2965

(p) To provide the thing transferred to the owner or 2966
lessee of a motor vehicle that is being repaired or serviced, if 2967
the thing transferred is a rented motor vehicle and the 2968
purchaser is reimbursed for the cost of the rented motor vehicle 2969
by a manufacturer, warrantor, or provider of a maintenance, 2970
service, or other similar contract or agreement, with respect to 2971

the motor vehicle that is being repaired or serviced;	2972
(q) To use or consume the thing transferred directly in production of crude oil and natural gas for sale. Persons engaged in rendering production services for others are deemed engaged in production.	2973 2974 2975 2976
As used in division (B) (42) (q) of this section, "production" means operations and tangible personal property directly used to expose and evaluate an underground reservoir that may contain hydrocarbon resources, prepare the wellbore for production, and lift and control all substances yielded by the reservoir to the surface of the earth.	2977 2978 2979 2980 2981 2982
(i) For the purposes of division (B) (42) (q) of this section, the "thing transferred" includes, but is not limited to, any of the following:	2983 2984 2985
(I) Services provided in the construction of permanent access roads, services provided in the construction of the well site, and services provided in the construction of temporary impoundments;	2986 2987 2988 2989
(II) Equipment and rigging used for the specific purpose of creating with integrity a wellbore pathway to underground reservoirs;	2990 2991 2992
(III) Drilling and workover services used to work within a subsurface wellbore, and tangible personal property directly used in providing such services;	2993 2994 2995
(IV) Casing, tubulars, and float and centralizing equipment;	2996 2997
(V) Trailers to which production equipment is attached;	2998
(VI) Well completion services, including cementing of	2999

casing, and tangible personal property directly used in	3000
providing such services;	3001
(VII) Wireline evaluation, mud logging, and perforation	3002
services, and tangible personal property directly used in	3003
providing such services;	3004
(VIII) Reservoir stimulation, hydraulic fracturing, and	3005
acidizing services, and tangible personal property directly used	3006
in providing such services, including all material pumped	3007
downhole;	3008
(IX) Pressure pumping equipment;	3009
(X) Artificial lift systems equipment;	3010
(XI) Wellhead equipment and well site equipment used to	3011
separate, stabilize, and control hydrocarbon phases and produced	3012
water;	3013
(XII) Tangible personal property directly used to control	3014
production equipment.	3015
(ii) For the purposes of division (B) (42) (q) of this	3016
section, the "thing transferred" does not include any of the	3017
following:	3018
(I) Tangible personal property used primarily in the	3019
exploration and production of any mineral resource regulated	3020
under Chapter 1509. of the Revised Code other than oil or gas;	3021
(II) Tangible personal property used primarily in storing,	3022
holding, or delivering solutions or chemicals used in well	3023
stimulation as defined in section 1509.01 of the Revised Code;	3024
(III) Tangible personal property used primarily in	3025
preparing, installing, or reclaiming foundations for drilling or	3026

pumping equipment or well stimulation material tanks;	3027
(IV) Tangible personal property used primarily in	3028
transporting, delivering, or removing equipment to or from the	3029
well site or storing such equipment before its use at the well	3030
site;	3031
(V) Tangible personal property used primarily in gathering	3032
operations occurring off the well site, including gathering	3033
pipelines transporting hydrocarbon gas or liquids away from a	3034
crude oil or natural gas production facility;	3035
(VI) Tangible personal property that is to be incorporated	3036
into a structure or improvement to real property;	3037
(VII) Well site fencing, lighting, or security systems;	3038
(VIII) Communication devices or services;	3039
(IX) Office supplies;	3040
(X) Trailers used as offices or lodging;	3041
(XI) Motor vehicles of any kind;	3042
(XII) Tangible personal property used primarily for the	3043
storage of drilling byproducts and fuel not used for production;	3044
(XIII) Tangible personal property used primarily as a	3045
safety device;	3046
(XIV) Data collection or monitoring devices;	3047
(XV) Access ladders, stairs, or platforms attached to	3048
storage tanks.	3049
The enumeration of tangible personal property in division	3050
(B) (42) (q) (ii) of this section is not intended to be exhaustive,	3051
and any tangible personal property not so enumerated shall not	3052

necessarily be construed to be a "thing transferred" for the 3053
purposes of division (B) (42) (q) of this section. 3054

The commissioner shall adopt and promulgate rules under 3055
sections 119.01 to 119.13 of the Revised Code that the 3056
commissioner deems necessary to administer division (B) (42) (q) 3057
of this section. 3058

As used in division (B) (42) of this section, "thing" 3059
includes all transactions included in divisions (B) (3) (a), (b), 3060
and (e) of section 5739.01 of the Revised Code. 3061

(43) Sales conducted through a coin operated device that 3062
activates vacuum equipment or equipment that dispenses water, 3063
whether or not in combination with soap or other cleaning agents 3064
or wax, to the consumer for the consumer's use on the premises 3065
in washing, cleaning, or waxing a motor vehicle, provided no 3066
other personal property or personal service is provided as part 3067
of the transaction. 3068

(44) Sales of replacement and modification parts for 3069
engines, airframes, instruments, and interiors in, and paint 3070
for, aircraft used primarily in a fractional aircraft ownership 3071
program, and sales of services for the repair, modification, and 3072
maintenance of such aircraft, and machinery, equipment, and 3073
supplies primarily used to provide those services. 3074

(45) Sales of telecommunications service that is used 3075
directly and primarily to perform the functions of a call 3076
center. As used in this division, "call center" means any 3077
physical location where telephone calls are placed or received 3078
in high volume for the purpose of making sales, marketing, 3079
customer service, technical support, or other specialized 3080
business activity, and that employs at least fifty individuals 3081

that engage in call center activities on a full-time basis, or 3082
sufficient individuals to fill fifty full-time equivalent 3083
positions. 3084

(46) Sales by a telecommunications service vendor of 900 3085
service to a subscriber. This division does not apply to 3086
information services. 3087

(47) Sales of value-added non-voice data service. This 3088
division does not apply to any similar service that is not 3089
otherwise a telecommunications service. 3090

(48) Sales of feminine hygiene products. 3091

(49) Sales of materials, parts, equipment, or engines used 3092
in the repair or maintenance of aircraft or avionics systems of 3093
such aircraft, and sales of repair, remodeling, replacement, or 3094
maintenance services in this state performed on aircraft or on 3095
an aircraft's avionics, engine, or component materials or parts. 3096
As used in division (B) (49) of this section, "aircraft" means 3097
aircraft of more than six thousand pounds maximum certified 3098
takeoff weight or used exclusively in general aviation. 3099

(50) Sales of full flight simulators that are used for 3100
pilot or flight-crew training, sales of repair or replacement 3101
parts or components, and sales of repair or maintenance services 3102
for such full flight simulators. "Full flight simulator" means a 3103
replica of a specific type, or make, model, and series of 3104
aircraft cockpit. It includes the assemblage of equipment and 3105
computer programs necessary to represent aircraft operations in 3106
ground and flight conditions, a visual system providing an out- 3107
of-the-cockpit view, and a system that provides cues at least 3108
equivalent to those of a three-degree-of-freedom motion system, 3109
and has the full range of capabilities of the systems installed 3110

in the device as described in appendices A and B of part 60 of 3111
chapter 1 of title 14 of the Code of Federal Regulations. 3112

(51) Any transfer or lease of tangible personal property 3113
between the state and JobsOhio in accordance with section 3114
4313.02 of the Revised Code. 3115

(52) (a) Sales to a qualifying corporation. 3116

(b) As used in division (B) (52) of this section: 3117

(i) "Qualifying corporation" means a nonprofit corporation 3118
organized in this state that leases from an eligible county 3119
land, buildings, structures, fixtures, and improvements to the 3120
land that are part of or used in a public recreational facility 3121
used by a major league professional athletic team or a class A 3122
to class AAA minor league affiliate of a major league 3123
professional athletic team for a significant portion of the 3124
team's home schedule, provided the following apply: 3125

(I) The facility is leased from the eligible county 3126
pursuant to a lease that requires substantially all of the 3127
revenue from the operation of the business or activity conducted 3128
by the nonprofit corporation at the facility in excess of 3129
operating costs, capital expenditures, and reserves to be paid 3130
to the eligible county at least once per calendar year. 3131

(II) Upon dissolution and liquidation of the nonprofit 3132
corporation, all of its net assets are distributable to the 3133
board of commissioners of the eligible county from which the 3134
corporation leases the facility. 3135

(ii) "Eligible county" has the same meaning as in section 3136
307.695 of the Revised Code. 3137

(53) Sales to or by a cable service provider, video 3138

service provider, or radio or television broadcast station 3139
regulated by the federal government of cable service or 3140
programming, video service or programming, audio service or 3141
programming, or electronically transferred digital audiovisual 3142
or audio work. As used in division (B) (53) of this section, 3143
"cable service" and "cable service provider" have the same 3144
meanings as in section 1332.01 of the Revised Code, and "video 3145
service," "video service provider," and "video programming" have 3146
the same meanings as in section 1332.21 of the Revised Code. 3147

(54) Sales of a digital audio work electronically 3148
transferred for delivery through use of a machine, such as a 3149
juke box, that does all of the following: 3150

(a) Accepts direct payments to operate; 3151

(b) Automatically plays a selected digital audio work for 3152
a single play upon receipt of a payment described in division 3153
(B) (54) (a) of this section; 3154

(c) Operates exclusively for the purpose of playing 3155
digital audio works in a commercial establishment. 3156

(55) (a) Sales of the following occurring on the first 3157
Friday of August and the following Saturday and Sunday of each 3158
year, beginning in 2018: 3159

(i) An item of clothing, the price of which is seventy- 3160
five dollars or less; 3161

(ii) An item of school supplies, the price of which is 3162
twenty dollars or less; 3163

(iii) An item of school instructional material, the price 3164
of which is twenty dollars or less. 3165

(b) As used in division (B) (55) of this section: 3166

(i) "Clothing" means all human wearing apparel suitable 3167
for general use. "Clothing" includes, but is not limited to, 3168
aprons, household and shop; athletic supporters; baby receiving 3169
blankets; bathing suits and caps; beach capes and coats; belts 3170
and suspenders; boots; coats and jackets; costumes; diapers, 3171
children and adult, including disposable diapers; earmuffs; 3172
footlets; formal wear; garters and garter belts; girdles; gloves 3173
and mittens for general use; hats and caps; hosiery; insoles for 3174
shoes; lab coats; neckties; overshoes; pantyhose; rainwear; 3175
rubber pants; sandals; scarves; shoes and shoe laces; slippers; 3176
sneakers; socks and stockings; steel-toed shoes; underwear; 3177
uniforms, athletic and nonathletic; and wedding apparel. 3178
"Clothing" does not include items purchased for use in a trade 3179
or business; clothing accessories or equipment; protective 3180
equipment; sports or recreational equipment; belt buckles sold 3181
separately; costume masks sold separately; patches and emblems 3182
sold separately; sewing equipment and supplies including, but 3183
not limited to, knitting needles, patterns, pins, scissors, 3184
sewing machines, sewing needles, tape measures, and thimbles; 3185
and sewing materials that become part of "clothing" including, 3186
but not limited to, buttons, fabric, lace, thread, yarn, and 3187
zippers. 3188

(ii) "School supplies" means items commonly used by a 3189
student in a course of study. "School supplies" includes only 3190
the following items: binders; book bags; calculators; cellophane 3191
tape; blackboard chalk; compasses; composition books; crayons; 3192
erasers; folders, expandable, pocket, plastic, and manila; glue, 3193
paste, and paste sticks; highlighters; index cards; index card 3194
boxes; legal pads; lunch boxes; markers; notebooks; paper, 3195
loose-leaf ruled notebook paper, copy paper, graph paper, 3196
tracing paper, manila paper, colored paper, poster board, and 3197

construction paper; pencil boxes and other school supply boxes; 3198
pencil sharpeners; pencils; pens; protractors; rulers; scissors; 3199
and writing tablets. "School supplies" does not include any item 3200
purchased for use in a trade or business. 3201

(iii) "School instructional material" means written 3202
material commonly used by a student in a course of study as a 3203
reference and to learn the subject being taught. "School 3204
instructional material" includes only the following items: 3205
reference books, reference maps and globes, textbooks, and 3206
workbooks. "School instructional material" does not include any 3207
material purchased for use in a trade or business. 3208

(56) (a) Sales of diapers or incontinence underpads sold 3209
pursuant to a prescription, for the benefit of a medicaid 3210
recipient with a diagnosis of incontinence, and by a medicaid 3211
provider that maintains a valid provider agreement under section 3212
5164.30 of the Revised Code with the department of medicaid, 3213
provided that the medicaid program covers diapers or 3214
incontinence underpads as an incontinence garment. 3215

(b) As used in division (B) (56) (a) of this section: 3216

(i) "Diaper" means an absorbent garment worn by humans who 3217
are incapable of, or have difficulty, controlling their bladder 3218
or bowel movements. 3219

(ii) "Incontinence underpad" means an absorbent product, 3220
not worn on the body, designed to protect furniture or other 3221
tangible personal property from soiling or damage due to human 3222
incontinence. 3223

(57) Sales of investment metal bullion and investment 3224
coins. "Investment metal bullion" means any bullion described in 3225
section 408(m) (3) (B) of the Internal Revenue Code, regardless of 3226

whether that bullion is in the physical possession of a trustee. 3227
"Investment coin" means any coin composed primarily of gold, 3228
silver, platinum, or palladium. 3229

(58) Sales of tangible personal property used primarily 3230
for any of the following purposes by a megaproject operator at 3231
the site of a megaproject that satisfies the criteria described 3232
in division (A) (11) (a) (ii) of section 122.17 of the Revised 3233
Code, provided that the sale occurs during the period that the 3234
megaproject operator has an agreement for such megaproject with 3235
the tax credit authority under division (D) of section 122.17 of 3236
the Revised Code that remains in effect and has not expired or 3237
been terminated: 3238

(a) To store, transmit, convey, distribute, recycle, 3239
circulate, or clean water, steam, or other gases used in or 3240
produced as a result of manufacturing activity, including items 3241
that support or aid in the operation of such property; 3242

(b) To clean or prepare inventory, at any stage of storage 3243
or production, or equipment used in a manufacturing activity, 3244
including chemicals, solvents, catalysts, soaps, and other items 3245
that support or aid in the operation of property; 3246

(c) To regulate, treat, filter, condition, improve, clean, 3247
maintain, or monitor environmental conditions within areas where 3248
manufacturing activities take place; 3249

(d) To handle, transport, or convey inventory during 3250
production or manufacturing. 3251

(59) Documentary services charges imposed pursuant to 3252
section 4517.261 or 4781.24 of the Revised Code. 3253

(C) For the purpose of the proper administration of this 3254
chapter, and to prevent the evasion of the tax, it is presumed 3255

that all sales made in this state are subject to the tax until 3256
the contrary is established. 3257

(D) The tax collected by the vendor from the consumer 3258
under this chapter is not part of the price, but is a tax 3259
collection for the benefit of the state, and of counties levying 3260
an additional sales tax pursuant to section 5739.021 or 5739.026 3261
of the Revised Code and of transit authorities levying an 3262
additional sales tax pursuant to section 5739.023 of the Revised 3263
Code. Except for the discount authorized under section 5739.12 3264
of the Revised Code and the effects of any rounding pursuant to 3265
section 5703.055 of the Revised Code, no person other than the 3266
state or such a county or transit authority shall derive any 3267
benefit from the collection or payment of the tax levied by this 3268
section or section 5739.021, 5739.023, or 5739.026 of the 3269
Revised Code. 3270

Sec. 5739.03. (A) Except as provided in section 5739.05 or 3271
section 5739.051 of the Revised Code, the tax imposed by or 3272
pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of 3273
the Revised Code shall be paid by the consumer to the vendor, 3274
and each vendor shall collect from the consumer, as a trustee 3275
for the state of Ohio, the full and exact amount of the tax 3276
payable on each taxable sale, in the manner and at the times 3277
provided as follows: 3278

(1) If the price is, at or prior to the provision of the 3279
service or the delivery of possession of the thing sold to the 3280
consumer, paid in currency passed from hand to hand by the 3281
consumer or the consumer's agent to the vendor or the vendor's 3282
agent, the vendor or the vendor's agent shall collect the tax 3283
with and at the same time as the price; 3284

(2) If the price is otherwise paid or to be paid, the 3285

vendor or the vendor's agent shall, at or prior to the provision 3286
of the service or the delivery of possession of the thing sold 3287
to the consumer, charge the tax imposed by or pursuant to 3288
section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised 3289
Code to the account of the consumer, which amount shall be 3290
collected by the vendor from the consumer in addition to the 3291
price. Such sale shall be reported on and the amount of the tax 3292
applicable thereto shall be remitted with the return for the 3293
period in which the sale is made, and the amount of the tax 3294
shall become a legal charge in favor of the vendor and against 3295
the consumer. 3296

(B) (1) (a) If any sale is claimed to be exempt under 3297
division (E) of section 5739.01 of the Revised Code or under 3298
section 5739.02 of the Revised Code, with the exception of 3299
divisions (B) (1) to (11), (28), (48), ~~or (55)~~, or (59) of 3300
section 5739.02 of the Revised Code, the consumer must provide 3301
to the vendor, and the vendor must obtain from the consumer, a 3302
certificate specifying the reason that the sale is not legally 3303
subject to the tax. The certificate shall be in such form, and 3304
shall be provided either in a hard copy form or electronic form, 3305
as the tax commissioner prescribes. 3306

(b) A vendor that obtains a fully completed exemption 3307
certificate from a consumer is relieved of liability for 3308
collecting and remitting tax on any sale covered by that 3309
certificate. If it is determined the exemption was improperly 3310
claimed, the consumer shall be liable for any tax due on that 3311
sale under section 5739.02, 5739.021, 5739.023, or 5739.026 or 3312
Chapter 5741. of the Revised Code. Relief under this division 3313
from liability does not apply to any of the following: 3314

(i) A vendor that fraudulently fails to collect tax; 3315

- (ii) A vendor that solicits consumers to participate in the unlawful claim of an exemption; 3316
3317
- (iii) A vendor that accepts an exemption certificate from a consumer that claims an exemption based on who purchases or who sells property or a service, when the subject of the transaction sought to be covered by the exemption certificate is actually received by the consumer at a location operated by the vendor in this state, and this state has posted to its web site an exemption certificate form that clearly and affirmatively indicates that the claimed exemption is not available in this state; 3318
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- (iv) A vendor that accepts an exemption certificate from a consumer who claims a multiple points of use exemption under division (D) of section 5739.033 of the Revised Code, if the item purchased is tangible personal property, other than prewritten computer software. 3327
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- (2) The vendor shall maintain records, including exemption certificates, of all sales on which a consumer has claimed an exemption, and provide them to the tax commissioner on request. 3332
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- (3) The tax commissioner may establish an identification system whereby the commissioner issues an identification number to a consumer that is exempt from payment of the tax. The consumer must present the number to the vendor, if any sale is claimed to be exempt as provided in this section. 3335
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- (4) If no certificate is provided or obtained within ninety days after the date on which such sale is consummated, it shall be presumed that the tax applies. Failure to have so provided or obtained a certificate shall not preclude a vendor, within one hundred twenty days after the tax commissioner gives 3340
3341
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written notice of intent to levy an assessment, from either 3345
establishing that the sale is not subject to the tax, or 3346
obtaining, in good faith, a fully completed exemption 3347
certificate. 3348

(5) Certificates need not be obtained nor provided where 3349
the identity of the consumer is such that the transaction is 3350
never subject to the tax imposed or where the item of tangible 3351
personal property sold or the service provided is never subject 3352
to the tax imposed, regardless of use, or when the sale is in 3353
interstate commerce. 3354

(6) If a transaction is claimed to be exempt under 3355
division (B) (13) of section 5739.02 of the Revised Code, the 3356
contractor shall obtain certification of the claimed exemption 3357
from the contractee. This certification shall be in addition to 3358
an exemption certificate provided by the contractor to the 3359
vendor. A contractee that provides a certification under this 3360
division shall be deemed to be the consumer of all items 3361
purchased by the contractor under the claim of exemption, if it 3362
is subsequently determined that the exemption is not properly 3363
claimed. The certification shall be in such form as the tax 3364
commissioner prescribes. 3365

(C) As used in this division, "contractee" means a person 3366
who seeks to enter or enters into a contract or agreement with a 3367
contractor or vendor for the construction of real property or 3368
for the sale and installation onto real property of tangible 3369
personal property. 3370

Any contractor or vendor may request from any contractee a 3371
certification of what portion of the property to be transferred 3372
under such contract or agreement is to be incorporated into the 3373
realty and what portion will retain its status as tangible 3374

personal property after installation is completed. The 3375
contractor or vendor shall request the certification by 3376
certified mail delivered to the contractee, return receipt 3377
requested. Upon receipt of such request and prior to entering 3378
into the contract or agreement, the contractee shall provide to 3379
the contractor or vendor a certification sufficiently detailed 3380
to enable the contractor or vendor to ascertain the resulting 3381
classification of all materials purchased or fabricated by the 3382
contractor or vendor and transferred to the contractee. This 3383
requirement applies to a contractee regardless of whether the 3384
contractee holds a direct payment permit under section 5739.031 3385
of the Revised Code or provides to the contractor or vendor an 3386
exemption certificate as provided under this section. 3387

For the purposes of the taxes levied by this chapter and 3388
Chapter 5741. of the Revised Code, the contractor or vendor may 3389
in good faith rely on the contractee's certification. 3390
Notwithstanding division (B) of section 5739.01 of the Revised 3391
Code, if the tax commissioner determines that certain property 3392
certified by the contractee as tangible personal property 3393
pursuant to this division is, in fact, real property, the 3394
contractee shall be considered to be the consumer of all 3395
materials so incorporated into that real property and shall be 3396
liable for the applicable tax, and the contractor or vendor 3397
shall be excused from any liability on those materials. 3398

If a contractee fails to provide such certification upon 3399
the request of the contractor or vendor, the contractor or 3400
vendor shall comply with the provisions of this chapter and 3401
Chapter 5741. of the Revised Code without the certification. If 3402
the tax commissioner determines that such compliance has been 3403
performed in good faith and that certain property treated as 3404
tangible personal property by the contractor or vendor is, in 3405

fact, real property, the contractee shall be considered to be 3406
the consumer of all materials so incorporated into that real 3407
property and shall be liable for the applicable tax, and the 3408
construction contractor or vendor shall be excused from any 3409
liability on those materials. 3410

This division does not apply to any contract or agreement 3411
where the tax commissioner determines as a fact that a 3412
certification under this division was made solely on the 3413
decision or advice of the contractor or vendor. 3414

(D) Notwithstanding division (B) of section 5739.01 of the 3415
Revised Code, whenever the total rate of tax imposed under this 3416
chapter is increased after the date after a construction 3417
contract is entered into, the contractee shall reimburse the 3418
construction contractor for any additional tax paid on tangible 3419
property consumed or services received pursuant to the contract. 3420

(E) A vendor who files a petition for reassessment 3421
contesting the assessment of tax on sales for which the vendor 3422
obtained no valid exemption certificates and for which the 3423
vendor failed to establish that the sales were properly not 3424
subject to the tax during the one-hundred-twenty-day period 3425
allowed under division (B) of this section, may present to the 3426
tax commissioner additional evidence to prove that the sales 3427
were properly subject to a claim of exception or exemption. The 3428
vendor shall file such evidence within ninety days of the 3429
receipt by the vendor of the notice of assessment, except that, 3430
upon application and for reasonable cause, the period for 3431
submitting such evidence shall be extended thirty days. 3432

The commissioner shall consider such additional evidence 3433
in reaching the final determination on the assessment and 3434
petition for reassessment. 3435

(F) Whenever a vendor refunds the price, minus any
separately stated delivery charge, of an item of tangible
personal property on which the tax imposed under this chapter
has been paid, the vendor shall also refund the amount of tax
paid, minus the amount of tax attributable to the delivery
charge.

Sec. 5739.07. (A) When, pursuant to this chapter, a vendor
has paid taxes to the treasurer of state or the treasurer of
state's agent, or to the tax commissioner or the commissioner's
agent, the commissioner shall refund to the vendor the amount of
taxes paid, and any penalties assessed with respect to such
taxes, if the vendor has refunded to the consumer the full
amount of taxes the consumer paid illegally or erroneously or if
the vendor has illegally or erroneously billed the consumer but
has not collected the taxes from the consumer.

(B) When, pursuant to this chapter, a consumer has paid
taxes directly to the treasurer of state or the treasurer of
state's agent, or to the tax commissioner or the commissioner's
agent, and the payment or assessment was illegal or erroneous,
the commissioner shall refund to the consumer the full amount of
illegal or erroneous taxes paid and any penalties assessed with
respect to such taxes.

(C) The commissioner shall refund to the consumer ~~taxes~~
amounts paid illegally or erroneously to a vendor only if:

(1) The commissioner has not refunded the tax to the
vendor and the vendor has not refunded the tax to the consumer;
or

(2) The consumer has received a refund from a manufacturer
or other person, other than the vendor, of the full purchase

price, but not the tax, paid to the vendor in settlement of a 3465
complaint by the consumer about the property or service 3466
purchased. 3467

The commissioner may require the consumer to obtain or the 3468
vendor to provide a written statement confirming that the vendor 3469
has not refunded the tax to the consumer and has not filed an 3470
application for refund of the tax with the commissioner. 3471

(D) Subject to division (E) of this section, an 3472
application for refund shall be filed with the tax commissioner 3473
on the form prescribed by the commissioner within four years 3474
from the date of the illegal or erroneous payment ~~of the tax~~, 3475
unless the vendor or consumer waives the time limitation under 3476
division (A) (3) of section 5739.16 of the Revised Code. If the 3477
time limitation is waived, the refund application period shall 3478
be extended for the same period as the waiver. 3479

(E) An application for refund shall be filed in accordance 3480
with division (D) of this section unless a person is subject to 3481
an assessment that is subject to the time limit of division (B) 3482
of section 5703.58 of the Revised Code for ~~a tax~~ amounts not 3483
reported and paid between the four-year time limit described in 3484
division (D) of this section and the seven-year limit described 3485
in division (B) of section 5703.58 of the Revised Code, in which 3486
case the person may file an application within six months after 3487
the date the assessment is issued. Any refund allowed under this 3488
division shall not exceed the amount of the assessment due for 3489
the same period. 3490

(F) On the filing of an application for a refund, the 3491
commissioner shall determine the amount of refund to which the 3492
applicant is entitled. If the amount is not less than that 3493
claimed, the commissioner shall certify that amount to the 3494

director of budget and management and the treasurer of state for 3495
payment from the tax refund fund created by section 5703.052 of 3496
the Revised Code. If the amount is less than that claimed, the 3497
commissioner shall proceed in accordance with section 5703.70 of 3498
the Revised Code. 3499

(G) When a refund is granted under this section, it shall 3500
include interest thereon as provided by section 5739.132 of the 3501
Revised Code. 3502

Sec. 5739.104. The tax commissioner shall refund to a 3503
person subject to a tax under section 5739.101 of the Revised 3504
Code ~~the amount of taxes~~ amounts paid illegally or erroneously 3505
or paid on an illegal or erroneous assessment. Applications for 3506
a refund shall be filed with the commissioner, on a form 3507
prescribed by the commissioner, within four years from the date 3508
of the illegal or erroneous payment ~~of the tax~~, except where the 3509
person subject to the tax waives the time limitation under 3510
division (C) of section 5739.16 of the Revised Code, in which 3511
case the four-year refund limitation shall be extended for the 3512
same period of time as the waiver. 3513

On the filing of an application for a refund, the 3514
commissioner shall determine the amount of refund to which the 3515
applicant is entitled. If the amount is not less than that 3516
claimed, the commissioner shall certify the amount to the 3517
treasurer of state for payment from the current resort area 3518
excise tax receipts of the municipal corporation or township 3519
from which the refund is due. If the amount is less than that 3520
claimed, the commissioner shall proceed in accordance with 3521
section 5703.70 of the Revised Code. 3522

If a refund is granted for payment of an illegal or 3523
erroneous assessment issued by the commissioner, the refund 3524

shall include interest computed at the rate per annum prescribed 3525
under section 5703.47 of the Revised Code. 3526

Sec. 5741.02. (A) (1) For the use of the general revenue 3527
fund of the state, an excise tax is hereby levied on the 3528
storage, use, or other consumption in this state of tangible 3529
personal property or the benefit realized in this state of any 3530
service provided. The tax shall be collected as provided in 3531
section 5739.025 of the Revised Code. The rate of the tax shall 3532
be five and three-fourths per cent. 3533

(2) In the case of the lease or rental, with a fixed term 3534
of more than thirty days or an indefinite term with a minimum 3535
period of more than thirty days, of any motor vehicles designed 3536
by the manufacturer to carry a load of not more than one ton, 3537
watercraft, outboard motor, or aircraft, or of any tangible 3538
personal property, other than motor vehicles designed by the 3539
manufacturer to carry a load of more than one ton, to be used by 3540
the lessee or renter primarily for business purposes, the tax 3541
shall be collected by the seller at the time the lease or rental 3542
is consummated and shall be calculated by the seller on the 3543
basis of the total amount to be paid by the lessee or renter 3544
under the lease or rental agreement. If the total amount of the 3545
consideration for the lease or rental includes amounts that are 3546
not calculated at the time the lease or rental is executed, the 3547
tax shall be calculated and collected by the seller at the time 3548
such amounts are billed to the lessee or renter. In the case of 3549
an open-end lease or rental, the tax shall be calculated by the 3550
seller on the basis of the total amount to be paid during the 3551
initial fixed term of the lease or rental, and for each 3552
subsequent renewal period as it comes due. As used in this 3553
division, "motor vehicle" has the same meaning as in section 3554
4501.01 of the Revised Code, and "watercraft" includes an 3555

outdrive unit attached to the watercraft. 3556

(3) Except as provided in division (A) (2) of this section, 3557
in the case of a transaction, the price of which consists in 3558
whole or part of the lease or rental of tangible personal 3559
property, the tax shall be measured by the installments of those 3560
leases or rentals. 3561

(B) Each consumer, storing, using, or otherwise consuming 3562
in this state tangible personal property or realizing in this 3563
state the benefit of any service provided, shall be liable for 3564
the tax, and such liability shall not be extinguished until the 3565
tax has been paid to this state; provided, that the consumer 3566
shall be relieved from further liability for the tax if the tax 3567
has been paid to a seller in accordance with section 5741.04 of 3568
the Revised Code or prepaid by the seller in accordance with 3569
section 5741.06 of the Revised Code. 3570

(C) The tax does not apply to the storage, use, or 3571
consumption in this state of the following described tangible 3572
personal property or services, nor to the storage, use, or 3573
consumption or benefit in this state of tangible personal 3574
property or services purchased under the following described 3575
circumstances: 3576

(1) When the sale of property or service in this state is 3577
subject to the excise tax imposed by sections 5739.01 to 5739.31 3578
of the Revised Code, provided said tax has been paid; 3579

(2) Except as provided in division (D) of this section, 3580
tangible personal property or services, the acquisition of 3581
which, if made in Ohio, would be a sale not subject to the tax 3582
imposed by sections 5739.01 to 5739.31 of the Revised Code; 3583

(3) Property or services, the storage, use, or other 3584

consumption of or benefit from which this state is prohibited 3585
from taxing by the Constitution of the United States, laws of 3586
the United States, or the Constitution of this state. This 3587
exemption shall not exempt from the application of the tax 3588
imposed by this section the storage, use, or consumption of 3589
tangible personal property that was purchased in interstate 3590
commerce, but that has come to rest in this state, provided that 3591
fuel to be used or transported in carrying on interstate 3592
commerce that is stopped within this state pending transfer from 3593
one conveyance to another is exempt from the excise tax imposed 3594
by this section and section 5739.02 of the Revised Code; 3595

(4) Transient use of tangible personal property in this 3596
state by a nonresident tourist or vacationer, or a nonbusiness 3597
use within this state by a nonresident of this state, if the 3598
property so used was purchased outside this state for use 3599
outside this state and is not required to be registered or 3600
licensed under the laws of this state; 3601

(5) Tangible personal property or services rendered, upon 3602
which taxes have been paid to another jurisdiction to the extent 3603
of the amount of the tax paid to such other jurisdiction. Where 3604
the amount of the tax imposed by this section and imposed 3605
pursuant to section 5741.021, 5741.022, or 5741.023 of the 3606
Revised Code exceeds the amount paid to another jurisdiction, 3607
the difference shall be allocated between the tax imposed by 3608
this section and any tax imposed by a county or a transit 3609
authority pursuant to section 5741.021, 5741.022, or 5741.023 of 3610
the Revised Code, in proportion to the respective rates of such 3611
taxes. 3612

As used in this subdivision, "taxes paid to another 3613
jurisdiction" means the total amount of retail sales or use tax 3614

or similar tax based upon the sale, purchase, or use of tangible 3615
personal property or services rendered legally, levied by and 3616
paid to another state or political subdivision thereof, or to 3617
the District of Columbia, where the payment of such tax does not 3618
entitle the taxpayer to any refund or credit for such payment. 3619

(6) The transfer of a used manufactured home or used 3620
mobile home, as defined by section 5739.0210 of the Revised 3621
Code, made on or after January 1, 2000; 3622

(7) Drugs that are or are intended to be distributed free 3623
of charge to a practitioner licensed to prescribe, dispense, and 3624
administer drugs to a human being in the course of a 3625
professional practice and that by law may be dispensed only by 3626
or upon the order of such a practitioner; 3627

(8) Computer equipment and related software leased from a 3628
lessor located outside this state and initially received in this 3629
state on behalf of the consumer by a third party that will 3630
retain possession of such property for not more than ninety days 3631
and that will, within that ninety-day period, deliver such 3632
property to the consumer at a location outside this state. 3633
Division (C) (8) of this section does not provide exemption from 3634
taxation for any otherwise taxable charges associated with such 3635
property while it is in this state or for any subsequent 3636
storage, use, or consumption of such property in this state by 3637
or on behalf of the consumer. 3638

(9) Tangible personal property held for sale by a person 3639
but not for that person's own use and donated by that person, 3640
without charge or other compensation, to either of the 3641
following: 3642

(a) A nonprofit organization operated exclusively for 3643

charitable purposes in this state, no part of the net income of 3644
which inures to the benefit of any private shareholder or 3645
individual and no substantial part of the activities of which 3646
consists of carrying on propaganda or otherwise attempting to 3647
influence legislation; or 3648

(b) This state or any political subdivision of this state, 3649
but only if donated for exclusively public purposes. 3650

For the purposes of division (C) (9) of this section, 3651
"charitable purposes" has the same meaning as in division (B) 3652
(12) of section 5739.02 of the Revised Code. 3653

(10) Equipment stored, used, or otherwise consumed in this 3654
state by an out-of-state disaster business during a disaster 3655
response period during which the business conducts disaster work 3656
pursuant to a qualifying solicitation received by the business, 3657
provided the equipment is removed from the state before the last 3658
day of that period. All terms used in division (C) (10) of this 3659
section have the same meanings as in section 5703.94 of the 3660
Revised Code. 3661

(11) (a) Watercraft, if all of the following apply: 3662

(i) The watercraft is in this state only for storage and 3663
maintenance purposes. 3664

(ii) The watercraft is not used or stored in this state 3665
between the first day of May and the last day of September of 3666
any year. 3667

(iii) The watercraft is not required to be registered in 3668
this state under section 1547.54 of the Revised Code. 3669

(iv) The owner paid taxes to another jurisdiction on the 3670
sale, use, or consumption of the watercraft or paid sales tax on 3671

the watercraft under section 5739.027 of the Revised Code, 3672
unless the watercraft is used and titled or registered in a 3673
jurisdiction that does not impose a sales or use tax or similar 3674
excise tax on the ownership or use of the watercraft. 3675

(b) As used in division (C) (11) of this section: 3676

(i) "Taxes paid to another jurisdiction" has the same 3677
meaning as in division (C) (5) of this section. 3678

(ii) "Maintenance" means any act to preserve or improve 3679
the condition or efficiency of a watercraft including cleaning 3680
and repairing the watercraft and installing equipment, fixtures, 3681
or technology in or on the watercraft. 3682

(c) Nothing in division (C) (11) of this section exempts 3683
sales of storage of watercraft taxable under division (B) (9) of 3684
section 5739.01 of the Revised Code or sales of repair or 3685
installation of tangible personal property in or on the 3686
watercraft taxable under division (B) (3) (a) or (b) of that 3687
section. 3688

(D) The tax applies to the storage, use, or other 3689
consumption in this state of tangible personal property or 3690
services, the acquisition of which at the time of sale was 3691
excepted under division (E) of section 5739.01 of the Revised 3692
Code from the tax imposed by section 5739.02 of the Revised 3693
Code, but which has subsequently been temporarily or permanently 3694
stored, used, or otherwise consumed in a taxable manner. 3695

(E) (1) (a) If any transaction is claimed to be exempt under 3696
division (E) of section 5739.01 of the Revised Code or under 3697
section 5739.02 of the Revised Code, with the exception of 3698
divisions (B) (1) to (11) or (28) of section 5739.02 of the 3699
Revised Code, the consumer shall provide to the seller, and the 3700

seller shall obtain from the consumer, a certificate specifying 3701
the reason that the transaction is not subject to the tax. The 3702
certificate shall be in such form, and shall be provided either 3703
in a hard copy form or electronic form, as the tax commissioner 3704
prescribes. 3705

(b) A seller that obtains a fully completed exemption 3706
certificate from a consumer is relieved of liability for 3707
collecting and remitting tax on any sale covered by that 3708
certificate. If it is determined the exemption was improperly 3709
claimed, the consumer shall be liable for any tax due on that 3710
sale under this chapter. Relief under this division from 3711
liability does not apply to any of the following: 3712

(i) A seller that fraudulently fails to collect tax; 3713

(ii) A seller that solicits consumers to participate in 3714
the unlawful claim of an exemption; 3715

(iii) A seller that accepts an exemption certificate from 3716
a consumer that claims an exemption based on who purchases or 3717
who sells property or a service, when the subject of the 3718
transaction sought to be covered by the exemption certificate is 3719
actually received by the consumer at a location operated by the 3720
seller in this state, and this state has posted to its web site 3721
an exemption certificate form that clearly and affirmatively 3722
indicates that the claimed exemption is not available in this 3723
state; 3724

(iv) A seller that accepts an exemption certificate from a 3725
consumer who claims a multiple points of use exemption under 3726
division (D) of section 5739.033 of the Revised Code, if the 3727
item purchased is tangible personal property, other than 3728
prewritten computer software. 3729

(2) The seller shall maintain records, including exemption certificates, of all sales on which a consumer has claimed an exemption, and provide them to the tax commissioner on request.

(3) If no certificate is provided or obtained within ninety days after the date on which the transaction is consummated, it shall be presumed that the tax applies. Failure to have so provided or obtained a certificate shall not preclude a seller, within one hundred twenty days after the tax commissioner gives written notice of intent to levy an assessment, from either establishing that the transaction is not subject to the tax, or obtaining, in good faith, a fully completed exemption certificate.

(4) If a transaction is claimed to be exempt under division (B) (13) of section 5739.02 of the Revised Code, the contractor shall obtain certification of the claimed exemption from the contractee. This certification shall be in addition to an exemption certificate provided by the contractor to the seller. A contractee that provides a certification under this division shall be deemed to be the consumer of all items purchased by the contractor under the claim of exemption, if it is subsequently determined that the exemption is not properly claimed. The certification shall be in such form as the tax commissioner prescribes.

(F) A seller who files a petition for reassessment contesting the assessment of tax on transactions for which the seller obtained no valid exemption certificates, and for which the seller failed to establish that the transactions were not subject to the tax during the one-hundred-twenty-day period allowed under division (E) of this section, may present to the tax commissioner additional evidence to prove that the

transactions were exempt. The seller shall file such evidence 3760
within ninety days of the receipt by the seller of the notice of 3761
assessment, except that, upon application and for reasonable 3762
cause, the tax commissioner may extend the period for submitting 3763
such evidence thirty days. 3764

(G) For the purpose of the proper administration of 3765
sections 5741.01 to 5741.22 of the Revised Code, and to prevent 3766
the evasion of the tax hereby levied, it shall be presumed that 3767
any use, storage, or other consumption of tangible personal 3768
property in this state is subject to the tax until the contrary 3769
is established. 3770

(H) The tax collected by the seller from the consumer 3771
under this chapter is not part of the price, but is a tax 3772
collection for the benefit of the state, and of counties levying 3773
an additional use tax pursuant to section 5741.021 or 5741.023 3774
of the Revised Code and of transit authorities levying an 3775
additional use tax pursuant to section 5741.022 of the Revised 3776
Code. Except for the discount authorized under section 5741.12 3777
of the Revised Code and the effects of any rounding pursuant to 3778
section 5703.055 of the Revised Code, no person other than the 3779
state or such a county or transit authority shall derive any 3780
benefit from the collection of such tax. 3781

Sec. 5741.10. Refunds of ~~taxes~~ amounts paid pursuant to 3782
this chapter by a seller or consumer illegally or erroneously 3783
shall be made in the same manner as refunds are made to a vendor 3784
or consumer under section 5739.07 of the Revised Code. 3785

Sec. 5743.53. (A) The treasurer of state shall refund to a 3786
taxpayer any of the following: 3787

(1) ~~Any tobacco products or vapor products tax~~ Amounts 3788

imposed under this chapter that were paid illegally or 3789
erroneously; 3790

~~(2)~~ Any tobacco products or vapor products tax or paid on 3791
an illegal or erroneous assessment; 3792

~~(3)~~ (2) Any tax paid on tobacco products or vapor products 3793
that have been sold or shipped to retail dealers, wholesale 3794
dealers, or vapor distributors outside this state, returned to 3795
the manufacturer, or destroyed by the taxpayer with the prior 3796
approval of the tax commissioner. 3797

Any application for refund shall be filed with the 3798
commissioner on a form prescribed by the commissioner for that 3799
purpose. The commissioner may not pay any refund on an 3800
application for refund filed with the commissioner more than 3801
three years from the date of the payment of the tax. 3802

(B) On the filing of the application for refund, the 3803
commissioner shall determine the amount of the refund to which 3804
the applicant is entitled. If the amount is not less than that 3805
claimed, the commissioner shall certify the amount to the 3806
director of budget and management and to the treasurer of state 3807
for payment from the tax refund fund created by section 5703.052 3808
of the Revised Code. If the amount is less than that claimed, 3809
the commissioner shall proceed in accordance with section 3810
5703.70 of the Revised Code. 3811

If a refund is granted for payment of an illegal or 3812
erroneous assessment issued by the department of taxation, the 3813
refund shall include interest on the amount of the refund from 3814
the date of the overpayment. The interest shall be computed at 3815
the rate per annum in the manner prescribed by section 5703.47 3816
of the Revised Code. 3817

(C) If any person entitled to a refund ~~of tax~~ under this 3818
section or section 5703.70 of the Revised Code is indebted to 3819
the state for any tax administered by the tax commissioner, or 3820
any charge, penalties, or interest arising from such tax, the 3821
amount allowable on the application for refund first shall be 3822
applied in satisfaction of the debt. 3823

(D) In lieu of granting a refund payable under division 3824
~~(A) (3)~~ (A) (2) of this section, the tax commissioner may allow a 3825
taxpayer to claim a credit of the amount of refundable tax on 3826
the return for the period during which the tax became 3827
refundable. The commissioner may require taxpayers to submit any 3828
information necessary to support a claim for a credit under this 3829
section, and the commissioner shall allow no credit if that 3830
information is not provided. 3831

Sec. 5745.11. An application to refund to a taxpayer ~~the~~ 3832
~~amount of taxes paid on any illegal, erroneous, or excessive~~ 3833
~~payment of tax under this chapter, including assessments,~~amounts 3834
paid under this chapter that are overpaid, paid illegally or 3835
erroneously, or paid on any illegal or erroneous assessment 3836
shall be filed with the tax commissioner within three years 3837
after the date of the illegal, erroneous, or excessive payment 3838
~~of the tax~~, or within any additional period allowed by division 3839
(A) of section 5745.12 of the Revised Code. The application 3840
shall be filed in the form prescribed by the tax commissioner. 3841

On the filing of a refund application, the commissioner 3842
shall determine the amount of refund to which the applicant is 3843
entitled. If the amount is not less than that claimed, the 3844
commissioner shall certify the amount of the refund to each 3845
municipal corporation to which the overpayment was made. If the 3846
amount is less than that claimed, the commissioner shall proceed 3847

in accordance with divisions (A) to (C) of section 5703.70 of 3848
the Revised Code and shall certify to each municipal corporation 3849
to which the overpayment was made the amount to be refunded 3850
under division (B) or (C) of that section. 3851

On receipt of a certification of a refund, the municipal 3852
corporation shall issue a refund to the taxpayer, or, upon the 3853
taxpayer's written request, shall credit the amount of the 3854
refund against the taxpayer's estimated tax payments to the 3855
municipal corporation for an ensuing taxable year. 3856

Any portion of the refund not issued within ninety days 3857
after the tax commissioner's notice is received by the municipal 3858
corporation shall bear interest at the rate per annum prescribed 3859
by section 5703.47 of the Revised Code from the ninetieth day 3860
after such notice is received by the municipal corporation until 3861
the day the refund is paid or credited. On an illegal or 3862
erroneous assessment, interest shall be paid at that rate from 3863
the date of payment on the illegal or erroneous assessment until 3864
the day the refund is paid or credited. 3865

Sec. 5747.11. (A) The tax commissioner shall refund to 3866
employers, qualifying entities, electing pass-through entities, 3867
or taxpayers subject to a tax imposed under section 5733.41, 3868
5747.02, 5747.38, or 5747.41, or Chapter 5748. of the Revised 3869
Code the amount of any overpayment of such tax amounts that were 3870
overpaid, paid illegally or erroneously, or paid on an illegal 3871
or erroneous assessment. 3872

(B) (1) Except as otherwise provided under divisions (D) 3873
and (E) of this section, applications for refund shall be filed 3874
with the tax commissioner, on the form prescribed by the 3875
commissioner, within four years from the date of the illegal, 3876
erroneous, or excessive payment ~~of the tax~~, or within any 3877

additional period allowed by division (B) (3) (b) of section 3878
5747.05, division (E) of section 5747.10, division (A) of 3879
section 5747.13, or division (C) of section 5747.45 of the 3880
Revised Code. 3881

On filing of the refund application, the commissioner 3882
shall determine the amount of refund due and, if that amount 3883
exceeds one dollar, certify such amount to the director of 3884
budget and management and treasurer of state for payment from 3885
the tax refund fund created by section 5703.052 of the Revised 3886
Code. Payment shall be made as provided in division (C) of 3887
section 126.35 of the Revised Code. 3888

(2) If an individual taxpayer is deceased, a refund may be 3889
issued in the name of the decedent and of the executor, 3890
administrator, or other person charged with the decedent's 3891
property, upon the request of that person. Such a request shall 3892
include any documentation, including a copy of the taxpayer's 3893
death certificate and any fiduciary or court documents, that the 3894
tax commissioner considers necessary to prove that the person 3895
making the request is qualified to receive the refund. If the 3896
request is for a refund that was previously issued in only the 3897
decedent's name, the person making the request must also provide 3898
the previously issued payment to the commissioner. 3899

(C) (1) Interest shall be allowed and paid at the rate per 3900
annum prescribed by section 5703.47 of the Revised Code on 3901
amounts refunded with respect to the tax imposed under section 3902
5747.02 or Chapter 5748. of the Revised Code from the date of 3903
the overpayment until the date of the refund of the overpayment, 3904
except that if any overpayment is refunded within ninety days 3905
after the final filing date of the annual return or ninety days 3906
after the return is filed, whichever is later, no interest shall 3907

be allowed on such overpayment. If the overpayment results from 3908
the carryback of a net operating loss or net capital loss to a 3909
previous taxable year, the overpayment is deemed not to have 3910
been made prior to the filing date, including any extension 3911
thereof, for the taxable year in which the net operating loss or 3912
net capital loss arises. For purposes of the payment of interest 3913
on overpayments, no amount of tax, for any taxable year, shall 3914
be treated as having been paid before the date on which the tax 3915
return for that year was due without regard to any extension of 3916
time for filing such return. 3917

(2) Interest shall be allowed at the rate per annum 3918
prescribed by section 5703.47 of the Revised Code on amounts 3919
refunded with respect to the taxes imposed under sections 3920
5733.41 and 5747.41 or under section 5747.38 of the Revised 3921
Code. The interest shall run from whichever of the following 3922
days is the latest until the day the refund is paid: the day the 3923
illegal, erroneous, or excessive payment was made; the ninetieth 3924
day after the final day the annual report was required to be 3925
filed under section 5747.42 of the Revised Code; or the 3926
ninetieth day after the day that report was filed. 3927

(D) "Ninety days" shall be substituted for "four years" in 3928
division (B) of this section if the taxpayer satisfies both of 3929
the following conditions: 3930

(1) The taxpayer has applied for a refund based in whole 3931
or in part upon section 5747.059 of the Revised Code; 3932

(2) The taxpayer asserts that either the imposition or 3933
collection of the tax imposed or charged by this chapter or any 3934
portion of such tax violates the Constitution of the United 3935
States or the Constitution of Ohio. 3936

(E) (1) Division (E) (2) of this section applies only if all 3937
of the following conditions are satisfied: 3938

(a) A qualifying entity pays an amount of the tax imposed 3939
by section 5733.41 or 5747.41 of the Revised Code; 3940

(b) The taxpayer is a qualifying investor as to that 3941
qualifying entity; 3942

(c) The taxpayer did not claim the credit provided for in 3943
section 5747.059 of the Revised Code as to the tax described in 3944
division (E) (1) (a) of this section; 3945

(d) The four-year period described in division (B) of this 3946
section has ended as to the taxable year for which the taxpayer 3947
otherwise would have claimed that credit. 3948

(2) A taxpayer shall file an application for refund 3949
pursuant to division (E) of this section within one year after 3950
the date the payment described in division (E) (1) (a) of this 3951
section is made. An application filed under division (E) (2) of 3952
this section shall claim refund only of overpayments resulting 3953
from the taxpayer's failure to claim the credit described in 3954
division (E) (1) (c) of this section. Nothing in division (E) of 3955
this section shall be construed to relieve a taxpayer from 3956
complying with division (A) (15) of section 5747.01 of the 3957
Revised Code. 3958

Sec. 5747.73. (A) As used in this section, "scholarship 3959
granting organization" means an entity that is certified as such 3960
by the attorney general under division (C) of this section. 3961

(B) There is hereby allowed a nonrefundable credit against 3962
a taxpayer's aggregate tax liability under section 5747.02 of 3963
the Revised Code for a taxpayer that donates cash to scholarship 3964
granting organizations during the taxable year. The credit shall 3965

equal the amount of cash donations made by the taxpayer and, if 3966
filing a joint return, the taxpayer's spouse, except that the 3967
credit shall not exceed, for any taxable year, one thousand five 3968
hundred dollars for spouses filing a joint return or seven 3969
hundred fifty dollars for all other taxpayers. If a taxpayer 3970
files a joint return, the credit amount attributable to 3971
donations made by each spouse shall not exceed seven hundred 3972
fifty dollars. The credit shall be claimed in the order required 3973
under section 5747.98 of the Revised Code. 3974

If the taxpayer is a direct or indirect investor in a 3975
pass-through entity that donates cash to scholarship granting 3976
organizations during the taxable year, the taxpayer may claim 3977
its proportionate or distributive share of the credit allowed 3978
under this section, except that the share that may be claimed by 3979
all such investors may not exceed seven hundred fifty dollars 3980
for any taxable year. 3981

The credit authorized by this section is not allowed 3982
unless the taxpayer claiming the credit provides to the tax 3983
commissioner, in the form and manner required by the 3984
commissioner, a copy of a receipt or other document issued by 3985
the scholarship granting organization acknowledging the 3986
taxpayer's contribution to the organization and the amount of 3987
the contribution. The commissioner may require a taxpayer to 3988
furnish any other information necessary to support a claim for 3989
the credit. No credit shall be allowed unless a copy of such 3990
document or other required information is provided. 3991

(C) An entity may apply to the attorney general, on forms 3992
and in the manner prescribed by the attorney general, to be 3993
certified so that contributions to the entity qualify for the 3994
tax credit authorized under this section. The attorney general 3995

shall certify an entity as a scholarship granting organization 3996
if the entity submits information and documentation, to the 3997
attorney general's satisfaction, establishing that the entity 3998
satisfies the following: 3999

(1) It is a religious or nonreligious nonprofit 4000
organization exempt from federal taxation under section 501(a) 4001
of the Internal Revenue Code as an organization described in 4002
section 501(c) (3) of the Internal Revenue Code. 4003

(2) It primarily awards academic scholarships for primary 4004
and secondary school students. 4005

(3) It prioritizes awarding its scholarships to low-income 4006
primary and secondary school students. 4007

The attorney general shall notify the applicant of the 4008
attorney general's determination within thirty days after the 4009
attorney general receives the application. The attorney general 4010
shall maintain a list of all scholarship granting organizations. 4011
As soon as is practicable after compiling or updating this list, 4012
the attorney general shall furnish the list to the tax 4013
commissioner, who shall post the list or updated list to the 4014
department of taxation's web site. 4015

The attorney general shall adopt rules necessary to 4016
determine eligibility for and administer the credit authorized 4017
under this section. 4018

Sec. 5747.82. There is allowed a nonrefundable credit 4019
against a taxpayer's aggregate tax liability under section 4020
5747.02 of the Revised Code for a taxpayer that has been issued 4021
a tax credit certificate under section 122.91 of the Revised 4022
Code. The amount of the credit shall equal the credit amount 4023
stated on the certificate. The credit shall be claimed for the 4024

taxpayer's most recently concluded taxable year that ended 4025
before the issuance date stated on the certificate. 4026

The credit shall be claimed in the order required under 4027
section 5747.98 of the Revised Code. Any credit amount in excess 4028
of the aggregate amount of tax due under section 5747.02 of the 4029
Revised Code, after allowing for any other credits preceding the 4030
credit in that order, may be carried forward for five taxable 4031
years, but the amount of the excess credit allowed in any such 4032
year shall be deducted from the balance carried forward to the 4033
next year. 4034

Nothing in this section limits or disallows pass-through 4035
treatment of the credit if the credit certificate has been 4036
issued to a pass-through entity. 4037

Sec. 5747.98. (A) To provide a uniform procedure for 4038
calculating a taxpayer's aggregate tax liability under section 4039
5747.02 of the Revised Code, a taxpayer shall claim any credits 4040
to which the taxpayer is entitled in the following order: 4041

Either the retirement income credit under division (B) of 4042
section 5747.055 of the Revised Code or the lump sum retirement 4043
income credits under divisions (C), (D), and (E) of that 4044
section; 4045

Either the senior citizen credit under division (F) of 4046
section 5747.055 of the Revised Code or the lump sum 4047
distribution credit under division (G) of that section; 4048

The dependent care credit under section 5747.054 of the 4049
Revised Code; 4050

The credit for displaced workers who pay for job training 4051
under section 5747.27 of the Revised Code; 4052

The campaign contribution credit under section 5747.29 of the Revised Code;	4053 4054
The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	4055 4056
The joint filing credit under division (G) of section 5747.05 of the Revised Code;	4057 4058
The earned income credit under section 5747.71 of the Revised Code;	4059 4060
The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	4061 4062
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	4063 4064 4065
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	4066 4067 4068
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	4069 4070
The credit for adoption of a minor child under section 5747.37 of the Revised Code;	4071 4072
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	4073 4074
The enterprise zone credit under section 5709.66 of the Revised Code;	4075 4076
The credit for beginning farmers who participate in a financial management program under division (B) of section 5747.77 of the Revised Code;	4077 4078 4079

<u>The credit for commercial vehicle operator training</u>	4080
<u>expenses under section 5747.82 of the Revised Code;</u>	4081
The credit for selling or renting agricultural assets to	4082
beginning farmers under division (A) of section 5747.77 of the	4083
Revised Code;	4084
The credit for purchases of qualifying grape production	4085
property under section 5747.28 of the Revised Code;	4086
The small business investment credit under section 5747.81	4087
of the Revised Code;	4088
The nonrefundable lead abatement credit under section	4089
5747.26 of the Revised Code;	4090
The opportunity zone investment credit under section	4091
122.84 of the Revised Code;	4092
The enterprise zone credits under section 5709.65 of the	4093
Revised Code;	4094
The research and development credit under section 5747.331	4095
of the Revised Code;	4096
The credit for rehabilitating a historic building under	4097
section 5747.76 of the Revised Code;	4098
The nonresident credit under division (A) of section	4099
5747.05 of the Revised Code;	4100
The credit for a resident's out-of-state income under	4101
division (B) of section 5747.05 of the Revised Code;	4102
The refundable motion picture and Broadway theatrical	4103
production credit under section 5747.66 of the Revised Code;	4104
The refundable jobs creation credit or job retention	4105
credit under division (A) of section 5747.058 of the Revised	4106

Code;	4107
The refundable credit for taxes paid by a qualifying	4108
entity granted under section 5747.059 of the Revised Code;	4109
The refundable credits for taxes paid by a qualifying	4110
pass-through entity granted under division (I) of section	4111
5747.08 of the Revised Code;	4112
The refundable credit under section 5747.80 of the Revised	4113
Code for losses on loans made to the Ohio venture capital	4114
program under sections 150.01 to 150.10 of the Revised Code;	4115
The refundable credit for rehabilitating a historic	4116
building under section 5747.76 of the Revised Code;	4117
The refundable credit under section 5747.39 of the Revised	4118
Code for taxes levied under section 5747.38 of the Revised Code	4119
paid by an electing pass-through entity.	4120
(B) For any credit, except the refundable credits	4121
enumerated in this section and the credit granted under division	4122
(H) of section 5747.08 of the Revised Code, the amount of the	4123
credit for a taxable year shall not exceed the taxpayer's	4124
aggregate amount of tax due under section 5747.02 of the Revised	4125
Code, after allowing for any other credit that precedes it in	4126
the order required under this section. Any excess amount of a	4127
particular credit may be carried forward if authorized under the	4128
section creating that credit. Nothing in this chapter shall be	4129
construed to allow a taxpayer to claim, directly or indirectly,	4130
a credit more than once for a taxable year.	4131
Sec. 5748.09. (A) The board of education of a city, local,	4132
or exempted village school district, at any time by a vote of	4133
two-thirds of all its members, may declare by resolution that it	4134
may be necessary for the school district to do all of the	4135

following: 4136

(1) Raise a specified amount of money for school district 4137
purposes by levying an annual tax on school district income; 4138

(2) Levy an additional property tax in excess of the ten- 4139
mill limitation for the purpose of providing for the necessary 4140
requirements of the district, stating in the resolution the 4141
amount of money to be raised each year for such purpose; 4142

(3) Submit the question of the school district income tax 4143
and property tax to the electors of the district at a special 4144
election. 4145

The resolution shall specify whether the income that is to 4146
be subject to the tax is taxable income of individuals and 4147
estates as defined in divisions (E) (1) (a) and (2) of section 4148
5748.01 of the Revised Code or taxable income of individuals as 4149
defined in division (E) (1) (b) of that section. 4150

On adoption of the resolution, the board shall certify a 4151
copy of it to the tax commissioner and the county auditor not 4152
later than one hundred days prior to the date of the special 4153
election at which the board intends to propose the income tax 4154
and property tax. Not later than ten days after receipt of the 4155
resolution, the tax commissioner, in the same manner as required 4156
by division (A) of section 5748.02 of the Revised Code, shall 4157
estimate the rates designated in divisions (A) (1) and (2) of 4158
that section and certify them to the board. Not later than ten 4159
days after receipt of the resolution, the county auditor, in the 4160
same manner as required by section 5705.195 of the Revised Code, 4161
shall make the calculation specified in that section and certify 4162
it to the board. 4163

(B) On receipt of the tax commissioner's and county 4164

auditor's certifications prepared under division (A) of this 4165
section, the board of education of the city, local, or exempted 4166
village school district, by a vote of two-thirds of all its 4167
members, may adopt a resolution declaring that the amount of 4168
taxes that can be raised by all tax levies the district is 4169
authorized to impose, when combined with state and federal 4170
revenues, will be insufficient to provide an adequate amount for 4171
the present and future requirements of the school district, and 4172
that it is therefore necessary to levy, for a specified number 4173
of years or for a continuing period of time, an annual tax for 4174
school district purposes on school district income, and to levy, 4175
for a specified number of years not exceeding ten or for a 4176
continuing period of time, an additional property tax in excess 4177
of the ten-mill limitation for the purpose of providing for the 4178
necessary requirements of the district, and declaring that the 4179
question of the school district income tax and property tax 4180
shall be submitted to the electors of the school district at a 4181
special election, which shall not be earlier than ninety days 4182
after certification of the resolution to the board of elections, 4183
and the date of which shall be consistent with section 3501.01 4184
of the Revised Code. The resolution shall specify all of the 4185
following: 4186

(1) The purpose for which the school district income tax 4187
is to be imposed and the rate of the tax, which shall be the 4188
rate set forth in the tax commissioner's certification rounded 4189
to the nearest one-fourth of one per cent; 4190

(2) Whether the income that is to be subject to the tax is 4191
taxable income of individuals and estates as defined in 4192
divisions (E) (1) (a) and (2) of section 5748.01 of the Revised 4193
Code or taxable income of individuals as defined in division (E) 4194
(1) (b) of that section. The specification shall be the same as 4195

the specification in the resolution adopted and certified under 4196
division (A) of this section. 4197

(3) The number of years the school district income tax 4198
will be levied, or that it will be levied for a continuing 4199
period of time; 4200

(4) The date on which the school district income tax shall 4201
take effect, which shall be the first day of January of any year 4202
following the year in which the question is submitted; 4203

(5) The amount of money it is necessary to raise for the 4204
purpose of providing for the necessary requirements of the 4205
district for each year the property tax is to be imposed; 4206

(6) The number of years the property tax will be levied, 4207
or that it will be levied for a continuing period of time; 4208

(7) The tax list upon which the property tax shall be 4209
first levied, which may be the current year's tax list; 4210

(8) The amount of the average tax levy, expressed in 4211
dollars for each one hundred thousand dollars of the county 4212
auditor's appraised value as well as in mills for each one 4213
dollar of taxable value, estimated by the county auditor under 4214
division (A) of this section. 4215

(C) A resolution adopted under division (B) of this 4216
section shall go into immediate effect upon its passage, and no 4217
publication of the resolution shall be necessary other than that 4218
provided for in the notice of election. Immediately after its 4219
adoption and at least ninety days prior to the election at which 4220
the question will appear on the ballot, the board of education 4221
shall certify a copy of the resolution, along with copies of the 4222
county auditor's certification and the resolution under division 4223
(A) of this section, to the board of elections of the proper 4224

county. The board of education shall make the arrangements for 4225
the submission of the question to the electors of the school 4226
district, and the election shall be conducted, canvassed, and 4227
certified in the same manner as regular elections in the 4228
district for the election of county officers. 4229

The resolution shall be put before the electors as one 4230
ballot question, with a majority vote indicating approval of the 4231
school district income tax and the property tax. The board of 4232
elections shall publish the notice of the election in a 4233
newspaper of general circulation in the school district once a 4234
week for two consecutive weeks, or as provided in section 7.16 4235
of the Revised Code, prior to the election. If the board of 4236
elections operates and maintains a web site, also shall post 4237
notice of the election on its web site for thirty days prior to 4238
the election. The notice of election shall state all of the 4239
following: 4240

(1) The questions to be submitted to the electors as a 4241
single ballot question; 4242

(2) The rate of the school district income tax; 4243

(3) The number of years the school district income tax 4244
will be levied or that it will be levied for a continuing period 4245
of time; 4246

(4) The annual proceeds of the proposed property tax levy 4247
for the purpose of providing for the necessary requirements of 4248
the district; 4249

(5) The number of years during which the property tax levy 4250
shall be levied, or that it shall be levied for a continuing 4251
period of time; 4252

(6) The estimated average additional tax rate of the 4253

property tax, expressed in dollars for each one hundred thousand 4254
dollars of the county auditor's appraised value as well as in 4255
mills for each one dollar of taxable value, outside the 4256
limitation imposed by Section 2 of Article XII, Ohio 4257
Constitution, as certified by the county auditor; 4258

(7) The time and place of the special election. 4259

(D) The form of the ballot on a question submitted to the 4260
electors under this section shall be as follows: 4261

"Shall the _____ school district be authorized to do both 4262
of the following: 4263

(1) Impose an annual income tax of _____ (state the 4264
proposed rate of tax) on the school district income of 4265
individuals and of estates, for _____ (state the number of 4266
years the tax would be levied, or that it would be levied for a 4267
continuing period of time), beginning _____ (state the date 4268
the tax would first take effect), for the purpose of _____ 4269
(state the purpose of the tax)? 4270

(2) Impose a property tax levy outside of the ten-mill 4271
limitation for the purpose of providing for the necessary 4272
requirements of the district in the sum of \$ _____ 4273
(here insert annual amount the levy is to produce), estimated by 4274
the county auditor to average _____ mills for each \$1 4275
of taxable value, which amounts to \$ _____ for each 4276
\$100,000 of the county auditor's appraised value, for 4277
_____ (state the number of years the tax is to be 4278
imposed or that it will be imposed for a continuing period of 4279
time), commencing in _____ (first year the tax is to be 4280
levied), first due in calendar year _____ (first calendar 4281
year in which the tax shall be due)? 4282

4283

FOR THE INCOME TAX AND PROPERTY TAX

AGAINST THE INCOME TAX AND PROPERTY TAX

If the question submitted to electors proposes a school district income tax only on the taxable income of individuals as defined in division (E) (1) (b) of section 5748.01 of the Revised Code, the form of the ballot shall be modified by stating that the tax is to be levied on the "earned income of individuals residing in the school district" in lieu of the "school district income of individuals and of estates."

(E) The board of elections promptly shall certify the results of the election to the tax commissioner and the county auditor of the county in which the school district is located. If a majority of the electors voting on the question vote in favor of it:

(1) The income tax and the applicable provisions of Chapter 5747. of the Revised Code shall take effect on the date specified in the resolution.

(2) The board of education of the school district may make the additional property tax levy necessary to raise the amount specified on the ballot for the purpose of providing for the necessary requirements of the district. The property tax levy shall be included in the next tax budget that is certified to the county budget commission.

(F) (1) After approval of a question under this section, the board of education may anticipate a fraction of the proceeds of the school district income tax in accordance with section 5748.05 of the Revised Code. Any anticipation notes under this

division shall be issued as provided in section 133.24 of the Revised Code, shall have principal payments during each year after the year of their issuance over a period not to exceed five years, and may have a principal payment in the year of their issuance.

(2) After the approval of a question under this section and prior to the time when the first tax collection from the property tax levy can be made, the board of education may anticipate a fraction of the proceeds of the levy and issue anticipation notes in an amount not exceeding the total estimated proceeds of the levy to be collected during the first year of the levy. Any anticipation notes under this division shall be issued as provided in section 133.24 of the Revised Code, shall have principal payments during each year after the year of their issuance over a period not to exceed five years, and may have a principal payment in the year of their issuance.

(G) (1) The question of repeal of a school district income tax levied for more than five years may be initiated and submitted in accordance with section 5748.04 of the Revised Code.

(2) A property tax levy for a continuing period of time may be reduced in the manner provided under section 5705.261 of the Revised Code.

(H) No board of education shall submit a question under this section to the electors of the school district more than twice in any calendar year. If a board submits the question twice in any calendar year, one of the elections on the question shall be held on the date of the general election.

(I) If the electors of the school district approve a

question under this section, and if the last calendar year the school district income tax is in effect and the last calendar year of collection of the property tax are the same, the board of education of the school district may propose to submit under this section the combined question of a school district income tax to take effect upon the expiration of the existing income tax and a property tax to be first collected in the calendar year after the calendar year of last collection of the existing property tax, and specify in the resolutions adopted under this section that the proposed taxes would renew the existing taxes. The form of the ballot on a question submitted to the electors under division (I) of this section shall be as follows:

"Shall the _____ school district be authorized to do both of the following:

(1) Impose an annual income tax of _____ (state the proposed rate of tax) on the school district income of individuals and of estates to renew an income tax expiring at the end of _____ (state the last year the existing income tax may be levied) for _____ (state the number of years the tax would be levied, or that it would be levied for a continuing period of time), beginning _____ (state the date the tax would first take effect), for the purpose of _____ (state the purpose of the tax)?

(2) Impose a property tax levy renewing an existing levy outside of the ten-mill limitation for the purpose of providing for the necessary requirements of the district in the sum of \$_____ (here insert annual amount the levy is to produce), estimated by the county auditor to average _____ mills for each \$1 of taxable value, which amounts to \$_____ for each \$100,000 of the county

auditor's appraised value, for _____ (state the number 4368
of years the tax is to be imposed or that it will be imposed for 4369
a continuing period of time), commencing in _____ (first 4370
year the tax is to be levied), first due in calendar year 4371
_____ (first calendar year in which the tax shall be 4372
due)? 4373

FOR THE INCOME TAX AND PROPERTY TAX

AGAINST THE INCOME TAX AND PROPERTY TAX

If the question submitted to electors proposes a school 4375
district income tax only on the taxable income of individuals as 4376
defined in division (E) (1) (b) of section 5748.01 of the Revised 4377
Code, the form of the ballot shall be modified by stating that 4378
the tax is to be levied on the "earned income of individuals 4379
residing in the school district" in lieu of the "school district 4380
income of individuals and of estates." 4381

~~The question of a renewal levy under this division shall 4382
not be placed on the ballot unless the question is submitted on 4383
a date on which a special election may be held under section 4384
3501.01 of the Revised Code, except for the first Tuesday after 4385
the first Monday in August, during the last year the property 4386
tax levy to be renewed may be extended on the real and public 4387
utility property tax list and duplicate, or at any election held 4388
in the ensuing year. 4389~~

(J) (1) If the electors of the school district approve 4390
a question under this section, and if the last calendar year the 4391
school district income tax is in effect and the last calendar 4392

year in which the property tax is collected are the same, the 4393
board of education of the school district may propose to submit 4394
under this section the combined question of all of the 4395
following: 4396

(a) The renewal of the school district income tax levied 4397
under this section, to take effect upon the expiration of the 4398
existing income tax; 4399

(b) The renewal of the property tax levied under this 4400
section, to be levied beginning in the tax year after the tax 4401
year in which the existing property tax expires; 4402

(c) The renewal of a property tax levied under section 4403
5705.194 of the Revised Code, regardless of the year it expires, 4404
to be levied beginning in the same tax year that the tax 4405
described in division (J)(1)(b) of this section is first levied. 4406

If the combined question is approved, the existing tax 4407
levied under section 5705.194 of the Revised Code may not be 4408
levied for the first tax year the renewal tax is levied or any 4409
following tax year. 4410

(2) In its resolution to be submitted to the tax 4411
commissioner and county auditor, the board of education shall 4412
include, in addition to the applicable requirements of division 4413
(A) of this section, a declaration of the necessity for the 4414
renewal of the property tax levied under section 5705.194 of the 4415
Revised Code, the purpose of the tax as specified under that 4416
section, and the necessity of the submission of the question of 4417
the renewal of the school district income tax and both property 4418
taxes to the electors of the district at a special election. Not 4419
later than ten days after receipt of the resolution, the county 4420
auditor shall make a separate calculation and certification with 4421

respect to the renewal tax described in division (J) (1) (c) of 4422
this section in the same manner as required by section 5705.195 4423
of the Revised Code. 4424

In its resolution adopted upon receipt of the 4425
commissioner's and county auditor's certifications, the board of 4426
education shall include, in addition to the applicable 4427
requirements of division (B) of this section, a declaration that 4428
the amount of taxes that can be raised by all tax levies the 4429
district is authorized to impose, when combined with state and 4430
federal revenues, will be insufficient to provide an adequate 4431
amount for the present and future requirements of the school 4432
district, and that it is therefore necessary to renew the 4433
existing property tax being levied in excess of the ten-mill 4434
limitation under section 5705.194 of the Revised Code for the 4435
purpose as specified in that section, for a specified number of 4436
years not exceeding ten or for a continuing period of time, and 4437
that the question of the renewal of the school district income 4438
tax and of both property taxes shall be submitted to the 4439
electors of the school district at a special election as 4440
described in division (B) of this section. With respect to the 4441
renewal tax described in division (J) (1) (c) of this section, the 4442
resolution shall specify the amount of money it is necessary to 4443
raise for the specified purpose for each calendar year the 4444
millage is to be imposed, the tax year that tax is to be first 4445
levied, and the estimated rate of that tax, expressed in dollars 4446
for each one hundred thousand dollars of the county auditor's 4447
appraised value as well as in mills for each one dollar of 4448
taxable value, as certified by the county auditor. 4449

(3) In addition to the requirements of division (C) of 4450
this section, the notice of election shall separately state, 4451
with respect to the renewal tax described in division (J) (1) (c) 4452

of this section, the annual proceeds of the proposed levy for 4453
the specified purpose; the number of years the proposed tax will 4454
be levied, or that it shall be levied for a continuing period of 4455
time; and the estimated rate of the proposed levy, expressed in 4456
dollars for each one hundred thousand dollars of the county 4457
auditor's appraised value as well as in mills for each one 4458
dollar of taxable value, as certified by the county auditor. 4459

(4) The form of the ballot on a question submitted to the 4460
electors under division (J) of this section shall be identical 4461
to the form of the ballot prescribed in division (I) of this 4462
section, except that the following shall be added after the 4463
third paragraph and in place of the voting box: "(3) Impose a 4464
property tax levy renewing an existing levy outside of the ten- 4465
mill limitation for the purpose of _____ (here insert 4466
purpose of levy as specified in section 5705.194 of the Revised 4467
Code and determined by the board of education) in the sum of \$ 4468
_____ (here insert annual amount the levy is to produce), 4469
estimated by the county auditor to average _____ mills for 4470
each \$1 of taxable value, which amounts to \$_____ for each 4471
\$100,000 of the county auditor's appraised value, for _____ 4472
(state the number of years the tax is to be imposed or that it 4473
will be imposed for a continuing period of time), commencing in 4474
_____ (first year the tax is to be levied), first due in 4475
calendar year _____ (first calendar year in which the tax 4476
shall be due)? 4477

4478

FOR THE INCOME TAX AND PROPERTY TAXES

AGAINST THE INCOME TAX AND PROPERTY TAXES

If the existing property tax being levied under section 4479
5705.194 of the Revised Code is scheduled to expire in a tax 4480
year different from that of the existing property tax being 4481
levied under this section, the form of the ballot shall be 4482
modified by adding the following statement at the end of the 4483
paragraph prescribed in this division: "If approved, any 4484
remaining tax years on the existing levy will not be levied 4485
after tax year _____ (last tax year the tax will be levied), 4486
last due in _____ (last calendar year in which the tax shall 4487
be due)." 4488

(5) If a majority of the electors voting on the question 4489
submitted under division (J) of this section vote in favor of 4490
it, the board of education of the school district may, in 4491
addition to any other authorization in the Revised Code and 4492
prior to the time when the first tax collection from the renewal 4493
tax levy can be made, anticipate a fraction of the proceeds of 4494
the renewal levy described in division (J) (1) (c) of this section 4495
and issue anticipation notes in an amount not exceeding the 4496
total estimated proceeds of the levy to be collected during the 4497
first year of the levy. Any such anticipation notes shall be 4498
issued as provided in section 133.24 of the Revised Code, shall 4499
have principal payments during each year after the year of their 4500
issuance over a period not to exceed five years, and may have a 4501
principal payment in the year of their issuance. 4502

(K) The question of a renewal levy under division (I) or 4503
(J) of this section shall not be placed on the ballot unless the 4504
question is submitted on a date on which a special election may 4505
be held under section 3501.01 of the Revised Code, except for 4506
the first Tuesday after the first Monday in August, during the 4507
last year the existing property tax levy described in division 4508
(J) (1) (b) of this section may be extended on the real and public 4509

utility property tax list and duplicate, or at any election held 4510
in the ensuing year. 4511

The failure by the electors to approve the question of a 4512
renewal levy under division (I) or (J) of this section does not 4513
terminate the authority previously granted by the electors to 4514
levy the taxes proposed to be renewed for their previously 4515
approved duration. 4516

(L) If the electors of the school district approve a 4517
question under this section, the board of education of the 4518
school district may propose to renew ~~either or both~~ any of the 4519
existing taxes as individual ballot questions in accordance with 4520
section 5748.02 of the Revised Code, l for the school district 4521
income tax, or section 5705.194 of the Revised Code, l for the 4522
property tax or taxes. 4523

Sec. 5749.08. The tax commissioner shall refund to 4524
taxpayers ~~the amount of taxes levied by section 5749.02 of the~~ 4525
~~Revised Code and amounts due~~ amounts paid under this chapter or 4526
section 1509.50 of the Revised Code that were paid illegally or 4527
erroneously or paid on an illegal or erroneous assessment. 4528
Applications for refund shall be filed with the commissioner, on 4529
the form prescribed by the commissioner, within four years from 4530
the date of the illegal or erroneous payment. On the filing of 4531
the application, the commissioner shall determine the amount of 4532
refund to which the applicant is entitled, plus interest 4533
computed in accordance with section 5703.47 of the Revised Code 4534
from the date of the payment of an erroneous or illegal 4535
assessment until the date the refund is paid. If the amount is 4536
not less than that claimed, the commissioner shall certify the 4537
amount to the director of budget and management and treasurer of 4538
state for payment from the tax refund fund created by section 4539

5703.052 of the Revised Code. If the amount is less than that 4540
claimed, the commissioner shall proceed in accordance with 4541
section 5703.70 of the Revised Code. 4542

Sec. 5751.08. (A) An application for refund to the 4543
taxpayer of ~~the amount of taxes~~ amounts imposed under this 4544
chapter that are overpaid, paid illegally or erroneously, or 4545
paid on any illegal or erroneous assessment shall be filed by 4546
the reporting person with the tax commissioner, on the form 4547
prescribed by the commissioner, within four years after the date 4548
of the illegal or erroneous payment ~~of the tax~~, or within any 4549
additional period allowed under division (F) of section 5751.09 4550
of the Revised Code. The applicant shall provide the amount of 4551
the requested refund along with the claimed reasons for, and 4552
documentation to support, the issuance of a refund. 4553

(B) On the filing of the refund application, the tax 4554
commissioner shall determine the amount of refund to which the 4555
applicant is entitled. If the amount is not less than that 4556
claimed, the commissioner shall certify the amount to the 4557
director of budget and management and treasurer of state for 4558
payment from the tax refund fund created under section 5703.052 4559
of the Revised Code. If the amount is less than that claimed, 4560
the commissioner shall proceed in accordance with section 4561
5703.70 of the Revised Code. 4562

(C) Interest on a refund applied for under this section, 4563
computed at the rate provided for in section 5703.47 of the 4564
Revised Code, shall be allowed from the later of the date the 4565
~~tax amount~~ was paid or when the ~~tax payment amount~~ was due. 4566

(D) A calendar quarter taxpayer with more than one million 4567
dollars in taxable gross receipts in a calendar year other than 4568
calendar year 2005 and that is not able to exclude one million 4569

dollars in taxable gross receipts because of the operation of 4570
the taxpayer's business in that calendar year may file for a 4571
refund under this section to obtain the full exclusion of one 4572
million dollars in taxable gross receipts for that calendar 4573
year. 4574

(E) Except as provided in section 5751.081 of the Revised 4575
Code, the tax commissioner may, with the consent of the 4576
taxpayer, provide for the crediting against tax due for a tax 4577
period the amount of any refund due the taxpayer under this 4578
chapter for a preceding tax period. 4579

Sec. 5753.06. (A) A taxpayer may apply to the tax 4580
commissioner for a refund of the amount of taxes under section 4581
5753.02 or 5753.021 of the Revised Code amounts imposed under 4582
this chapter that were overpaid, paid illegally or erroneously, 4583
or paid on an illegal or erroneous assessment. The application 4584
shall be on a form prescribed by the tax commissioner. The 4585
taxpayer shall provide the amount of the requested refund along 4586
with the claimed reasons for, and documentation to support, the 4587
issuance of a refund. The taxpayer shall file the application 4588
with the tax commissioner within four years after the date the 4589
payment was made, unless the applicant has waived the time 4590
limitation under division (D) of section 5753.07 of the Revised 4591
Code. In the latter event, the four-year limitation is extended 4592
for the same period of time as the waiver. 4593

(B) Upon the filing of a refund application, the tax 4594
commissioner shall determine the amount of refund to which the 4595
applicant is entitled. If the amount is not less than that 4596
claimed, the tax commissioner shall certify the amount to the 4597
director of budget and management and treasurer of state for 4598
payment from the tax refund fund. If the amount is less than 4599

that claimed, the tax commissioner shall proceed under section 4600
5703.70 of the Revised Code. 4601

(C) Interest on a refund applied for under this section, 4602
computed at the rate provided for in section 5703.47 of the 4603
Revised Code, shall be allowed from the later of the date the 4604
~~tax amount~~ was due or the date payment ~~of the tax~~ was made. 4605
Except as provided in section 5753.07 of the Revised Code, the 4606
tax commissioner may, with the consent of the taxpayer, provide 4607
for crediting against the tax due for a tax period, the amount 4608
of any refund due the taxpayer for a preceding tax period. 4609

(D) Refunds under this section are subject to offset under 4610
section 5753.061 of the Revised Code. 4611

Section 2. That existing sections 107.03, 128.47, 340.01, 4612
718.91, 1332.21, 3734.905, 4307.05, 5703.48, 5705.221, 5709.20, 4613
5713.08, 5715.27, 5725.222, 5726.30, 5727.28, 5727.91, 5728.061, 4614
5729.102, 5735.11, 5735.122, 5736.08, 5739.01, 5739.02, 5739.03, 4615
5739.07, 5739.104, 5741.02, 5741.10, 5743.53, 5745.11, 5747.11, 4616
5747.73, 5747.98, 5748.09, 5749.08, 5751.08, and 5753.06 of the 4617
Revised Code are hereby repealed. 4618

Section 3. That section 5703.95 of the Revised Code is 4619
hereby repealed. 4620

Section 4. That Section 130.12 of H.B. 110 of the 134th 4621
General Assembly be amended to read as follows: 4622

Sec. 130.12. That sections 3702.11, 3702.12, 3702.13, 4623
3702.14, 3702.141, 3702.15, 3702.16, 3702.18, 3702.19, 3702.20, 4624
3727.01, 3727.02, 3727.03, 3727.04, 3727.05, 3727.06, 3727.07, 4625
and 3727.99, ~~and 5703.95~~ of the Revised Code are hereby 4626
repealed. 4627

Section 5. That existing Section 130.12 of H.B. 110 of the 4628

134th General Assembly is hereby repealed. 4629

Section 6. All items in this act are hereby appropriated 4630
as designated out of any moneys in the state treasury to the 4631
credit of the designated fund. For all operating appropriations 4632
made in this act, those in the first column are for fiscal year 4633
2022 and those in the second column are for fiscal year 2023. 4634
The operating appropriations made in this act are in addition to 4635
any other operating appropriations made for the FY 2022-FY 2023 4636
biennium. 4637

Section 7. 4638

4639

	1	2	3	4	5
A	DEV DEPARTMENT OF DEVELOPMENT				
B	Dedicated Purpose Fund Group				
C	5CV3	1956E6	Minor League Relief	\$0	\$30,000,000
D	TOTAL DPF Dedicated Purpose Fund Group			\$0	\$30,000,000
E	TOTAL ALL BUDGET FUND GROUPS			\$0	\$30,000,000

MINOR LEAGUE RELIEF 4640

The foregoing appropriation item 1956E6, Minor League 4641
Relief, shall be used, in accordance with the "American Rescue 4642
Plan Act of 2021," Pub. L. No. 117-2, by the Department of 4643
Development to award grants to all of the following eligible 4644
minor league teams: the Akron Rubber Ducks, Dayton Dragons, Lake 4645
County Captains, Lake Erie Crushers, Mahoning Valley Scrappers, 4646

Toledo Mud Hens, Cincinnati Cyclones, and Toledo Walleye. Grant 4647
amounts shall be based on a team's calendar year 2019 gross 4648
revenue. 4649

Should the amount appropriated under the foregoing 4650
appropriation item 1956E6, Minor League Relief, be determined to 4651
be insufficient, the Department of Development shall award 4652
grants to the eligible teams in the same manner as grants 4653
awarded under the Shuttered Venue Operators Grant program 4654
established by the "Economic Aid to Hard-Hit Small Businesses, 4655
Nonprofits, and Venues Act," Pub. L. No. 116-260, and 4656
subsequently amended by the "American Rescue Plan Act of 2021," 4657
Pub. L. No. 117-2. 4658

Section 8. Within the limits set forth in this act, the 4659
Director of Budget and Management shall establish accounts 4660
indicating the source and amount of funds for each appropriation 4661
made in this act, and shall determine the form and manner in 4662
which appropriation accounts shall be maintained. Expenditures 4663
from operating appropriations contained in this act shall be 4664
accounted for as though made in H.B. 110 of the 134th General 4665
Assembly. The operating appropriations made in this act are 4666
subject to all provisions of H.B. 110 of the 134th General 4667
Assembly that are generally applicable to such appropriations. 4668

Section 9. All appropriation items in this act are 4669
appropriated as designated out of any moneys in the state 4670
treasury to the credit of the designated fund. All capital 4671
appropriations made in this act are for the biennium ending June 4672
30, 2024. 4673

Section 10. 4674

4675

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3

A	FCC FACILITIES CONSTRUCTION COMMISSION		
B	Cultural and Sports Facilities Building Fund (Fund 7030)		
C	C230FM	Cultural and Sports Facilities Projects	\$35,000,000
D	TOTAL Cultural and Sports Facilities Building Fund		\$35,000,000
E	TOTAL ALL FUNDS		\$35,000,000

CULTURAL AND SPORTS FACILITIES PROJECTS 4676

The foregoing appropriation item C230FM, Cultural and 4677
Sports Facilities Projects, shall be used to support the 4678
projects listed in this section. 4679

4680

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3

A	Project List		
B	Gateway Economic Development Corporation	Infrastructure	\$30,000,000
C	Dayton Dragons Improvements		\$5,000,000

4681

Section 11. Within the limits set forth in this act, the 4682
Director of Budget and Management shall establish accounts 4683
indicating the source and amount of funds for each appropriation 4684
made in this act, and shall determine the form and manner in 4685

which appropriation accounts shall be maintained. Expenditures 4686
from capital appropriations contained in this act shall be 4687
accounted for as though made in H.B. 687 of the 134th General 4688
Assembly. The capital appropriations made in this act are 4689
subject to all provisions of H.B. 687 of the 134th General 4690
Assembly that are generally applicable to such appropriations. 4691

Section 12. The Treasurer of State is hereby authorized to 4692
issue and sell, in accordance with Section 2i of Article VIII,
Ohio Constitution, Chapter 154. of the Revised Code, and 4693
particularly section 154.23 and other applicable sections of the 4694
Revised Code, original obligations in an aggregate principal 4695
amount not to exceed \$35,000,000 in addition to the original 4696
issuance of obligations heretofore authorized by prior acts of 4697
the General Assembly. These authorized obligations shall be 4698
issued, subject to applicable constitutional and statutory 4699
limitations, as needed to provide sufficient moneys to the 4700
credit of the Cultural and Sports Facilities Building Fund (Fund 4701
7030) to pay costs of capital facilities for Ohio cultural 4702
facilities and Ohio sports facilities. 4703
4704

Section 13. OBLIGATIONS ISSUED UNDER CHAPTER 154. OF THE 4705
REVISED CODE 4706

The capital improvements for which appropriations are made 4707
in this act from the Cultural and Sports Facilities Building 4708
Fund (Fund 7030) are determined to be capital improvements and 4709
capital facilities for Ohio cultural and sports facilities and 4710
are designated as capital facilities to which proceeds of 4711
obligations issued under Chapter 154. of the Revised Code are to 4712
be applied. 4713

Section 14. (A) As used in this section: 4714

(1) "Qualified ordinance" means an ordinance adopted by 4715
the legislative authority of a municipal corporation between 4716
June 1, 2002, and December 31, 2002, pursuant to division (B) of 4717
section 5709.40 of the Revised Code. 4718

(2) "Qualified property" means any property that satisfies 4719
the qualifications for tax exemption under the terms of a 4720
qualified ordinance. 4721

(B) Notwithstanding sections 5713.08, 5713.081, and 4722
5715.27 of the Revised Code, and section 5709.40 of the Revised 4723
Code as that section existed on the date the qualified ordinance 4724
was adopted, and whether or not a request for exemption for the 4725
qualified property filed under section 5715.27 of the Revised 4726
Code has already been finally determined, when qualified 4727
property has not received a tax exemption pursuant to the terms 4728
authorized by a qualified ordinance, the municipal corporation 4729
that adopted the ordinance, at any time on or before twelve 4730
months after the effective date of this section, may file with 4731
the Tax Commissioner an application requesting both of the 4732
following: 4733

(1) That the property qualify for the exemption authorized 4734
under section 5709.40 of the Revised Code for the tax years 4735
authorized by the qualified ordinance; 4736

(2) That the exemption for each parcel of qualified 4737
property commence in the tax year, and remain in effect for the 4738
term, specified for the parcel in the qualified ordinance, 4739
whether the ordinance establishes the applicable tax year and 4740
term uniformly or on a parcel-by-parcel basis. 4741

(C) The application shall be made on the form prescribed 4742
by the Commissioner under section 5715.27 of the Revised Code 4743

and shall list the name of the county in which the qualified 4744
property is located; the property's parcel number or legal 4745
description; its assessed value; the amount in dollars of the 4746
unpaid taxes, penalties, and interest described in division (B) 4747
(2) of this section; the amount of taxes, penalties, and 4748
interest described in division (B) (3) of this section; and any 4749
other information required by the Commissioner. The county 4750
auditor shall supply the required information upon request of 4751
the applicant. 4752

(D) Upon receipt of the application and after 4753
consideration of it, the Commissioner shall determine if the 4754
property that is subject of the application is qualified 4755
property and, if so, shall issue an order directing all of the 4756
following: 4757

(1) That the property qualifies for the exemption 4758
authorized under section 5709.40 of the Revised Code for the tax 4759
years authorized by the qualified ordinance; 4760

(2) That the exemption for each parcel of qualified 4761
property commence in the tax year, and remain in effect for the 4762
term, specified in the qualified ordinance, whether the 4763
ordinance establishes the applicable tax year and term uniformly 4764
or on a parcel-by-parcel basis. 4765

(E) The Commissioner may apply this section to any 4766
qualified property that is the subject of an application for 4767
exemption under section 5715.27 of the Revised Code pending 4768
before the Commissioner on the effective date of this section 4769
without requiring the property owner to file an additional 4770
application, provided that application includes all the 4771
information described in division (C) of this section. 4772

Section 15. (A) As used in this section, "qualified property" means any property that satisfies the qualifications for tax exemption under the terms of sections 5709.61 to 5709.69 of the Revised Code.

(B) Notwithstanding sections 5713.08 and 5713.081 of the Revised Code, when qualified property has not received a tax exemption due to a failure to comply with Chapter 5713. or section 5715.27 of the Revised Code, the property's owner, at any time on or before twelve months after the effective date of this section, may file with the Tax Commissioner an application requesting all of the following:

(1) That the property be placed on the tax exempt list;

(2) That all unpaid taxes, penalties, and interest on the property for tax years the property met the qualifications for exemption described in sections 5709.61 to 5709.69 of the Revised Code, including such taxes, interest, and penalties that have become a lien prior to the date of acquisition of title to the property by the applicant be abated;

(3) That all paid taxes, penalties, and interest on the property for those tax years be credited or paid to the applicant, including such taxes, interest, and penalties that were paid prior to the date of acquisition of title to the property by the applicant.

(C) The application shall be made on the form prescribed by the Commissioner under section 5715.27 of the Revised Code and shall list the name of the county in which the property is located; the property's parcel number or legal description; its assessed value; the amount in dollars of the unpaid taxes, penalties, and interest described in division (B) (2) of this

section; the amount of taxes, penalties, and interest described 4802
in division (B) (3) of this section; and any other information 4803
required by the Commissioner. The county auditor shall supply 4804
the required information upon request of the applicant. 4805

(D) Upon receipt of the application and after 4806
consideration of it, the Commissioner shall determine if the 4807
applicant meets the qualifications set forth in this section and 4808
if so shall issue an order directing all of the following: 4809

(1) That the property be placed on the tax exempt list of 4810
the county; 4811

(2) That all unpaid taxes, penalties, and interest 4812
described under division (B) (2) of this section be abated; 4813

(3) That all taxes, penalties, and interest described in 4814
division (B) (3) of this section be regarded as an overpayment of 4815
taxes under section 5715.22 of the Revised Code and be credited 4816
or paid to the applicant in accordance with that section. 4817

If the Commissioner finds that the property is not now 4818
being used for an exempt purpose or is otherwise ineligible for 4819
abatement, credit, or payment of taxes, penalties, and interest 4820
under this section, the Commissioner shall issue an order 4821
denying the application. 4822

(E) If the Commissioner finds that the property is not 4823
entitled to tax exemption and to the abatement of unpaid taxes, 4824
penalties, and interest, the Commissioner shall order the county 4825
treasurer of the county in which the property is located to 4826
collect all taxes, penalties, and interest due on the property 4827
for those years in accordance with law. 4828

(F) The Commissioner may apply this section to any 4829
qualified property that is the subject of an application for 4830

exemption under section 5715.27 of the Revised Code pending 4831
before the Commissioner on the effective date of this section 4832
without requiring the property owner to file an additional 4833
application, provided that application includes all the 4834
information described in division (C) of this section. 4835

Section 16. (A) As used in this section, "qualified 4836
property" means any property that meets all of the following 4837
requirements: 4838

(1) It is owned by a local school district. 4839

(2) It was acquired by the local school district between 4840
February 1, 2021, and February 28, 2021. 4841

(3) It satisfies the qualifications for tax exemption 4842
under division (A)(1) of section 5709.07 of the Revised Code for 4843
tax year 2022. 4844

(B) Notwithstanding the tax exempt status of the property 4845
at the time of the application, a local school district that 4846
owns qualified property, at any time on or before the date that 4847
is twelve months after the effective date of this section, may 4848
file with the Tax Commissioner an application pursuant to 4849
section 5715.27 of the Revised Code requesting both of the 4850
following: 4851

(1) That the qualified property be declared to be subject 4852
to the exemption authorized under division (A)(1) of section 4853
5709.07 of the Revised Code for tax year 2021; 4854

(2) Notwithstanding division (C) of section 5713.08 of the 4855
Revised Code, remission of the taxes, penalties, and interest, 4856
attributable to the property for tax year 2021, payable to the 4857
person that paid them. 4858

(C) An application submitted pursuant to division (B) of 4859
this section shall be made on the form prescribed by the 4860
Commissioner under section 5715.27 of the Revised Code. 4861

(D) Upon receipt of the application and after 4862
consideration of it, the Commissioner shall determine if the 4863
property is qualified property and if so shall issue an order 4864
directing that the property be added to the tax exempt list for 4865
tax year 2021 and that all taxes, penalties, and interest 4866
described in division (B) (2) of this section be regarded as an 4867
overpayment of taxes under section 5715.22 of the Revised Code 4868
and be credited or paid to the person that paid the taxes, in 4869
accordance with that section. 4870

If the Commissioner finds that the property is not 4871
qualified property, the Commissioner shall issue an order 4872
denying the application. 4873

Section 17. (A) As used in this section, "qualified 4874
property" means any property that meets all of the following 4875
requirements: 4876

(1) It is owned by a county agricultural society formed 4877
under Chapter 1711. of the Revised Code. 4878

(2) It was acquired by the county agricultural society 4879
between March 1, 2021, and March 31, 2021, from a board of 4880
county commissioners. 4881

(3) It satisfies the qualifications for tax exemption 4882
under section 5709.10 of the Revised Code. 4883

(B) Upon the request of a county agricultural society that 4884
intends to file an application under division (C) of this 4885
section, the county treasurer shall determine if all taxes, 4886
penalties, and interest that became a lien on the property that 4887

will be the subject of the application before it was first used 4888
for an exempt purpose have been paid in full. If the treasurer 4889
determines they have, the treasurer shall issue a certificate to 4890
the property owner stating that all such taxes, penalties, and 4891
interest have been paid in full. 4892

(C) Notwithstanding sections 5713.08 and 5713.081 of the 4893
Revised Code, a county agricultural society that owns qualified 4894
property, at any time on or before the date that is twelve 4895
months after the effective date of this section, may file with 4896
the Tax Commissioner an application requesting all of the 4897
following: 4898

(1) That the property be placed on the tax exempt list; 4899

(2) That all unpaid taxes, penalties, and interest on the 4900
property for tax years 2021 and 2022 be abated, provided the 4901
property met the qualifications for tax exemption for those tax 4902
years and regardless of whether such taxes, interest, and 4903
penalties became a lien prior to the date of acquisition of 4904
title to the property by the applicant; 4905

(3) That all paid taxes, penalties, and interest on the 4906
property for those tax years be credited or paid to the 4907
applicant. 4908

(D) An application submitted pursuant to division (C) of 4909
this section shall be made on the form prescribed by the 4910
Commissioner under section 5715.27 of the Revised Code and shall 4911
list the name of the county in which the property is located; 4912
the property's parcel number or legal description; its assessed 4913
value; the amount in dollars of the unpaid taxes, penalties, and 4914
interest described in division (C) (2) of this section; the 4915
amount of taxes, penalties, and interest described in division 4916

(C) (3) of this section; and any other information required by 4917
the Commissioner. The county auditor shall supply the required 4918
information upon request of the applicant. 4919

A property owner who has received a certificate pursuant 4920
to division (B) of this section shall attach the certificate to 4921
the application. 4922

(E) Upon receipt of the application and after 4923
consideration of it, the Commissioner shall determine if the 4924
property is qualified property and if so shall issue an order 4925
directing all of the following: 4926

(1) That the property be placed on the tax exempt list of 4927
the county; 4928

(2) That all unpaid taxes, penalties, and interest 4929
described under division (C) (2) of this section be abated; 4930

(3) That all taxes, penalties, and interest described in 4931
division (C) (3) of this section be regarded as an overpayment of 4932
taxes under section 5715.22 of the Revised Code and be credited 4933
or paid to the applicant in accordance with that section. 4934

If the Commissioner finds that the property is not 4935
qualified property, the Commissioner shall issue an order 4936
denying the application and an order directing the county 4937
treasurer of the county in which the property is located to 4938
collect all taxes, penalties, and interest due on the property 4939
in accordance with law. 4940

Section 18. In adopting the rules required under division 4941
(E) of section 122.91 of the Revised Code, as enacted by this 4942
act, the Director of Development shall file the notice and text 4943
of the proposed rules as required by division (B) of section 4944
119.03 of the Revised Code not later than one hundred fifty days 4945

after the effective date of this section. 4946

Section 19. The enactment by this act of division (C) of 4947
section 340.01 and divisions (D) to (F) of section 5705.221 of 4948
the Revised Code applies to tax years ending on or after the 4949
effective date of this section, regardless of the date the taxes 4950
described in those divisions were approved by electors. 4951

The enactment by this act of division (G) of section 4952
5705.221 of the Revised Code applies to resolutions described 4953
under division (G) (3) of that section, as enacted by this act, 4954
adopted on or after one hundred days after the effective date of 4955
this section. 4956

Section 20. The amendment by this act of section 5709.20 4957
of the Revised Code applies to applications for exempt 4958
facilities filed with the Tax Commissioner under section 5709.21 4959
of the Revised Code on and after the effective date of this 4960
section and to applications for exempt facilities pending before 4961
the Tax Commissioner or pending appeal in accordance with 4962
section 5717.02 or 5717.04 of the Revised Code on that date. 4963

Section 21. The amendment by this act of sections 5713.08 4964
and 5715.27 of the Revised Code applies to tax year 2021 and 4965
every tax year thereafter. An exemption application for tax year 4966
2021 or 2022 on the basis of that amendment's application to 4967
that tax year shall be filed with the Tax Commissioner before 4968
the thirty-first day of December of the year that includes the 4969
effective date of this section, notwithstanding the time period 4970
prescribed for filing such an application in division (F) of 4971
section 5715.27 of the Revised Code. A county auditor shall 4972
credit or repay any overpayment of property tax resulting from 4973
the Tax Commissioner's approval of such an exemption application 4974
in the manner provided in section 5715.22 of the Revised Code, 4975

except that no application need be made under that section in 4976
order for the county auditor to issue a refund. The county 4977
auditor and county treasurer shall otherwise proceed as provided 4978
in that section in the same manner as for other overpayments of 4979
taxes. 4980

Section 22. The amendment by this act of sections 5739.01 4981
and 5739.02 of the Revised Code applies on and after the first 4982
day of the first month beginning after the effective date of 4983
this section. 4984

Section 23. The amendment by this act of section 5741.02 4985
of the Revised Code applies beginning the first day of the first 4986
month beginning on or after the effective date of this section. 4987

Section 24. The amendment by this act of section 5748.09 4988
of the Revised Code applies to any proceedings commenced or 4989
resolutions adopted on or after the amendment's effective date, 4990
and, so far as the amendment supports the actions taken, also 4991
applies to resolutions adopted or proceedings that are pending, 4992
in progress, or completed before that effective date, 4993
notwithstanding the applicable law previously in effect. Any 4994
resolution adopted or proceedings pending or in progress on the 4995
effective date of the amendment shall be deemed to have been 4996
taken in conformity with the amendment. 4997

Section 25. Pursuant to division (G) of section 5703.95 of 4998
the Revised Code, which states that any bill introduced in the 4999
House of Representatives or the Senate that proposes to enact or 5000
modify one or more tax expenditures should include a statement 5001
explaining the objectives of the tax expenditure or its 5002
modification and the sponsor's intent in proposing the tax 5003
expenditure or its modification: 5004

The objective of this act is to increase business to 5005
Ohio's marine industry by removing a disincentive for out-of- 5006
state boat owners from coming into Ohio with their business. 5007

Currently, subjecting boats to use taxes on the value of 5008
the boat has resulted in out-of-state boats going elsewhere for 5009
winter storage, repair, and refitting work. The charge for 5010
winter storage notwithstanding, most winter work orders from 5011
customers are estimated to range from fifteen thousand dollars 5012
to one hundred thousand dollars. The loss of even one major job, 5013
never mind several, could mean the success or failure of a 5014
marine business. 5015

The state of Ohio also suffers significant losses. 5016
Virtually everything related to winter storage and work is 5017
subject to sales tax, including parts, materials, labor, and 5018
storage. When a boat is not winter-stored in Ohio, there are not 5019
only no related sales taxes collected, but also no commercial 5020
activity taxes and no income taxes. 5021

Section 26. Section 5747.11 of the Revised Code is 5022
presented in this act as a composite of the section as amended 5023
by both S.B. 231 and S.B. 246 of the 134th General Assembly. 5024
Section 5747.98 of the Revised Code is presented in this act as 5025
a composite of the section as amended by H.B. 95, S.B. 166, and 5026
S.B. 246, all of the 134th General Assembly. The General 5027
Assembly, applying the principle stated in division (B) of 5028
section 1.52 of the Revised Code that amendments are to be 5029
harmonized if reasonably capable of simultaneous operation, 5030
finds that the composites are the resulting version of the 5031
sections in effect prior to the effective date of the section as 5032
presented in this act. 5033

Section 5747.98 of the Revised Code is presented in this 5034

act as a composite of the section as amended by H.B. 95, S.B.	5035
166, and S.B. 246, all of the 134th General Assembly. The	5036
General Assembly, applying the principle stated in division (B)	5037
of section 1.52 of the Revised Code that amendments are to be	5038
harmonized if reasonably capable of simultaneous operation,	5039
finds that the composite is the resulting version of the section	5040
in effect prior to the effective date of the section as	5041
presented in this act.	5042