

**As Introduced**

**135th General Assembly  
Regular Session  
2023-2024**

**S. B. No. 342**

**Senators Blessing, Smith**



**A BILL**

To amend sections 122.175, 131.44, 131.51, 319.30, 1  
319.301, 321.24, 323.08, 323.152, 323.155, 2  
323.158, 351.01, 351.021, 353.06, 718.83, 3  
1509.01, 1509.02, 1509.11, 1509.34, 1513.08, 4  
1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 5  
4503.06, 4503.065, 5703.021, 5703.052, 5703.19, 6  
5703.80, 5709.92, 5709.93, 5715.19, 5715.30, 7  
5739.01, 5739.02, 5739.03, 5739.05, 5739.08, 8  
5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 9  
5747.03, 5747.031, 5747.08, 5747.38, 5747.41, 10  
5747.71, 5747.98, 5749.01, 5749.02, 5749.04, 11  
5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 12  
5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 13  
5751.20; to enact section 5747.86; and to repeal 14  
sections 319.302, 1509.50, 5739.41, and 5751.40 15  
of the Revised Code and to amend Section 259.30 16  
of H.B. 33 of the 135th General Assembly to 17  
modify the law governing property, income, sales 18  
and use, severance, and lodging taxes; to 19  
provide breakfast and lunch at no cost to public 20  
and chartered nonpublic school students; to 21  
increase the Local Government Fund; to modify 22  
funding for the Low- and Moderate-income Housing 23

Trust Fund; and to name this act A Good Deal for 24  
Ohio. 25

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

**Section 1.** That sections 122.175, 131.44, 131.51, 319.30, 26  
319.301, 321.24, 323.08, 323.152, 323.155, 323.158, 351.01, 27  
351.021, 353.06, 718.83, 1509.01, 1509.02, 1509.11, 1509.34, 28  
1513.08, 1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 4503.06, 29  
4503.065, 5703.021, 5703.052, 5703.19, 5703.80, 5709.92, 30  
5709.93, 5715.19, 5715.30, 5739.01, 5739.02, 5739.03, 5739.05, 31  
5739.08, 5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 5747.03, 32  
5747.031, 5747.08, 5747.38, 5747.41, 5747.71, 5747.98, 5749.01, 33  
5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 34  
5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 5751.20 be 35  
amended and section 5747.86 of the Revised Code be enacted to 36  
read as follows: 37

**Sec. 122.175.** (A) As used in this section: 38

(1) "Capital investment project" means a plan of 39  
investment at a project site for the acquisition, construction, 40  
renovation, expansion, replacement, or repair of a computer data 41  
center or of computer data center equipment, but does not 42  
include any of the following: 43

(a) Project costs paid before a date determined by the tax 44  
credit authority for each capital investment project; 45

(b) Payments made to a related member as defined in 46  
section 5733.042 of the Revised Code or to a consolidated 47  
elected taxpayer or a combined taxpayer as defined in section 48

5751.01 of the Revised Code. 49

(2) "Computer data center" means a facility used or to be 50  
used primarily to house computer data center equipment used or 51  
to be used in conducting one or more computer data center 52  
businesses, as determined by the tax credit authority. 53

(3) "Computer data center business" means, as may be 54  
further determined by the tax credit authority, a business that 55  
provides electronic information services as defined in division 56  
(Y) (1) (c) of section 5739.01 of the Revised Code, or that leases 57  
a facility to one or more such businesses. "Computer data center 58  
business" does not include providing electronic publishing as 59  
defined in that section. 60

(4) "Computer data center equipment" means tangible 61  
personal property used or to be used for any of the following: 62

(a) To conduct a computer data center business, including 63  
equipment cooling systems to manage the performance of computer 64  
data center equipment; 65

(b) To generate, transform, transmit, distribute, or 66  
manage electricity necessary to operate the tangible personal 67  
property used or to be used in conducting a computer data center 68  
business; 69

(c) As building and construction materials sold to 70  
construction contractors for incorporation into a computer data 71  
center. 72

(5) "Eligible computer data center" means a computer data 73  
center that satisfies all of the following requirements: 74

(a) One or more taxpayers operating a computer data center 75  
business at the project site will, in the aggregate, make 76

payments for a capital investment project of at least one	77
hundred million dollars at the project site during one of the	78
following cumulative periods:	79
(i) For projects beginning in 2013, six consecutive	80
calendar years;	81
(ii) For projects beginning in 2014, four consecutive	82
calendar years;	83
(iii) For projects beginning in or after 2015, three	84
consecutive calendar years.	85
(b) One or more taxpayers operating a computer data center	86
business at the project site will, in the aggregate, pay annual	87
compensation that is subject to the withholding obligation	88
imposed under section 5747.06 of the Revised Code of at least	89
one million five hundred thousand dollars to employees employed	90
at the project site for each year of the agreement beginning on	91
or after the first day of the twenty-fifth month after the	92
agreement was entered into under this section.	93
(6) "Person" has the same meaning as in section 5701.01 of	94
the Revised Code.	95
(7) "Project site," "related member," and "tax credit	96
authority" have the same meanings as in sections 122.17 and	97
122.171 of the Revised Code.	98
(8) "Taxpayer" means any person subject to the taxes	99
imposed under Chapters 5739. and 5741. of the Revised Code.	100
(B) The tax credit authority may completely or partially	101
exempt from the taxes levied under Chapters 5739. and 5741. of	102
the Revised Code the sale, storage, use, or other consumption of	103
computer data center equipment used or to be used at an eligible	104

computer data center. Any such exemption shall extend to charges 105  
for the delivery, installation, or repair of the computer data 106  
center equipment subject to the exemption under this section. 107

(C) A taxpayer that proposes a capital improvement project 108  
for an eligible computer data center in this state may apply to 109  
the tax credit authority to enter into an agreement under this 110  
section authorizing a complete or partial exemption from the 111  
taxes imposed under Chapters 5739. and 5741. of the Revised Code 112  
on computer data center equipment purchased by the applicant or 113  
any other taxpayer that operates a computer data center business 114  
at the project site and used or to be used at the eligible 115  
computer data center. The director of development services shall 116  
prescribe the form of the application. After receipt of an 117  
application, the authority shall forward copies of the 118  
application to the director of budget and management and the tax 119  
commissioner, each of whom shall review the application to 120  
determine the economic impact that the proposed eligible 121  
computer data center would have on the state and any affected 122  
political subdivisions and submit to the authority a summary of 123  
their determinations. The authority shall also forward a copy of 124  
the application to the director of development services who 125  
shall review the application to determine the economic impact 126  
that the proposed eligible computer data center would have on 127  
the state and the affected political subdivisions and shall 128  
submit a summary of their determinations and recommendations to 129  
the authority. 130

(D) Upon review and consideration of such determinations 131  
and recommendations, the tax credit authority, before the 132  
effective date of this amendment, may enter into an agreement 133  
with the applicant and any other taxpayer that operates a 134  
computer data center business at the project site for a complete 135

or partial exemption from the taxes imposed under Chapters 5739. 136  
and 5741. of the Revised Code on computer data center equipment 137  
used or to be used at an eligible computer data center if the 138  
authority determines all of the following: 139

(1) The capital investment project for the eligible 140  
computer data center will increase payroll and the amount of 141  
income taxes to be withheld from employee compensation pursuant 142  
to section 5747.06 of the Revised Code. 143

(2) The applicant is economically sound and has the 144  
ability to complete or effect the completion of the proposed 145  
capital investment project. 146

(3) The applicant intends to and has the ability to 147  
maintain operations at the project site for the term of the 148  
agreement. 149

(4) Receiving the exemption is a major factor in the 150  
applicant's decision to begin, continue with, or complete the 151  
capital investment project. 152

(E) An agreement entered into under this section shall 153  
include all of the following: 154

(1) A detailed description of the capital investment 155  
project that is the subject of the agreement, including the 156  
amount of the investment, the period over which the investment 157  
has been or is being made, the annual compensation to be paid by 158  
each taxpayer subject to the agreement to its employees at the 159  
project site, and the anticipated amount of income taxes to be 160  
withheld from employee compensation pursuant to section 5747.06 161  
of the Revised Code. 162

(2) The percentage of the exemption from the taxes imposed 163  
under Chapters 5739. and 5741. of the Revised Code for the 164

computer data center equipment used or to be used at the 165  
eligible computer data center, the length of time the computer 166  
data center equipment will be exempted, and the first date on 167  
which the exemption applies. 168

(3) A requirement that the computer data center remain an 169  
eligible computer data center during the term of the agreement 170  
and that the applicant maintain operations at the eligible 171  
computer data center during that term. An applicant does not 172  
violate the requirement described in division (E)(3) of this 173  
section if the applicant ceases operations at the eligible 174  
computer data center during the term of the agreement but 175  
resumes those operations within eighteen months after the date 176  
of cessation. The agreement shall provide that, in such a case, 177  
the applicant and any other taxpayer that operates a computer 178  
data center business at the project site shall not claim the tax 179  
exemption authorized in the agreement for any purchase of 180  
computer data center equipment made during the period in which 181  
the applicant did not maintain operations at the eligible 182  
computer data center. 183

(4) A requirement that, for each year of the term of the 184  
agreement beginning on or after the first day of the twenty- 185  
fifth month after the date the agreement was entered into, one 186  
or more taxpayers operating a computer data center business at 187  
the project site will, in the aggregate, pay annual compensation 188  
that is subject to the withholding obligation imposed under 189  
section 5747.06 of the Revised Code of at least one million five 190  
hundred thousand dollars to employees at the eligible computer 191  
data center. 192

(5) A requirement that each taxpayer subject to the 193  
agreement annually report to the director of development 194

services employment, tax withholding, capital investment, and 195  
other information required by the director to perform the 196  
director's duties under this section. 197

(6) A requirement that the director of development 198  
services annually review the annual reports of each taxpayer 199  
subject to the agreement to verify the information reported 200  
under division (E) (5) of this section and compliance with the 201  
agreement. Upon verification, the director shall issue a 202  
certificate to each such taxpayer stating that the information 203  
has been verified and that the taxpayer remains eligible for the 204  
exemption specified in the agreement. 205

(7) A provision providing that the taxpayers subject to 206  
the agreement may not relocate a substantial number of 207  
employment positions from elsewhere in this state to the project 208  
site unless the director of development services determines that 209  
the appropriate taxpayer notified the legislative authority of 210  
the county, township, or municipal corporation from which the 211  
employment positions would be relocated. For purposes of this 212  
paragraph, the movement of an employment position from one 213  
political subdivision to another political subdivision shall be 214  
considered a relocation of an employment position unless the 215  
movement is confined to the project site. The transfer of an 216  
employment position from one political subdivision to another 217  
political subdivision shall not be considered a relocation of an 218  
employment position if the employment position in the first 219  
political subdivision is replaced by another employment 220  
position. 221

(8) A waiver by each taxpayer subject to the agreement of 222  
any limitations periods relating to assessments or adjustments 223  
resulting from the taxpayer's failure to comply with the 224



agreement.	225
(F) The term of an agreement under this section shall be	226
determined by the tax credit authority, and the amount of the	227
exemption shall not exceed one hundred per cent of such taxes	228
that would otherwise be owed in respect to the exempted computer	229
data center equipment.	230
(G) If any taxpayer subject to an agreement under this	231
section fails to meet or comply with any condition or	232
requirement set forth in the agreement, the tax credit authority	233
may amend the agreement to reduce the percentage of the	234
exemption or term during which the exemption applies to the	235
computer data center equipment used or to be used by the	236
noncompliant taxpayer at an eligible computer data center. The	237
reduction of the percentage or term may take effect in the	238
current calendar year.	239
(H) Financial statements and other information submitted	240
to the department of development services or the tax credit	241
authority by an applicant for or recipient of an exemption under	242
this section, and any information taken for any purpose from	243
such statements or information, are not public records subject	244
to section 149.43 of the Revised Code. However, the chairperson	245
of the authority may make use of the statements and other	246
information for purposes of issuing public reports or in	247
connection with court proceedings concerning tax exemption	248
agreements under this section. Upon the request of the tax	249
commissioner, the chairperson of the authority shall provide to	250
the tax commissioner any statement or other information	251
submitted by an applicant for or recipient of an exemption under	252
this section. The tax commissioner shall preserve the	253
confidentiality of the statement or other information.	254

(I) The tax commissioner shall issue a direct payment 255  
permit under section 5739.031 of the Revised Code to each 256  
taxpayer subject to an agreement under this section. Such direct 257  
payment permit shall authorize the taxpayer to pay any sales and 258  
use taxes due on purchases of computer data center equipment 259  
used or to be used in an eligible computer data center and to 260  
pay any sales and use taxes due on purchases of tangible 261  
personal property or taxable services other than computer data 262  
center equipment used or to be used in an eligible computer data 263  
center directly to the tax commissioner. Each such taxpayer 264  
shall pay pursuant to such direct payment permit all sales tax 265  
levied on such purchases under sections 5739.02, 5739.021, 266  
5739.023, and 5739.026 of the Revised Code and all use tax 267  
levied on such purchases under sections 5741.02, 5741.021, 268  
5741.022, and 5741.023 of the Revised Code, consistent with the 269  
terms of the agreement entered into under this section. 270

During the term of an agreement under this section each 271  
taxpayer subject to the agreement shall submit to the tax 272  
commissioner a return that shows the amount of computer data 273  
center equipment purchased for use at the eligible computer data 274  
center, the amount of tangible personal property and taxable 275  
services other than computer data center equipment purchased for 276  
use at the eligible computer data center, the amount of tax 277  
under Chapter 5739. or 5741. of the Revised Code that would be 278  
due in the absence of the agreement under this section, the 279  
exemption percentage for computer data center equipment 280  
specified in the agreement, and the amount of tax due under 281  
Chapter 5739. or 5741. of the Revised Code as a result of the 282  
agreement under this section. Each such taxpayer shall pay the 283  
tax shown on the return to be due in the manner and at the times 284  
as may be further prescribed by the tax commissioner. Each such 285

taxpayer shall include a copy of the director of development 286  
services' certificate of verification issued under division (E) 287  
(6) of this section. Failure to submit a copy of the certificate 288  
with the return does not invalidate the claim for exemption if 289  
the taxpayer submits a copy of the certificate to the tax 290  
commissioner within the time prescribed by section 5703.0510 of 291  
the Revised Code. 292

(J) If the director of development services determines 293  
that one or more taxpayers received an exemption from taxes due 294  
on the purchase of computer data center equipment purchased for 295  
use at a computer data center that no longer complies with the 296  
requirement under division (E) (3) of this section, the director 297  
shall notify the tax credit authority and, if applicable, the 298  
taxpayer that applied to enter the agreement for the exemption 299  
under division (C) of this section of the noncompliance. After 300  
receiving such a notice, and after giving each taxpayer subject 301  
to the agreement an opportunity to explain the noncompliance, 302  
the authority may terminate the agreement and require each such 303  
taxpayer to pay to the state all or a portion of the taxes that 304  
would have been owed in regards to the exempt equipment in 305  
previous years, all as determined under rules adopted pursuant 306  
to division (K) of this section. In determining the portion of 307  
the taxes that would have been owed on the previously exempted 308  
equipment to be paid to this state by a taxpayer, the authority 309  
shall consider the effect of market conditions on the eligible 310  
computer data center, whether the taxpayer continues to maintain 311  
other operations in this state, and, with respect to agreements 312  
involving multiple taxpayers, the taxpayer's level of 313  
responsibility for the noncompliance. After making the 314  
determination, the authority shall certify to the tax 315  
commissioner the amount to be paid by each taxpayer subject to 316

the agreement. The tax commissioner shall make an assessment for 317  
that amount against each such taxpayer under Chapter 5739. or 318  
5741. of the Revised Code. The time limitations on assessments 319  
under those chapters do not apply to an assessment under this 320  
division, but the tax commissioner shall make the assessment 321  
within one year after the date the authority certifies to the 322  
tax commissioner the amount to be paid by the taxpayer. 323

(K) The director of development services, after 324  
consultation with the tax commissioner and in accordance with 325  
Chapter 119. of the Revised Code, shall adopt rules necessary to 326  
implement this section. The rules may provide for recipients of 327  
tax exemptions under this section to be charged fees to cover 328  
administrative costs incurred in the administration of this 329  
section. The fees collected shall be credited to the tax 330  
incentives operating fund created in section 122.174 of the 331  
Revised Code. At the time the director gives public notice under 332  
division (A) of section 119.03 of the Revised Code of the 333  
adoption of the rules, the director shall submit copies of the 334  
proposed rules to the chairpersons of the standing committees on 335  
economic development in the senate and the house of 336  
representatives. 337

(L) On or before the first day of August of each year, the 338  
director of development services shall submit a report to the 339  
governor, the president of the senate, and the speaker of the 340  
house of representatives on the tax exemption authorized under 341  
this section. The report shall include information on the number 342  
of agreements that were entered into under this section during 343  
the preceding calendar year, a description of the eligible 344  
computer data center that is the subject of each such agreement, 345  
and an update on the status of eligible computer data centers 346  
under agreements entered into before the preceding calendar 347

year. 348

(M) A taxpayer may be made a party to an existing 349  
agreement entered into under this section by the tax credit 350  
authority and another taxpayer or group of taxpayers. In such a 351  
case, the taxpayer shall be entitled to all benefits and bound 352  
by all obligations contained in the agreement and all 353  
requirements described in this section. When an agreement 354  
includes multiple taxpayers, each taxpayer shall be entitled to 355  
a direct payment permit as authorized in division (I) of this 356  
section. 357

**Sec. 131.44.** (A) As used in this section: 358

(1) "Surplus revenue" means the excess, if any, of the 359  
total fund balance over the required year-end balance. 360

(2) "Total fund balance" means the sum of the unencumbered 361  
balance in the general revenue fund on the last day of the 362  
preceding fiscal year plus the balance in the budget 363  
stabilization fund. 364

(3) "Required year-end balance" means the sum of the 365  
following: 366

(a) Ten per cent of the general revenue fund revenues for 367  
the preceding fiscal year; 368

(b) "Ending fund balance," which means one-half of one per 369  
cent of general revenue fund revenues for the preceding fiscal 370  
year; 371

(c) "Carryover balance," which means, with respect to a 372  
fiscal biennium, the excess, if any, of the estimated general 373  
revenue fund appropriation and transfer requirement for the 374  
second fiscal year of the biennium over the estimated general 375

revenue fund revenue for that fiscal year;	376
(d) "Capital appropriation reserve," which means the	377
amount, if any, of general revenue fund capital appropriations	378
made for the current biennium that the director of budget and	379
management has determined will be encumbered or disbursed.	380
(4) "Estimated general revenue fund appropriation and	381
transfer requirement" means the most recent adjusted	382
appropriations made by the general assembly from the general	383
revenue fund and includes both of the following:	384
(a) Appropriations made and transfers of appropriations	385
from the first fiscal year to the second fiscal year of the	386
biennium in provisions of acts of the general assembly signed by	387
the governor but not yet effective;	388
(b) Transfers of appropriations from the first fiscal year	389
to the second fiscal year of the biennium approved by the	390
controlling board.	391
(5) "Estimated general revenue fund revenue" means the	392
most recent such estimate available to the director of budget	393
and management.	394
<del>(6) "Sales tax holiday" has the same meaning as in section</del>	395
<del>5739.01 of the Revised Code.</del>	396
(B) (1) Not later than the thirty-first day of July each	397
year, the director of budget and management shall determine the	398
surplus revenue that existed on the preceding thirtieth day of	399
June and transfer from the general revenue fund, to the extent	400
of the unobligated, unencumbered balance on the preceding	401
thirtieth day of June in excess of one-half of one per cent of	402
the general revenue fund revenues in the preceding fiscal year,	403
the following:	404

(a) First, to the budget stabilization fund, any amount 405  
necessary for the balance of the budget stabilization fund to 406  
equal ten per cent of the general revenue fund revenues of the 407  
preceding fiscal year; 408

(b) Then, to the ~~expanded sales income tax holiday~~ 409  
reduction fund, which is hereby created in the state treasury, 410  
an amount equal to the surplus revenue. 411

(2) Not later than the thirty-first day of July of ~~2024~~ 412  
2025 and each year thereafter, ~~if the balance in the expanded~~ 413  
~~sales tax holiday fund is sixty million dollars or more, the~~ 414  
director shall certify to the tax commissioner that a sales tax 415  
holiday shall be held in August of the following fiscal year. 416  
~~The commissioner, in consultation with the director and county~~ 417  
~~commissioners association of Ohio, shall determine the number of~~ 418  
days for which the sales tax holiday will be held, which shall 419  
be at least three days, and which may include additional days if 420  
the commissioner and director determine that the balance in the 421  
expanded sales tax holiday fund is sufficient to reimburse the 422  
general revenue fund, local government fund, public library 423  
fund, and permissive tax distribution fund for the revenue that 424  
would be forgone on four or more of the dates during the period 425  
specified in section 5739.41 of the Revised Code. In making the 426  
determination, the commissioner and director shall take into 427  
account estimated changes in consumer behavior during the time 428  
of and immediately preceding and following the sales tax 429  
holiday determine the percentage that the balance in the income 430  
tax reduction fund is of the amount of revenue that the director 431  
estimates will be received from the tax levied under section 432  
5747.02 of the Revised Code in the current fiscal year without 433  
regard to any reduction under division (B) of that section. If 434  
that percentage exceeds thirty-five one hundredths of one per 435

cent, the director shall certify the percentage to the tax 436  
commissioner not later than the thirty-first day of July. 437

(C) The director of budget and management shall transfer 438  
money in the ~~expanded sales income tax holiday reduction fund~~ to 439  
the general revenue fund, local government fund, and public 440  
library fund, ~~and permissive tax distribution fund~~ as necessary 441  
to offset revenue reductions resulting from ~~a sales tax holiday~~ 442  
~~held under section 5739.41 of the Revised Code. The amount~~ 443  
~~transferred to each such fund, and the amounts distributed to~~ 444  
~~counties and transit authorities from the permissive tax~~ 445  
~~distribution fund, shall be in the same proportions as the~~ 446  
~~transfer and distribution of taxes actually collected under~~ 447  
~~sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02,~~ 448  
~~5741.021, 5741.022, and 5741.023 of the Revised Code in August~~ 449  
~~of the fiscal year in which the sales tax holiday is held~~the 450  
reductions in taxes required under division (B) of section 451  
5747.02 of the Revised Code in the respective amounts and 452  
percentages prescribed by section 5747.03 and divisions (A) and 453  
(B) of section 131.51 of the Revised Code as if the amount 454  
transferred had been collected as taxes under Chapter 5747. of 455  
the Revised Code. If no sales tax holiday is held under section 456  
5739.41 of the Revised Code reductions in taxes are made under 457  
that division that affect revenue received in the current fiscal 458  
year, the director shall not transfer money from the ~~sales-~~ 459  
~~income tax holiday reduction fund~~ to the general revenue fund, 460  
local government fund, or public library fund, ~~or permissive tax-~~ 461  
~~distribution fund.~~ 462

**Sec. 131.51.** (A) On or before the seventh day of each 463  
month, the director of budget and management shall credit to the 464  
local government fund ~~one and seven tenths~~ two per cent of the 465  
total tax revenue credited to the general revenue fund during 466



the preceding month. In determining the total tax revenue 467  
credited to the general revenue fund during the preceding month, 468  
the director shall include amounts transferred from the fund 469  
during the preceding month under this division and division (B) 470  
of this section. Money shall be distributed from the local 471  
government fund as required under sections 5747.50 and 5747.503 472  
of the Revised Code during the same month in which it is 473  
credited to the fund. 474

(B) On or before the seventh day of each month, the 475  
director of budget and management shall credit to the public 476  
library fund ~~one and seven-tenths~~ two per cent of the total tax 477  
revenue credited to the general revenue fund during the 478  
preceding month. In determining the total tax revenue credited 479  
to the general revenue fund during the preceding month, the 480  
director shall include amounts transferred from the fund during 481  
the preceding month under this division and division (A) of this 482  
section. Money shall be distributed from the public library fund 483  
as required under section 5747.47 of the Revised Code during the 484  
same month in which it is credited to the fund. 485

(C) The director of budget and management shall develop a 486  
schedule identifying the specific tax revenue sources to be used 487  
to make the monthly transfers required under divisions (A) and 488  
(B) of this section. The director may, from time to time, revise 489  
the schedule as the director considers necessary. 490

**Sec. 319.30.** (A) After receiving from officers and 491  
authorities empowered to determine the rates or amounts of taxes 492  
to be levied for the various purposes authorized by law, 493  
statements of the rates and sums to be levied for the current 494  
year, the county auditor shall proceed to determine the sums to 495  
be levied upon each tract and lot of real property, adding, 496

except as provided under section 319.48 of the Revised Code for 497  
tracts and lots on the real property tax suspension list, the 498  
taxes of any previous year that have been omitted or that are 499  
delinquent, including the penalties and interest thereon, and 500  
upon the amount of public utility property listed on the general 501  
tax list and duplicate in the county, in the name of each public 502  
utility, which shall be assessed equally on all property subject 503  
to such taxes, and entered in one or more columns, in such 504  
manner and form as the tax commissioner prescribes. The auditor 505  
shall enter as separate items any interest required to be so 506  
entered under division (B) (1), (2), or (3) of section 323.121 of 507  
the Revised Code. 508

(B) If a taxing authority or unit has not certified the 509  
necessary levies to the county auditor by the time prescribed by 510  
section 5705.34 of the Revised Code and an appeal of an action 511  
of the budget commission with respect to the tax rate of that 512  
authority or unit has been initiated under section 5705.341 or 513  
5705.37 of the Revised Code but a final determination has not 514  
been made, the county auditor, in order to avoid a delay in the 515  
preparation of the tax list and duplicate, may proceed under 516  
division (A) of this section, using in lieu of the rate of tax 517  
to be levied for such authority or unit for any levy that has 518  
not been so certified, the estimated rate certified to the 519  
taxing authority or unit under section 5705.34 of the Revised 520  
Code. If as a result of the appeal the tax rate certified to the 521  
county auditor is not the same as the estimated rate used to 522  
determine the sums to be levied, the auditor shall proceed in 523  
the manner prescribed by this section and ~~sections~~ section 524  
319.301 ~~and 319.302~~ of the Revised Code to determine the correct 525  
amount of taxes to be levied, charged, and payable for the year. 526  
If the correct amount of taxes charged and payable after the 527

determination is complete is greater than or less than the taxes 528  
charged and payable as shown on the tax list and duplicate, a 529  
clerical error shall be deemed to have occurred in the 530  
preparation of the tax list and duplicate, and the auditor shall 531  
proceed in the manner prescribed by section 319.35 of the 532  
Revised Code. 533

(C) Notwithstanding section 2723.01 of the Revised Code, 534  
when any taxing district or the county auditor or county 535  
treasurer is involved in litigation, no court shall, with 536  
respect to such litigation, enjoin the collection of any taxes 537  
on real property, except assessments, for the current tax year, 538  
on or after the fifteenth day of November of that year. Any such 539  
injunction issued prior to that date shall expire on the 540  
fifteenth day of November of that year, and the county auditor 541  
and county treasurer shall proceed to levy and collect taxes for 542  
that year as required by law, in the following manner: 543

(1) Each tax that is a subject of the litigation and that 544  
was approved and authorized by the county budget commission 545  
pursuant to section 5705.31 of the Revised Code shall be levied 546  
by the county auditor at the rate approved and authorized by the 547  
budget commission. 548

(2) With respect to any other matter that was the subject 549  
of any order, determination, or certification required by law to 550  
be made by the tax commissioner, or is the subject of any rule, 551  
opinion, order, or instruction issued by the commissioner 552  
pursuant to section 5715.28, 5715.29, or 5715.30 of the Revised 553  
Code, the county auditor shall proceed in accordance with such 554  
authority. 555

The court shall attempt to decide the litigation prior to 556  
the first day of May, so that, absent an appeal, the county 557

auditor may adjust the amount of taxes to be collected at the 558  
second-half collection in accordance with the order of the 559  
court. In such a case the adjustment shall be treated as the 560  
correction of a clerical error pursuant to section 319.35 of the 561  
Revised Code. 562

**Sec. 319.301.** (A) The reductions required by division (D) 563  
of this section do not apply to any of the following: 564

(1) Taxes levied at whatever rate is required to produce a 565  
specified amount of tax money, including a tax levied under 566  
section 5705.199 or 5748.09 of the Revised Code, or an amount to 567  
pay debt charges; 568

(2) Taxes levied within the one per cent limitation 569  
imposed by Section 2 of Article XII, Ohio Constitution; 570

(3) Taxes provided for by the charter of a municipal 571  
corporation. 572

(B) As used in this section: 573

(1) "Real property" includes real property owned by a 574  
railroad. 575

(2) "Carryover property" means all real property on the 576  
current year's tax list except: 577

(a) Land and improvements that were not taxed by the 578  
district in both the preceding year and the current year; 579

(b) Land and improvements that were not in the same class 580  
in both the preceding year and the current year. 581

(3) "Effective tax rate" means with respect to each class 582  
of property: 583

(a) The sum of the total taxes that would have been 584

charged and payable for current expenses against real property 585  
in that class if each of the district's taxes were reduced for 586  
the current year under division (D) (1) of this section without 587  
regard to the application of division (E) (3) of this section 588  
divided by 589

(b) The taxable value of all real property in that class. 590

(4) "Taxes charged and payable" means the taxes charged 591  
and payable prior to any reduction required by section ~~319.302-~~ 592  
323.152 of the Revised Code. 593

(C) The tax commissioner shall make the determinations 594  
required by this section each year, without regard to whether a 595  
taxing district has territory in a county to which section 596  
5715.24 of the Revised Code applies for that year. Separate 597  
determinations shall be made for each of the two classes 598  
established pursuant to section 5713.041 of the Revised Code. 599

(D) With respect to each tax authorized to be levied by 600  
each taxing district, the tax commissioner, annually, shall do 601  
both of the following: 602

(1) Determine by what percentage, if any, the sums levied 603  
by such tax against the carryover property in each class would 604  
have to be reduced for the tax to levy the same number of 605  
dollars against such property in that class in the current year 606  
as were charged against such property by such tax in the 607  
preceding year subsequent to the reduction made under this 608  
section but before ~~the any~~ reduction made under section ~~319.302-~~ 609  
323.152 of the Revised Code. In the case of a tax levied for the 610  
first time that is not a renewal of an existing tax, the 611  
commissioner shall determine by what percentage the sums that 612  
would otherwise be levied by such tax against carryover property 613

in each class would have to be reduced to equal the amount that 614  
would have been levied if the full rate thereof had been imposed 615  
against the total taxable value of such property in the 616  
preceding tax year. A tax or portion of a tax that is designated 617  
a replacement levy under section 5705.192 of the Revised Code is 618  
not a renewal of an existing tax for purposes of this division. 619

(2) Certify each percentage determined in division (D) (1) 620  
of this section, as adjusted under division (E) of this section, 621  
and the class of property to which that percentage applies to 622  
the auditor of each county in which the district has territory. 623  
The auditor, after complying with section 319.30 of the Revised 624  
Code, shall reduce the sum to be levied by such tax against each 625  
parcel of real property in the district by the percentage so 626  
certified for its class. Certification shall be made by the 627  
first day of September except in the case of a tax levied for 628  
the first time, in which case certification shall be made within 629  
fifteen days of the date the county auditor submits the 630  
information necessary to make the required determination. 631

(E) (1) As used in division (E) (2) of this section, "pre- 632  
1982 joint vocational taxes" means, with respect to a class of 633  
property, the difference between the following amounts: 634

(a) The taxes charged and payable in tax year 1981 against 635  
the property in that class for the current expenses of the joint 636  
vocational school district of which the school district is a 637  
part after making all reductions under this section; 638

(b) Two-tenths of one per cent of the taxable value of all 639  
real property in that class. 640

If the amount in division (E) (1) (b) of this section 641  
exceeds the amount in division (E) (1) (a) of this section, the 642

pre-1982 joint vocational taxes shall be zero. 643

As used in divisions (E) (2) and (3) of this section, 644  
"taxes charged and payable" has the same meaning as in division 645  
(B) (4) of this section and excludes any tax charged and payable 646  
in 1985 or thereafter under sections 5705.194 to 5705.197 or 647  
section 5705.199, 5705.213, 5705.219, or 5748.09 of the Revised 648  
Code. 649

(2) If in the case of a school district other than a joint 650  
vocational or cooperative education school district any 651  
percentage required to be used in division (D) (2) of this 652  
section for either class of property could cause the total taxes 653  
charged and payable for current expenses to be less than two per 654  
cent of the taxable value of all real property in that class 655  
that is subject to taxation by the district, the commissioner 656  
shall determine what percentages would cause the district's 657  
total taxes charged and payable for current expenses against 658  
that class, after all reductions that would otherwise be made 659  
under this section, to equal, when combined with the pre-1982 660  
joint vocational taxes against that class, the lesser of the 661  
following: 662

(a) The sum of the rates at which those taxes are 663  
authorized to be levied; 664

(b) Two per cent of the taxable value of the property in 665  
that class. The auditor shall use such percentages in making the 666  
reduction required by this section for that class. 667

(3) If in the case of a joint vocational school district 668  
any percentage required to be used in division (D) (2) of this 669  
section for either class of property could cause the total taxes 670  
charged and payable for current expenses for that class to be 671

less than two-tenths of one per cent of the taxable value of 672  
that class, the commissioner shall determine what percentages 673  
would cause the district's total taxes charged and payable for 674  
current expenses for that class, after all reductions that would 675  
otherwise be made under this section, to equal that amount. The 676  
auditor shall use such percentages in making the reductions 677  
required by this section for that class. 678

(F) No reduction shall be made under this section in the 679  
rate at which any tax is levied. 680

(G) The commissioner may order a county auditor to furnish 681  
any information the commissioner needs to make the 682  
determinations required under division (D) or (E) of this 683  
section, and the auditor shall supply the information in the 684  
form and by the date specified in the order. If the auditor 685  
fails to comply with an order issued under this division, except 686  
for good cause as determined by the commissioner, the 687  
commissioner shall withhold from such county or taxing district 688  
therein fifty per cent of state revenues to local governments 689  
pursuant to section 5747.50 of the Revised Code or shall direct 690  
the department of education and workforce to withhold therefrom 691  
fifty per cent of state revenues to school districts pursuant to 692  
Chapter 3317. of the Revised Code. The commissioner shall 693  
withhold the distribution of such revenues until the county 694  
auditor has complied with this division, and the department 695  
shall withhold the distribution of such revenues until the 696  
commissioner has notified the department that the county auditor 697  
has complied with this division. 698

(H) If the commissioner is unable to certify a tax 699  
reduction factor for either class of property in a taxing 700  
district located in more than one county by the last day of 701



November because information required under division (G) of this 702  
section is unavailable, the commissioner may compute and certify 703  
an estimated tax reduction factor for that district for that 704  
class. The estimated factor shall be based upon an estimate of 705  
the unavailable information. Upon receipt of the actual 706  
information for a taxing district that received an estimated tax 707  
reduction factor, the commissioner shall compute the actual tax 708  
reduction factor and use that factor to compute the taxes that 709  
should have been charged and payable against each parcel of 710  
property for the year for which the estimated reduction factor 711  
was used. The amount by which the estimated factor resulted in 712  
an overpayment or underpayment in taxes on any parcel shall be 713  
added to or subtracted from the amount due on that parcel in the 714  
ensuing tax year. 715

A percentage or a tax reduction factor determined or 716  
computed by the commissioner under this section shall be used 717  
solely for the purpose of reducing the sums to be levied by the 718  
tax to which it applies for the year for which it was determined 719  
or computed. It shall not be used in making any tax computations 720  
for any ensuing tax year. 721

(I) In making the determinations under division (D) (1) of 722  
this section, the tax commissioner shall take account of changes 723  
in the taxable value of carryover property resulting from 724  
complaints filed under section 5715.19 of the Revised Code for 725  
determinations made for the tax year in which such changes are 726  
reported to the commissioner. Such changes shall be reported to 727  
the commissioner on the first abstract of real property filed 728  
with the commissioner under section 5715.23 of the Revised Code 729  
following the date on which the complaint is finally determined 730  
by the board of revision or by a court or other authority with 731  
jurisdiction on appeal. The tax commissioner shall account for 732

such changes in making the determinations only for the tax year 733  
in which the change in valuation is reported. Such a valuation 734  
change shall not be used to recompute the percentages determined 735  
under division (D) (1) of this section for any prior tax year. 736

(J) Except as otherwise provided in sections 323.152, 737  
323.158, 323.16, 505.06, and 715.263 of the Revised Code, the 738  
amount of the taxes remaining after any reduction under this 739  
section shall be the real and public utility property taxes 740  
charged and payable on each parcel of real property and the 741  
manufactured home tax charged and payable on each manufactured 742  
or mobile home, and shall be the amounts certified to the county 743  
treasurer for collection. 744

**Sec. 321.24.** (A) On or before the fifteenth day of 745  
February, in each year, the county treasurer shall settle with 746  
the county auditor for all taxes and assessments that the 747  
treasurer has collected on the general duplicate of real and 748  
public utility property at the time of making the settlement. If 749  
the county treasurer has made or will make advance payments to 750  
the several taxing districts of current year unpaid taxes under 751  
section 321.341 of the Revised Code before collecting them, the 752  
county treasurer shall take the advance payments into account 753  
for purposes of the settlement with the county auditor under 754  
this division. 755

(B) On or before the thirtieth day of June, in each year, 756  
the treasurer shall settle with the auditor for all advance 757  
payments of general personal and classified property taxes that 758  
the treasurer has received at the time of making the settlement. 759

(C) On or before the tenth day of August, in each year, 760  
the treasurer shall settle with the auditor for all taxes and 761  
assessments that the treasurer has collected on the general 762

duplicates of real and public utility property at the time of 763  
making such settlement, not included in the preceding February 764  
settlement. If the county treasurer has made or will make 765  
advance payments to the several taxing districts of the current 766  
year delinquent taxes under section 321.341 of the Revised Code 767  
before collecting them, the county treasurer shall take the 768  
advance payments into account for purposes of the settlement 769  
with the county auditor under this division. 770

(D) On or before the thirty-first day of October, in each 771  
year, the treasurer shall settle with the auditor for all taxes 772  
that the treasurer has collected on the general personal and 773  
classified property duplicates, and for all advance payments of 774  
general personal and classified property taxes, not included in 775  
the preceding June settlement, that the treasurer has received 776  
at the time of making such settlement. 777

(E) In the event the time for the payment of taxes is 778  
extended, pursuant to section 323.17 of the Revised Code, the 779  
date on or before which settlement for the taxes so extended 780  
must be made, as herein prescribed, shall be deemed to be 781  
extended for a like period of time. At each such settlement, the 782  
auditor shall allow to the treasurer, on the moneys received or 783  
collected and accounted for by the treasurer, the treasurer's 784  
fees, at the rate or percentage allowed by law, at a full 785  
settlement of the treasurer. 786

~~(F) Within thirty days after the day of each settlement of 787  
taxes required under divisions (A) and (C) of this section, the 788  
treasurer shall certify to the tax commissioner any adjustments 789  
that have been made to the amount certified previously pursuant 790  
to section 319.302 of the Revised Code and that the settlement 791  
has been completed. Upon receipt of such certification, the 792~~

~~commissioner shall provide for payment to the county treasurer— 793  
from the general revenue fund of an amount equal to one-half of— 794  
the amount certified by the treasurer in the preceding tax year— 795  
under section 319.302 of the Revised Code, less the sum of (1)— 796  
one-half of the amount computed for all taxing districts in that— 797  
county for the current fiscal year under section 5703.80 of the— 798  
Revised Code for crediting to the property tax administration— 799  
fund and (2) any reduction required by the commissioner under— 800  
division (D) of section 718.83 of the Revised Code. Such payment— 801  
shall be credited upon receipt to the county's undivided income— 802  
tax fund, and the county auditor shall transfer to the county— 803  
general fund from the amount thereof the total amount of all— 804  
fees and charges which the auditor and treasurer would have been— 805  
authorized to receive had such section not been in effect and— 806  
that amount had been levied and collected as taxes. The county— 807  
auditor shall distribute the amount remaining among the various— 808  
taxing districts in the county as if it had been levied,— 809  
collected, and settled as real property taxes. The amount— 810  
distributed to each taxing district shall be reduced by the— 811  
total of the amounts computed for the district under section— 812  
5703.80 of the Revised Code, but the reduction shall not exceed— 813  
the amount that otherwise would be distributed to the taxing— 814  
district under this division. The amount distributed to a taxing— 815  
district shall account for any reduction required by the— 816  
commissioner under division (D) of section 718.83 of the Revised— 817  
Code. The tax commissioner shall make available to taxing— 818  
districts such information as is sufficient for a taxing— 819  
district to be able to determine the amount of the reduction in— 820  
its distribution under this section.— 821~~

~~(G) (1) (F) (1) Within thirty days after the day of the 822  
settlement required in division (D) of this section, the county 823~~

treasurer shall notify the tax commissioner that the settlement 824  
has been completed. Upon receipt of that notification, the 825  
commissioner shall provide for payment to the county treasurer 826  
from the general revenue fund of an amount equal to the amount 827  
certified under former section 319.311 of the Revised Code and 828  
paid in the state's fiscal year 2003 multiplied by the 829  
percentage specified in division ~~(G) (2)~~ (F) (2) of this section. 830  
The payment shall be credited upon receipt to the county's 831  
undivided income tax fund, and the county auditor shall 832  
distribute the amount thereof among the various taxing districts 833  
of the county as if it had been levied, collected, and settled 834  
as personal property taxes. The amount received by a taxing 835  
district under this division shall be apportioned among its 836  
funds in the same proportion as the current year's personal 837  
property taxes are apportioned. 838

(2) Payments required under division ~~(G) (1)~~ (F) (1) of this 839  
section shall be made at the following percentages of the amount 840  
certified under former section 319.311 of the Revised Code and 841  
paid under division ~~(G) (1)~~ (F) (1) of this section in the state's 842  
fiscal year 2003: 843

- (a) In fiscal year 2004, ninety per cent; 844
- (b) In fiscal year 2005, eighty per cent; 845
- (c) In fiscal year 2006, sixty-four per cent; 846
- (d) In fiscal year 2007, forty per cent; 847
- (e) In fiscal year 2008, thirty-two per cent; 848
- (f) In fiscal year 2009, sixteen per cent. 849

After fiscal year 2009, no payments shall be made under 850  
division ~~(G) (1)~~ (F) (1) of this section. 851

~~(H) (1) (G) (1)~~ On or before the fifteenth day of April each 852  
year, the county treasurer shall settle with the county auditor 853  
for all manufactured home taxes that the county treasurer has 854  
collected on the manufactured home tax duplicate at the time of 855  
making the settlement. 856

(2) On or before the fifteenth day of September each year, 857  
the county treasurer shall settle with the county auditor for 858  
all remaining manufactured home taxes that the county treasurer 859  
has collected on the manufactured home tax duplicate at the time 860  
of making the settlement. 861

(3) If the time for payment of such taxes is extended 862  
under section 4503.06 of the Revised Code, the time for making 863  
the settlement as prescribed by divisions ~~(H) (1) (G) (1)~~ and (2) 864  
of this section is extended for a like period of time. 865

~~(I) On or before the second Monday in September of each 866  
year, the county treasurer shall certify to the tax commissioner 867  
the total amount by which the manufactured home taxes levied in 868  
that year were reduced pursuant to section 319.302 of the 869  
Revised Code. Within ninety days after the receipt of such 870  
certification, the commissioner shall provide for payment to the 871  
county treasurer from the general revenue fund of an amount 872  
equal to the amount certified by the treasurer. Such payment 873  
shall be credited upon receipt to the county's undivided income 874  
tax fund, and the county auditor shall transfer to the county 875  
general fund from the amount thereof the total amount of all 876  
fees and charges that the auditor and treasurer would have been 877  
authorized to receive had such section not been in effect and 878  
that amount had been levied and collected as manufactured home 879  
taxes. The county auditor shall distribute the amount remaining 880  
among the various taxing districts in the county as if it had 881~~

~~been levied, collected, and settled as manufactured home taxes.~~ 882

**Sec. 323.08.** After certifying the tax list and duplicate 883  
pursuant to section 319.28 of the Revised Code, the county 884  
auditor shall deliver a list of the tax rates, tax reduction 885  
factors, and effective tax rates assessed and applied against 886  
each of the two classes of property of the county to the county 887  
treasurer, who shall immediately cause a schedule of such tax 888  
rates and effective rates to be published in a newspaper of 889  
general circulation in the county or, in lieu of such 890  
publication, the county treasurer may insert a copy of such 891  
schedule with each tax bill mailed. Such schedule shall specify 892  
particularly the rates and effective rates of taxation levied 893  
for all purposes on the tax list and duplicate for the support 894  
of the various taxing units within the county, expressed in 895  
dollars and cents for each one thousand dollars of valuation. 896  
The effective tax rates shall be printed in boldface type. 897

The county treasurer shall publish notice of the date of 898  
the last date for payment of each installment of taxes once a 899  
week for two successive weeks prior to such date in a newspaper 900  
of general circulation within the county or as provided in 901  
section 7.16 of the Revised Code. The notice shall be inserted 902  
in a conspicuous place in the newspaper and shall also contain 903  
notice that any taxes paid after such date will accrue a penalty 904  
and interest and that failure to receive a tax bill will not 905  
avoid such penalty and interest. The notice shall contain a 906  
telephone number that may be called by taxpayers who have not 907  
received tax bills. 908

As used in this section and section 323.131 of the Revised 909  
Code, "effective tax rate" means the effective rate after making 910  
the reduction required by section 319.301, but before making ~~the~~ 911

any reduction required by section ~~319.302~~323.152 of the Revised Code. 912  
913

**Sec. 323.152.** In addition to the reduction in taxes 914  
required under section ~~319.302~~319.301 of the Revised Code, 915  
taxes shall be reduced as provided in divisions (A) and (B) of 916  
this section. 917

(A) (1) (a) Division (A) (1) of this section applies to any 918  
of the following persons: 919

(i) A person who is permanently and totally disabled; 920

(ii) A person who is sixty-five years of age or older; 921

(iii) A person who is the surviving spouse of a deceased 922  
person who was permanently and totally disabled or sixty-five 923  
years of age or older and who applied and qualified for a 924  
reduction in taxes under this division in the year of death, 925  
provided the surviving spouse is at least fifty-nine but not 926  
sixty-five or more years of age on the date the deceased spouse 927  
dies. 928

(b) Real property taxes on a homestead owned and occupied, 929  
or a homestead in a housing cooperative occupied, by a person to 930  
whom division (A) (1) of this section applies shall be reduced 931  
for each year for which an application for the reduction has 932  
been approved. The reduction shall equal one of the following 933  
amounts, as applicable to the person: 934

(i) If the person received a reduction under division (A) 935  
(1) of this section for tax year 2006, the greater of the 936  
reduction for that tax year or the amount computed under 937  
division (A) (1) (c) of this section; 938

(ii) If the person received, for any homestead, a 939



reduction under division (A) (1) of this section for tax year 940  
2013 or under division (A) of section 4503.065 of the Revised 941  
Code for tax year 2014 or the person is the surviving spouse of 942  
such a person and the surviving spouse is at least fifty-nine 943  
years of age on the date the deceased spouse dies, the amount 944  
computed under division (A) (1) (c) of this section. 945

(iii) If the person is not described in division (A) (1) (b) 946  
(i) or (ii) of this section and the person's total income does 947  
not exceed thirty thousand dollars, as adjusted under division 948  
(A) (1) (d) of this section, the amount computed under division 949  
(A) (1) (c) of this section. 950

(c) The amount of the reduction under division (A) (1) (c) 951  
of this section equals the product of the following: 952

(i) Twenty-five thousand dollars of the true value of the 953  
property in money, as adjusted under division (A) (1) (d) of this 954  
section; 955

(ii) The assessment percentage established by the tax 956  
commissioner under division (B) of section 5715.01 of the 957  
Revised Code, not to exceed thirty-five per cent; 958

(iii) The effective tax rate used to calculate the taxes 959  
charged against the property for the current year, where 960  
"effective tax rate" is defined as in section 323.08 of the 961  
Revised Code; 962

(iv) The quantity equal to one minus the sum of the 963  
percentage reductions in taxes received by the property for the 964  
current tax year under ~~section 319.302 of the Revised Code and~~ 965  
division (B) of this section ~~323.152 of the Revised Code.~~ 966

(d) The tax commissioner shall adjust the total income 967  
threshold described in division (A) (1) (b) (iii) and the reduction 968

amounts described in divisions (A) (1) (c) (i), (A) (2), and (A) (3) 969  
of this section by completing the following calculations in 970  
September of each year: 971

(i) Determine the percentage increase in the gross 972  
domestic product deflator determined by the bureau of economic 973  
analysis of the United States department of commerce from the 974  
first day of January of the preceding calendar year to the last 975  
day of December of the preceding calendar year; 976

(ii) Multiply that percentage increase by the total income 977  
threshold or reduction amount for the current tax year, as 978  
applicable; 979

(iii) Add the resulting product to the total income 980  
threshold or the reduction amount, as applicable, for the 981  
current tax year; 982

(iv) Round the resulting sum to the nearest multiple of 983  
one hundred dollars. 984

The commissioner shall certify the amount resulting from 985  
each adjustment to each county auditor not later than the first 986  
day of December each year. The certified total income threshold 987  
amount applies to the following tax year for persons described 988  
in division (A) (1) (b) (iii) of this section. The certified 989  
reduction amount applies to the following tax year. The 990  
commissioner shall not make the applicable adjustment in any 991  
calendar year in which the amount resulting from the adjustment 992  
would be less than the total income threshold or the reduction 993  
amount for the current tax year. 994

(2) (a) Real property taxes on a homestead owned and 995  
occupied, or a homestead in a housing cooperative occupied, by a 996  
disabled veteran shall be reduced for each year for which an 997

application for the reduction has been approved. The reduction 998  
shall equal the product obtained by multiplying fifty thousand 999  
dollars of the true value of the property in money, as adjusted 1000  
under division (A) (1) (d) of this section, by the amounts 1001  
described in divisions (A) (1) (c) (ii) to (iv) of this section. 1002  
The reduction is in lieu of any reduction under section 323.158 1003  
of the Revised Code or division (A) (1), (2) (b), or (3) of this 1004  
section. The reduction applies to only one homestead owned and 1005  
occupied by a disabled veteran. 1006

(b) Real property taxes on a homestead owned and occupied, 1007  
or a homestead in a housing cooperative occupied, by the 1008  
surviving spouse of a disabled veteran shall be reduced for each 1009  
year an application for exemption is approved. The reduction 1010  
shall equal to the amount of the reduction authorized under 1011  
division (A) (2) (a) of this section. 1012

The reduction is in lieu of any reduction under section 1013  
323.158 of the Revised Code or division (A) (1), (2) (a), or (3) 1014  
of this section. The reduction applies to only one homestead 1015  
owned and occupied by the surviving spouse of a disabled 1016  
veteran. A homestead qualifies for a reduction in taxes under 1017  
division (A) (2) (b) of this section beginning in one of the 1018  
following tax years: 1019

(i) For a surviving spouse described in division (L) (1) of 1020  
section 323.151 of the Revised Code, the year the disabled 1021  
veteran dies; 1022

(ii) For a surviving spouse described in division (L) (2) 1023  
of section 323.151 of the Revised Code, the first year on the 1024  
first day of January of which the total disability rating 1025  
described in division (F) of that section has been received for 1026  
the deceased spouse. 1027

In either case, the reduction shall continue through the 1028  
tax year in which the surviving spouse dies or remarries. 1029

(3) Real property taxes on a homestead owned and occupied, 1030  
or a homestead in a housing cooperative occupied, by the 1031  
surviving spouse of a public service officer killed in the line 1032  
of duty shall be reduced for each year for which an application 1033  
for the reduction has been approved. The reduction shall equal 1034  
the product obtained by multiplying fifty thousand dollars of 1035  
the true value of the property in money, as adjusted under 1036  
division (A) (1) (d) of this section, by the amounts described in 1037  
divisions (A) (1) (c) (ii) to (iv) of this section. The reduction 1038  
is in lieu of any reduction under section 323.158 of the Revised 1039  
Code or division (A) (1) or (2) of this section. The reduction 1040  
applies to only one homestead owned and occupied by such a 1041  
surviving spouse. A homestead qualifies for a reduction in taxes 1042  
under division (A) (3) of this section for the tax year in which 1043  
the public service officer dies through the tax year in which 1044  
the surviving spouse dies or remarries. 1045

(B) To provide a partial exemption, real property taxes on 1046  
any homestead, and manufactured home taxes on any manufactured 1047  
or mobile home on which a manufactured home tax is assessed 1048  
pursuant to division (D) (2) of section 4503.06 of the Revised 1049  
Code, shall be reduced for each year for which an application 1050  
for the reduction has been approved. The amount of the reduction 1051  
shall equal ~~two~~ twelve and one-half per cent of the amount of 1052  
taxes to be levied by qualifying levies on the homestead or the 1053  
manufactured or mobile home after applying section 319.301 of 1054  
the Revised Code. For the purposes of this division, ~~"qualifying~~ 1055  
~~levy" has the same meaning as in section 319.302 of the Revised~~ 1056  
~~Code.~~ 1057

(1) "Qualifying levy" means a levy approved at an election held before September 29, 2013; a levy within the ten-mill limitation; a levy provided for by the charter of a municipal corporation that was levied on the tax list for tax year 2013; a subsequent renewal of any such levy; or a subsequent substitute for such a levy under section 5705.199 of the Revised Code.

(2) "Qualifying levy" does not include any replacement imposed under section 5705.192 of the Revised Code of any levy described in division (B)(1) of this section.

(C) The reductions granted by this section do not apply to special assessments or respread of assessments levied against the homestead, and if there is a transfer of ownership subsequent to the filing of an application for a reduction in taxes, such reductions are not forfeited for such year by virtue of such transfer.

(D) The reductions in taxable value referred to in this section shall be applied solely as a factor for the purpose of computing the reduction of taxes under this section and shall not affect the total value of property in any subdivision or taxing district as listed and assessed for taxation on the tax lists and duplicates, or any direct or indirect limitations on indebtedness of a subdivision or taxing district. If after application of sections 5705.31 and 5705.32 of the Revised Code, including the allocation of all levies within the ten-mill limitation to debt charges to the extent therein provided, there would be insufficient funds for payment of debt charges not provided for by levies in excess of the ten-mill limitation, the reduction of taxes provided for in sections 323.151 to 323.159 of the Revised Code shall be proportionately adjusted to the extent necessary to provide such funds from levies within the

ten-mill limitation. 1088

(E) No reduction shall be made on the taxes due on the 1089  
homestead of any person convicted of violating division (D) or 1090  
(E) of section 323.153 of the Revised Code for a period of three 1091  
years following the conviction. 1092

**Sec. 323.155.** The tax bill prescribed under section 1093  
323.131 of the Revised Code shall indicate the net amount of 1094  
taxes due following the reductions in taxes under sections 1095  
319.301, ~~319.302~~, 323.152, and 323.16 of the Revised Code. 1096

Any reduction in taxes under section 323.152 of the 1097  
Revised Code shall be disregarded as income or resources in 1098  
determining eligibility for any program or calculating any 1099  
payment under Title LI of the Revised Code. 1100

**Sec. 323.158.** (A) As used in this section, "qualifying 1101  
county" means a county to which both of the following apply: 1102

(1) At least one major league professional athletic team 1103  
plays its home schedule in the county for the season beginning 1104  
in 1996; 1105

(2) The majority of the electors of the county, voting at 1106  
an election held in 1996, approved a referendum on a resolution 1107  
of the board of county commissioners levying a sales and use tax 1108  
under sections 5739.026 and 5741.023 of the Revised Code. 1109

(B) On or before December 31, 1996, the board of county 1110  
commissioners of a qualifying county may adopt a resolution 1111  
under this section. The resolution shall grant a partial real 1112  
property tax exemption to each homestead in the county that also 1113  
receives the tax reduction under division (B) of section 323.152 1114  
of the Revised Code. The partial exemption shall take the form 1115  
of the reduction by a specified percentage each year of the real 1116

property taxes on the homestead. The resolution shall specify 1117  
the percentage, which may be any amount. The board may include 1118  
in the resolution a condition that the partial exemption will 1119  
apply only upon the receipt by the county of additional revenue 1120  
from a source specified in the resolution. The resolution shall 1121  
specify the tax year in which the partial exemption first 1122  
applies, which may be the tax year in which the resolution takes 1123  
effect as long as the resolution takes effect before the county 1124  
auditor certifies the tax duplicate of real and public utility 1125  
property for that tax year to the county treasurer. Upon 1126  
adopting the resolution, the board shall certify copies of it to 1127  
the county auditor and the tax commissioner. 1128

(C) After complying with sections 319.301, ~~319.302~~, and 1129  
323.152 of the Revised Code, the county auditor shall reduce the 1130  
remaining sum to be levied against a homestead by the percentage 1131  
called for in the resolution adopted under division (B) of this 1132  
section. The auditor shall certify the amount of taxes remaining 1133  
after the reduction to the county treasurer for collection as 1134  
the real property taxes charged and payable on the homestead. 1135

(D) For each tax year, the county auditor shall certify to 1136  
the board of county commissioners the total amount by which real 1137  
property taxes were reduced under this section. At the time of 1138  
each semi-annual settlement of real property taxes between the 1139  
county auditor and county treasurer, the board of county 1140  
commissioners shall pay to the auditor one-half of that total 1141  
amount. Upon receipt of the payment, the county auditor shall 1142  
distribute it among the various taxing districts in the county 1143  
as if it had been levied, collected, and settled as real 1144  
property taxes. The board of county commissioners shall make the 1145  
payment from the county general fund or from any other county 1146  
revenue that may be used for that purpose. In making the 1147

payment, the board may use revenue from taxes levied by the 1148  
county to provide additional general revenue under sections 1149  
5739.021 and 5741.021 of the Revised Code or to provide 1150  
additional revenue for the county general fund under sections 1151  
5739.026 and 5741.023 of the Revised Code. 1152

(E) The partial exemption under this section shall not 1153  
directly or indirectly affect the determination of the principal 1154  
amount of notes that may be issued in anticipation of a tax levy 1155  
or the amount of securities that may be issued for any permanent 1156  
improvements authorized in conjunction with a tax levy. 1157

(F) At any time, the board of county commissioners may 1158  
adopt a resolution amending or repealing the partial exemption 1159  
granted under this section. Upon adopting a resolution amending 1160  
or repealing the partial exemption, the board shall certify 1161  
copies of it to the county auditor and the tax commissioner. The 1162  
resolution shall specify the tax year in which the amendment or 1163  
repeal first applies, which may be the tax year in which the 1164  
resolution takes effect as long as the resolution takes effect 1165  
before the county auditor certifies the tax duplicate of real 1166  
and public utility property for that tax year to the county 1167  
treasurer. 1168

(G) If a person files a late application for a tax 1169  
reduction under division (B) of section 323.152 of the Revised 1170  
Code for the preceding year, and is granted the reduction, the 1171  
person also shall receive the reduction under this section for 1172  
the preceding year. The county auditor shall credit the amount 1173  
of the reduction against the person's current year taxes, and 1174  
shall include the amount of the reduction in the amount 1175  
certified to the board of county commissioners under division 1176  
(D) of this section. 1177



<b>Sec. 351.01.</b> As used in this chapter:	1178
(A) "Convention facilities authority" means a body	1179
corporate and politic created pursuant to section 351.02 of the	1180
Revised Code.	1181
(B) "Governmental agency" means a department, division, or	1182
other unit of the state government or of a municipal	1183
corporation, county, township, or other political subdivision of	1184
the state; any state university or college, as defined in	1185
section 3345.12 of the Revised Code, community college, state	1186
community college, university branch, or technical college; any	1187
other public corporation or agency having the power to acquire,	1188
construct, or operate facilities; the United States or any	1189
agency thereof; and any agency, commission, or authority	1190
established pursuant to an interstate compact or agreement.	1191
(C) "Person" means any individual, firm, partnership,	1192
association, or corporation, or any combination of them.	1193
(D) "Facility" or "facilities" means any convention,	1194
entertainment, or sports facility, or combination of them,	1195
located within the territory of the convention facilities	1196
authority, together with all hotels, parking facilities,	1197
walkways, and other auxiliary facilities, real and personal	1198
property, property rights, easements and interests that may be	1199
appropriate for, or used in connection with, the operation of	1200
the facility.	1201
(E) "Cost" means the cost of acquisition of all land,	1202
rights-of-way, property rights, easements, franchise rights, and	1203
interests required for such acquisition; the cost of demolishing	1204
or removing any buildings or structures on land so acquired,	1205
including the cost of acquiring any lands to which such	1206

buildings or structures may be moved; the cost of acquiring or 1207  
constructing and equipping a principal office of the convention 1208  
facilities authority; the cost of diverting highways, 1209  
interchange of highways, access roads to private property, 1210  
including the cost of land or easements for such access roads; 1211  
the cost of public utility and common carrier relocation or 1212  
duplication; the cost of all machinery, furnishings, and 1213  
equipment; financing charges; interest prior to and during 1214  
construction and for no more than eighteen months after 1215  
completion of construction; expenses of research and development 1216  
with respect to facilities; legal expenses; expenses of 1217  
obtaining plans, specifications, engineering surveys, studies, 1218  
and estimates of cost and revenues; working capital; expenses 1219  
necessary or incident to determining the feasibility or 1220  
practicability of acquiring or constructing such facility; 1221  
administrative expense; and such other expenses as may be 1222  
necessary or incident to the acquisition or construction of the 1223  
facility, the financing of such acquisition or construction, 1224  
including the amount authorized in the resolution of the 1225  
convention facilities authority providing for the issuance of 1226  
convention facilities authority revenue bonds to be paid into 1227  
any special funds from the proceeds of such bonds, the cost of 1228  
issuing the bonds, and the financing of the placing of such 1229  
facility in operation. Any obligation, cost, or expense incurred 1230  
by any governmental agency or person for surveys, borings, 1231  
preparation of plans and specifications, and other engineering 1232  
services, or any other cost described above, in connection with 1233  
the acquisition or construction of a facility may be regarded as 1234  
part of the cost of such facility and may be reimbursed out of 1235  
the proceeds of convention facilities authority revenue bonds as 1236  
authorized by this chapter. 1237

(F) "Owner" includes a person having any title or interest 1238  
in any property, rights, easements, or interests authorized to 1239  
be acquired by Chapter 351. of the Revised Code. 1240

(G) "Revenues" means all rentals and other charges 1241  
received by the convention facilities authority for the use or 1242  
services of any facility, the sale of any merchandise, or the 1243  
operation of any concessions; any gift or grant received with 1244  
respect to any facility, any moneys received with respect to the 1245  
lease, sublease, sale, including installment sale or conditional 1246  
sale, or other disposition of a facility or part thereof; moneys 1247  
received in repayment of and for interest on any loans made by 1248  
the authority to a person or governmental agency, whether from 1249  
the United States or any department, administration, or agency 1250  
thereof, or otherwise; proceeds of convention facilities 1251  
authority revenue bonds to the extent the use thereof for 1252  
payment of principal or of premium, if any, or interest on the 1253  
bonds is authorized by the authority; proceeds from any 1254  
insurance, appropriation, or guaranty pertaining to a facility 1255  
or property mortgaged to secure bonds or pertaining to the 1256  
financing of the facility; income and profit from the investment 1257  
of the proceeds of convention facilities authority revenue bonds 1258  
or of any revenues; contributions of the proceeds of a tax 1259  
levied pursuant to division (C) of section 5739.09 of the 1260  
Revised Code; and moneys transmitted to the authority pursuant 1261  
to division (B) of section 5739.211 and division (B) of section 1262  
5741.031 of the Revised Code. 1263

(H) "Public roads" includes all public highways, roads, 1264  
and streets in the state, whether maintained by the state, 1265  
county, city, township, or other political subdivision. 1266

(I) "Construction," unless the context indicates a 1267

different meaning or intent, includes, but is not limited to, 1268  
reconstruction, enlargement, improvement, or providing fixtures, 1269  
furnishings, and equipment. 1270

(J) "Convention facilities authority revenue bonds" or 1271  
"revenue bonds," unless the context indicates a different 1272  
meaning or intent, includes convention facilities authority 1273  
revenue notes, convention facilities authority revenue renewal 1274  
notes, and convention facilities authority revenue refunding 1275  
bonds. 1276

(K) "Convention facilities authority tax anticipation 1277  
bonds" or "tax anticipation bonds," unless the context indicates 1278  
a different meaning, includes convention facilities authority 1279  
tax anticipation bonds, tax anticipation notes, tax anticipation 1280  
renewal notes, and tax anticipation refunding bonds. 1281

(L) "Bonds and notes" means convention facilities 1282  
authority revenue bonds and convention facilities authority tax 1283  
anticipation bonds. 1284

(M) "Territory of the authority" means all of the area of 1285  
the county creating the convention facilities authority. 1286

(N) "Excise taxes" means any of the taxes levied pursuant 1287  
to division (B) or (C) of section 351.021 of the Revised Code. 1288  
"Excise taxes" does not include taxes levied pursuant to section 1289  
4301.424, 5743.026, or 5743.324 of the Revised Code. 1290

(O) "Transaction" means the charge by a hotel or short- 1291  
term rental property for each occupancy by transient guests of a 1292  
room or suite of rooms used in a hotel or short-term rental 1293  
property as a single unit for any period of twenty-four hours or 1294  
less. 1295

(P) "~~Hotel~~" "Hotel," "short-term rental property," and 1296

"transient guests" have the same meanings as in section 5739.01 1297  
of the Revised Code. 1298

(Q) "Sports facility" means a facility intended to house 1299  
major league professional athletic teams. 1300

(R) "Constructing" or "construction" includes providing 1301  
fixtures, furnishings, and equipment. 1302

**Sec. 351.021.** (A) The resolution of the county 1303  
commissioners creating a convention facilities authority, or any 1304  
amendment or supplement to that resolution, may authorize the 1305  
authority to levy one or both of the excise taxes authorized by 1306  
division (B) of this section to pay the cost of one or more 1307  
facilities; to pay principal, interest, and premium on 1308  
convention facilities authority tax anticipation bonds issued to 1309  
pay those costs; to pay the operating costs of the authority; to 1310  
pay operating and maintenance costs of those facilities; and to 1311  
pay the costs of administering the excise tax. 1312

(B) The board of directors of a convention facilities 1313  
authority that has been authorized pursuant to resolution 1314  
adopted, amended, or supplemented by the board of county 1315  
commissioners pursuant to division (A) of this section may levy, 1316  
by resolution adopted on or before December 31, 1988, either or 1317  
both of the following: 1318

(1) Within the territory of the authority, an additional 1319  
excise tax not to exceed four per cent on each transaction. The 1320  
excise tax authorized by division (B) (1) of this section shall 1321  
be in addition to any excise tax levied pursuant to section 1322  
5739.08 or 5739.09 of the Revised Code, or division (B) (2) of 1323  
this section. 1324

(2) Within that portion of any municipal corporation that 1325

is located within the territory of the authority or within the 1326  
boundaries of any township that is located within the territory 1327  
of the authority, which municipal corporation or township is 1328  
levying any portion of the excise tax authorized by division (A) 1329  
of section 5739.08 of the Revised Code, and with the approval, 1330  
by ordinance or resolution, of the legislative authority of that 1331  
municipal corporation or township, an additional excise tax not 1332  
to exceed nine-tenths of one per cent on each transaction. The 1333  
excise tax authorized by division (B) (2) of this section may be 1334  
levied only if, on the effective date of the levy specified in 1335  
the resolution making the levy, the amount being levied pursuant 1336  
to division (A) of section 5739.08 of the Revised Code by each 1337  
municipal corporation or township in which the tax authorized by 1338  
division (B) (2) of this section will be levied, when added to 1339  
the amount levied under division (B) (2) of this section, does 1340  
not exceed three per cent on each transaction. The excise tax 1341  
authorized by division (B) (2) of this section shall be in 1342  
addition to any excise tax that is levied pursuant to section 1343  
5739.08 or 5739.09 of the Revised Code, or division (B) (1) of 1344  
this section. 1345

(C) (1) The board of directors of a convention facilities 1346  
authority that is located in an eligible Appalachian county; 1347  
that has been authorized pursuant to resolution adopted, 1348  
amended, or supplemented by the board of county commissioners 1349  
pursuant to division (A) of this section; and that is not 1350  
levying a tax under division (B) (1) or (2) of this section may 1351  
levy within the territory of the authority, by resolution 1352  
adopted on or before December 31, 2005, an additional excise tax 1353  
not to exceed three per cent on each transaction. The excise tax 1354  
authorized under division (C) (1) of this section shall be in 1355  
addition to any excise tax levied pursuant to section 5739.08 or 1356

5739.09 of the Revised Code. 1357

As used in division (C)(1) of this section, "eligible 1358  
Appalachian county" means a county in this state designated as 1359  
being in the "Appalachian region" under the "Appalachian 1360  
Regional Development Act of 1965," 79 Stat. 4, 40 U.S.C. App. 1361  
403, and having a population less than eighty thousand according 1362  
to the most recent federal decennial census. 1363

(2) Division (C)(2) of this section applies only to a 1364  
convention facilities authority located in a county with a 1365  
population, according to the 2000 federal decennial census, of 1366  
at least one hundred thirty-five thousand and not more than one 1367  
hundred fifty thousand and containing entirely within its 1368  
boundaries the territory of a municipal corporation with a 1369  
population according to that census of more than fifty thousand. 1370  
The board of directors of such a convention facilities 1371  
authority, by resolution adopted on or before November 1, 2009, 1372  
may levy within the territory of the authority an excise tax on 1373  
transactions by which lodging by a hotel or short-term rental 1374  
property is or is to be furnished to transient guests at a rate 1375  
not to exceed three per cent on such transactions for the same 1376  
purposes for which a tax may be levied under division (B) of 1377  
this section. The resolution may be adopted only if the board of 1378  
county commissioners of the county, by resolution, authorizes 1379  
the levy of the tax. The resolution of the board of county 1380  
commissioners is subject to referendum as prescribed by sections 1381  
305.31 to 305.41 of the Revised Code. If, pursuant to those 1382  
procedures, a referendum is to be held, the board's resolution 1383  
does not take effect until approved by a majority of electors 1384  
voting on the question. The convention facilities authority may 1385  
adopt the resolution authorized by division (C)(2) of this 1386  
section before the election, but the authority's resolution 1387

shall not take effect if the board of commissioners' resolution 1388  
is not approved at the election. A tax levied under division (C) 1389  
(2) of this section is in addition to any tax levied under 1390  
section 5739.09 of the Revised Code. 1391

The board of directors of a convention facilities 1392  
authority that levies an excise tax under division (C)(2) of 1393  
this section may, by resolution adopted by a majority of the 1394  
members of the board on or before November 1, 2021, amend the 1395  
resolution levying the tax to increase the rate of the tax by 1396  
not more than an additional one per cent on each transaction. 1397  
The resolution shall provide that all revenue from the increase 1398  
in rate shall be used for the same purposes for which a tax may 1399  
be levied under division (B) of this section. The resolution may 1400  
be adopted only if the board of county commissioners of the 1401  
county, by resolution, authorizes the rate increase. 1402

(3) The board of directors of a convention facilities 1403  
authority created between July 1, 2019, and December 31, 2019, 1404  
by resolution adopted on or before December 30, 2020, may levy 1405  
within the territory of the authority an excise tax on 1406  
transactions by which lodging by a hotel or short-term rental 1407  
property is or is to be furnished to transient guests at a rate 1408  
not to exceed three per cent on such transactions for the 1409  
purposes described in division (A) of this section. This tax 1410  
shall be in addition to any excise tax levied pursuant to this 1411  
section or section 5739.08 or 5739.09 of the Revised Code. The 1412  
resolution levying the tax shall not take effect sooner than 1413  
ninety days after the convention facilities authority is 1414  
created. 1415

(D) The authority shall provide for the administration and 1416  
allocation of an excise tax levied pursuant to division (B) or 1417



(C) of this section. All receipts arising from those excise 1418  
taxes shall be expended for the purposes provided in, and in 1419  
accordance with this section and section 351.141 of the Revised 1420  
Code. An excise tax levied under division (B) or (C) of this 1421  
section shall remain in effect at the rate at which it is levied 1422  
for at least the duration of the period for which the receipts 1423  
from the tax have been anticipated and pledged pursuant to 1424  
section 351.141 of the Revised Code. 1425

(E) Except as provided in division (B) (2) of this section, 1426  
the levy of an excise tax on each transaction pursuant to 1427  
sections 5739.08 and 5739.09 of the Revised Code does not 1428  
prevent a convention facilities authority from levying an excise 1429  
tax pursuant to division (B) or (C) of this section. 1430

(F) A convention facilities authority located in a county 1431  
with a population greater than eighty thousand but less than 1432  
ninety thousand according to the 2010 federal decennial census 1433  
that levies a tax under division (B) of this section may amend 1434  
the resolution levying the tax to allocate a portion of the 1435  
revenue from the tax for support of tourism-related sites or 1436  
facilities and programs operated by the county or a municipal 1437  
corporation within the county in which the authority is located 1438  
or for the purpose of leasing lands for county fairs, erecting 1439  
buildings for county fair purposes, making improvements on a 1440  
county fairground, or for any purpose connected with the use of 1441  
a county fairground or with the management thereof by the county 1442  
in which the authority is located. The revenue allocated by the 1443  
authority for such purposes in a calendar year shall not exceed 1444  
twenty-five per cent of the total revenue from the tax in the 1445  
preceding calendar year. Revenue allocated for such purposes 1446  
that is not fully used by the end of the calendar year may be 1447  
carried forward for use in subsequent calendar years. Any amount 1448

carried forward does not count toward the limitation on the 1449  
amount that may be allocated for such purposes in succeeding 1450  
calendar years. 1451

**Sec. 353.06.** As used in this section, ~~"hotel"~~ "hotel," 1452  
"short-term rental property," and "transient guests" have the 1453  
same meanings as in section 5739.01 of the Revised Code. 1454

A resolution creating a lake facilities authority under 1455  
section 353.02 of the Revised Code, or any amendments or 1456  
supplements thereto, may authorize the authority to levy an 1457  
excise tax on transactions by which lodging in a hotel or short- 1458  
term rental property is or is to be furnished to transient 1459  
guests to pay any costs authorized under this chapter; to pay 1460  
principal, interest, and premium on lake facilities authority 1461  
tax anticipation bonds issued to pay those costs; to pay the 1462  
operating costs of the authority; and to pay the costs of 1463  
administering the tax. 1464

Upon the affirmative vote of at least a majority of the 1465  
qualified electors in a primary or general election within the 1466  
impacted lake district voting at an election held for the 1467  
purpose of authorizing the tax, the board of directors of a lake 1468  
facilities authority authorized to levy a tax under this section 1469  
may, by resolution, levy an additional excise tax within the 1470  
territory of the impacted lake district on all transactions by 1471  
which lodging in a hotel or short-term rental property is or is 1472  
to be furnished to transient guests. The rate of the tax, when 1473  
added to the aggregate rate of excise taxes levied in the 1474  
impacted lake district pursuant to section 351.021, 5739.08, or 1475  
5739.09 of the Revised Code, shall not cause the total aggregate 1476  
rate to exceed five per cent on any such transaction. 1477

The lake facilities authority shall provide for the 1478

administration and allocation of a tax levied pursuant to this 1479  
 section. All receipts arising from the tax shall be expended for 1480  
 the purposes provided in, and in accordance with, this section. 1481  
 An excise tax levied under this section shall remain in effect 1482  
 at the rate at which it is levied for at least the duration of 1483  
 the period for which the receipts from the tax have been 1484  
 anticipated and pledged pursuant to section 353.08 of the 1485  
 Revised Code. 1486

The form of the ballot in an election held on the question 1487  
 of levying a tax proposed pursuant to this section shall be as 1488  
 follows or in any other form acceptable to the secretary of 1489  
 state: 1490

"An excise tax on all transactions by which lodging in a 1491  
 hotel is or is to be furnished to transient guests within the 1492  
 territory of the (name of impacted lake district) \_\_\_\_\_ 1493  
 for the purpose of \_\_\_\_\_ at a rate of \_\_\_\_\_ for 1494  
 \_\_\_\_\_ (number of years the tax is to be levied). 1495

	For the Excise Tax
	Against the Excise Tax

"

**Sec. 718.83.** (A) On or before the last day of each month, 1497  
 the tax commissioner shall certify to the director of budget and 1498  
 management the amount to be paid to each municipal corporation, 1499  
 based on amounts reported on annual returns and declarations of 1500  
 estimated tax under sections 718.85 and 718.88 of the Revised 1501  
 Code, less any amounts previously distributed and net of any 1502  
 audit adjustments made or refunds granted by the commissioner, 1503

for the calendar month preceding the month in which the 1504  
certification is made. Not later than the fifth day of each 1505  
month, the director shall provide for payment of the amount 1506  
certified to each municipal corporation from the municipal net 1507  
profit tax fund, plus a pro rata share of any investment 1508  
earnings accruing to the fund since the previous payment under 1509  
this section, and minus any reduction required by the 1510  
commissioner under division (D) of this section. Each municipal 1511  
corporation's share of such earnings shall equal the proportion 1512  
that the municipal corporation's certified tax payment is of the 1513  
total taxes certified to all municipal corporations in that 1514  
quarter. All investment earnings on money in the municipal net 1515  
profit tax fund shall be credited to that fund. 1516

(B) If the tax commissioner determines that the amount of 1517  
tax paid by a taxpayer and distributed to a municipal 1518  
corporation under this section for a taxable year exceeds the 1519  
amount payable to that municipal corporation under sections 1520  
718.80 to 718.95 of the Revised Code after accounting for 1521  
amounts remitted with the annual return and as estimated taxes, 1522  
the commissioner shall proceed according to section 5703.77 of 1523  
the Revised Code. 1524

(C) If the amount of a municipal corporation's net 1525  
distribution computed by the commissioner under division (A) of 1526  
this section is less than zero, the commissioner may notify the 1527  
municipal corporation of the deficiency. Within thirty days 1528  
after receiving such a notice, the municipal corporation shall 1529  
pay an amount equal to the deficiency to the treasurer of state. 1530  
The treasurer of state shall credit any payment received under 1531  
this division to the municipal net profit tax fund. 1532

(D) If a municipal corporation fails to make a timely 1533

payment required under division (C) of this section, the 1534  
commissioner may recover the deficiency using any or all of the 1535  
following options: 1536

(1) Deduct the amount of the deficiency from the next 1537  
distribution to that municipal corporation under division (A) of 1538  
this section or, if the amount of the deficiency exceeds the 1539  
amount of such distribution, withhold such distributions 1540  
entirely until the withheld amount equals the amount of the 1541  
municipal corporation's deficiency; 1542

(2) Deduct the amount of the deficiency from the next 1543  
payment to that municipal corporation under division (A) of 1544  
section 5745.05 of the Revised Code or, if the amount of the 1545  
deficiency exceeds the amount of such distribution, withhold 1546  
such distributions entirely until the withheld amount equals the 1547  
amount of the municipal corporation's deficiency;— 1548

~~(3) Deduct the amount of the deficiency from the municipal~~ 1549  
~~corporation's share of the next payment made by the commissioner~~ 1550  
~~under division (F) of section 321.24 of the Revised Code or, if~~ 1551  
~~the amount of the deficiency exceeds the amount of the municipal~~ 1552  
~~corporation's share of such payment, withhold the municipal~~ 1553  
~~corporation's share of the payments entirely until the withheld~~ 1554  
~~amount equals the amount of the municipal corporation's~~ 1555  
~~deficiency.~~ 1556

(E) The total amount of payments and distributions 1557  
withheld from a municipal corporation under division (D) of this 1558  
section shall not exceed the unpaid portion of the municipal 1559  
corporation's net distribution deficiency. All amounts withheld 1560  
under division (D) of this section shall be credited to the 1561  
municipal net profit tax fund. 1562

(F) The commissioner may adopt rules necessary to 1563  
administer this section. 1564

**Sec. 1509.01.** As used in this chapter: 1565

(A) "Well" means any borehole, whether drilled or bored, 1566  
within the state for production, extraction, or injection of any 1567  
gas or liquid mineral, excluding potable water to be used as 1568  
such, but including natural or artificial brines and oil field 1569  
waters. "Well" includes a stratigraphic well. 1570

(B) "Oil" means crude petroleum oil and all other 1571  
hydrocarbons, regardless of gravity, that are produced in liquid 1572  
form by ordinary production methods, but does not include 1573  
hydrocarbons that were originally in a gaseous phase in the 1574  
reservoir. 1575

(C) "Gas" means all natural gas and all other fluid 1576  
hydrocarbons that are not oil, including condensate. 1577

(D) "Condensate" means liquid hydrocarbons separated at or 1578  
near the well pad or along the gas production or gathering 1579  
system ~~prior to~~ or by gas processing. 1580

(E) "Pool" means an underground reservoir containing a 1581  
common accumulation of oil or gas, or both, but does not include 1582  
a gas storage reservoir. Each zone of a geological structure 1583  
that is completely separated from any other zone in the same 1584  
structure may contain a separate pool. 1585

(F) "Field" means the general area underlaid by one or 1586  
more pools. 1587

(G) "Drilling unit" means the minimum acreage on which one 1588  
well may be drilled, but does not apply to a well for injecting 1589  
gas into or removing gas from a gas storage reservoir and does 1590

not apply to a stratigraphic well.	1591
(H) "Waste" includes all of the following:	1592
(1) Physical waste, as that term generally is understood in the oil and gas industry;	1593 1594
(2) Inefficient, excessive, or improper use, or the unnecessary dissipation, of reservoir energy;	1595 1596
(3) Inefficient storing of oil or gas;	1597
(4) Locating, drilling, equipping, operating, or producing an oil or gas well in a manner that reduces or tends to reduce the quantity of oil or gas ultimately recoverable under prudent and proper operations from the pool into which it is drilled or that causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas;	1598 1599 1600 1601 1602 1603
(5) Other underground or surface waste in the production or storage of oil, gas, or condensate, however caused.	1604 1605
(I) "Correlative rights" means the reasonable opportunity to every person entitled thereto to recover and receive the oil and gas in and under the person's tract or tracts, or the equivalent thereof, without having to drill unnecessary wells or incur other unnecessary expense.	1606 1607 1608 1609 1610
(J) "Tract" means a single, individual parcel of land or a portion of a single, individual parcel of land.	1611 1612
(K) "Owner," unless referring to a mine, means the person who has the right to drill on a tract or drilling unit, to drill into and produce from a pool, and to appropriate the oil or gas produced therefrom either for the person or for others, except that a person ceases to be an owner with respect to a well when the well has been plugged in accordance with applicable rules	1613 1614 1615 1616 1617 1618

adopted and orders issued under this chapter. "Owner" does not 1619  
include a person who obtains a lease of the mineral rights for 1620  
oil and gas on a parcel of land if the person does not attempt 1621  
to produce or produce oil or gas from a well or obtain a permit 1622  
under this chapter for a well or if the entire interest of a 1623  
well is transferred to the person in accordance with division 1624  
(B) of section 1509.31 of the Revised Code. 1625

(L) "Royalty interest" means the fee holder's share in the 1626  
production from a well, except a stratigraphic well. 1627

(M) "Discovery well" means the first well, except a 1628  
stratigraphic well, capable of producing oil or gas in 1629  
commercial quantities from a pool. 1630

(N) "Prepared clay" means a clay that is plastic and is 1631  
thoroughly saturated with fresh water to a weight and 1632  
consistency great enough to settle through saltwater in the well 1633  
in which it is to be used, except as otherwise approved by the 1634  
chief of the division of oil and gas resources management. 1635

(O) "Rock sediment" means the combined cutting and residue 1636  
from drilling sedimentary rocks and formation. 1637

(P) "Excavations and workings," "mine," and "pillar" have 1638  
the same meanings as in section 1561.01 of the Revised Code. 1639

(Q) "Coal bearing township" means a township designated as 1640  
such by the chief of the division of mineral resources 1641  
management under section 1561.06 of the Revised Code. 1642

(R) "Gas storage reservoir" means a continuous area of a 1643  
subterranean porous sand or rock stratum or strata into which 1644  
gas is or may be injected for the purpose of storing it therein 1645  
and removing it therefrom and includes a gas storage reservoir 1646  
as defined in section 1571.01 of the Revised Code. 1647



(S) "Safe Drinking Water Act" means the "Safe Drinking Water Act," 88 Stat. 1661 (1974), 42 U.S.C.A. 300(f), as amended by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393, 42 U.S.C.A. 300(f), the "Safe Drinking Water Act Amendments of 1986," 100 Stat. 642, 42 U.S.C.A. 300(f), and the "Safe Drinking Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C.A. 300(f), and regulations adopted under those acts.

(T) "Person" includes any political subdivision, department, agency, or instrumentality of this state; the United States and any department, agency, or instrumentality thereof; any legal entity defined as a person under section 1.59 of the Revised Code; and any other form of business organization or entity recognized by the laws of this state.

(U) "Brine" means all saline geological formation water resulting from, obtained from, or produced in connection with exploration, drilling, well stimulation, production of oil or gas, or plugging of a well.

(V) "Waters of the state" means all streams, lakes, ponds, marshes, watercourses, waterways, springs, irrigation systems, drainage systems, and other bodies of water, surface or underground, natural or artificial, that are situated wholly or partially within this state or within its jurisdiction, except those private waters that do not combine or effect a junction with natural surface or underground waters.

(W) "Exempt Mississippian well" means a well that meets all of the following criteria:

- (1) Was drilled and completed before January 1, 1980;
- (2) Is located in an unglaciated part of the state;
- (3) Was completed in a reservoir no deeper than the

Mississippian Big Injun sandstone in areas underlain by	1677
Pennsylvanian or Permian stratigraphy, or the Mississippian	1678
Berea sandstone in areas directly underlain by Permian	1679
stratigraphy;	1680
(4) Is used primarily to provide oil or gas for domestic	1681
use.	1682
(X) "Exempt domestic well" means a well that meets all of	1683
the following criteria:	1684
(1) Is owned by the owner of the surface estate of the	1685
tract on which the well is located;	1686
(2) Is used primarily to provide gas for the owner's	1687
domestic use;	1688
(3) Is located more than two hundred feet horizontal	1689
distance from any inhabited private dwelling house other than an	1690
inhabited private dwelling house located on the tract on which	1691
the well is located;	1692
(4) Is located more than two hundred feet horizontal	1693
distance from any public building that may be used as a place of	1694
resort, assembly, education, entertainment, lodging, trade,	1695
manufacture, repair, storage, traffic, or occupancy by the	1696
public.	1697
(Y) "Urbanized area" means an area where a well or	1698
production facilities of a well are located within a municipal	1699
corporation or within a township that has an unincorporated	1700
population of more than five thousand in the most recent federal	1701
decennial census prior to the issuance of the permit for the	1702
well or production facilities.	1703
(Z) "Well stimulation" or "stimulation of a well" means	1704

the process of enhancing well productivity, including hydraulic 1705  
fracturing operations. 1706

(AA) "Production operation" means all operations and 1707  
activities and all related equipment, facilities, and other 1708  
structures that may be used in or associated with the 1709  
exploration and production of oil, gas, or other mineral 1710  
resources that are regulated under this chapter, including 1711  
operations and activities associated with site preparation, site 1712  
construction, access road construction, well drilling, well 1713  
completion, well stimulation, well site activities, reclamation, 1714  
and plugging. "Production operation" also includes all of the 1715  
following: 1716

(1) The piping, equipment, and facilities used for the 1717  
production and preparation of hydrocarbon gas or liquids for 1718  
transportation or delivery; 1719

(2) The processes of extraction and recovery, lifting, 1720  
stabilization, treatment, separation, production processing, 1721  
storage, waste disposal, and measurement of hydrocarbon gas and 1722  
liquids, including related equipment and facilities; 1723

(3) The processes and related equipment and facilities 1724  
associated with production compression, gas lift, gas injection, 1725  
fuel gas supply, well drilling, well stimulation, and well 1726  
completion activities, including dikes, pits, and earthen and 1727  
other impoundments used for the temporary storage of fluids and 1728  
waste substances associated with well drilling, well 1729  
stimulation, and well completion activities; 1730

(4) Equipment and facilities at a wellpad or other 1731  
location that are used for the transportation, handling, 1732  
recycling, temporary storage, management, processing, or 1733

treatment of any equipment, material, and by-products or other 1734  
substances from an operation at a wellpad that may be used or 1735  
reused at the same or another operation at a wellpad or that 1736  
will be disposed of in accordance with applicable laws and rules 1737  
adopted under them. 1738

(BB) "Annular overpressurization" means the accumulation 1739  
of fluids within an annulus with sufficient pressure to allow 1740  
migration of annular fluids into underground sources of drinking 1741  
water. 1742

(CC) "Orphaned well" means a well that has not been 1743  
properly plugged or its land surface restored in accordance with 1744  
this chapter and the rules adopted under it to which either of 1745  
the following apply: 1746

(1) The owner of the well is unknown, deceased, or cannot 1747  
be located and the well is abandoned. 1748

(2) The owner of the well has abandoned the well and there 1749  
is no money available to plug the well in accordance with this 1750  
chapter and the rules adopted under it. 1751

(DD) "Temporarily inactive well" means a well that has 1752  
been granted temporary inactive status under section 1509.062 of 1753  
the Revised Code. 1754

(EE) "Material and substantial violation" means any of the 1755  
following: 1756

(1) Failure to obtain a permit to drill, reopen, convert, 1757  
plugback, or plug a well under this chapter; 1758

(2) Failure to obtain, maintain, update, or submit proof 1759  
of insurance coverage that is required under this chapter; 1760

(3) Failure to obtain, maintain, update, or submit proof 1761

of a surety bond that is required under this chapter;	1762
(4) Failure to restore a disturbed land surface as required by section 1509.072 of the Revised Code;	1763 1764
(5) Failure to reimburse the oil and gas well fund pursuant to a final order issued under section 1509.071 of the Revised Code;	1765 1766 1767
(6) Failure to comply with a final nonappealable order of the chief issued under section 1509.04 of the Revised Code;	1768 1769
(7) Failure to submit a report, test result, fee, or document that is required in this chapter or rules adopted under it.	1770 1771 1772
(FF) "Severer" has the same meaning as in section 5749.01 of the Revised Code.	1773 1774
(GG) "Horizontal well" means a well that is drilled for the production of oil or gas in which the wellbore reaches a horizontal or near horizontal position in the Point Pleasant, Utica, or Marcellus formation and the well is stimulated. "Horizontal well" does not include a stratigraphic well.	1775 1776 1777 1778 1779
(HH) "Well pad" means the area that is cleared or prepared for the drilling of one or more horizontal wells.	1780 1781
(II) "Stratigraphic well" means a borehole that is drilled within the state on a tract solely to conduct research or testing of the subsurface geology, including porosity and permeability. "Stratigraphic well" does not include geotechnical or soil borings or a borehole drilled for seismic shot or mining of industrial minerals or coal.	1782 1783 1784 1785 1786 1787
<b>Sec. 1509.02.</b> There is hereby created in the department of natural resources the division of oil and gas resources	1788 1789

management, which shall be administered by the chief of the 1790  
division of oil and gas resources management. The division has 1791  
sole and exclusive authority to regulate the permitting, 1792  
location, and spacing of oil and gas wells and production 1793  
operations within the state, excepting only those activities 1794  
regulated under federal laws for which oversight has been 1795  
delegated to the environmental protection agency and activities 1796  
regulated under sections 6111.02 to 6111.028 of the Revised 1797  
Code. The regulation of oil and gas activities is a matter of 1798  
general statewide interest that requires uniform statewide 1799  
regulation, and this chapter and rules adopted under it 1800  
constitute a comprehensive plan with respect to all aspects of 1801  
the locating, drilling, well stimulation, completing, and 1802  
operating of oil and gas wells within this state, including site 1803  
construction and restoration, permitting related to those 1804  
activities, and the disposal of wastes from those wells. In 1805  
order to assist the division in the furtherance of its sole and 1806  
exclusive authority as established in this section, the chief 1807  
may enter into cooperative agreements with other state agencies 1808  
for advice and consultation, including visitations at the 1809  
surface location of a well on behalf of the division. Such 1810  
cooperative agreements do not confer on other state agencies any 1811  
authority to administer or enforce this chapter and rules 1812  
adopted under it. In addition, such cooperative agreements shall 1813  
not be construed to dilute or diminish the division's sole and 1814  
exclusive authority as established in this section. Nothing in 1815  
this section affects the authority granted to the director of 1816  
transportation and local authorities in section 723.01 or 1817  
4513.34 of the Revised Code, provided that the authority granted 1818  
under those sections shall not be exercised in a manner that 1819  
discriminates against, unfairly impedes, or obstructs oil and 1820  
gas activities and operations regulated under this chapter. 1821

The chief shall not hold any other public office, nor 1822  
shall the chief be engaged in any occupation or business that 1823  
might interfere with or be inconsistent with the duties as 1824  
chief. 1825

Money collected by the chief pursuant to sections 1509.06, 1826  
1509.061, 1509.062, 1509.071, 1509.11, 1509.13, 1509.22, 1827  
1509.222, 1509.28, and 1509.34, ~~1509.50, and 5749.02~~ of the 1828  
Revised Code, all civil penalties paid under section 1509.33 of 1829  
the Revised Code, and, notwithstanding any section of the 1830  
Revised Code relating to the distribution or crediting of fines 1831  
for violations of the Revised Code, all fines imposed under 1832  
divisions (A) and (B) of section 1509.99 of the Revised Code and 1833  
fines imposed under divisions (C) and (D) of section 1509.99 of 1834  
the Revised Code for all violations prosecuted by the attorney 1835  
general and for violations prosecuted by prosecuting attorneys 1836  
that do not involve the transportation of brine by vehicle shall 1837  
be deposited into the state treasury to the credit of the oil 1838  
and gas well fund, which is hereby created. Fines imposed under 1839  
divisions (C) and (D) of section 1509.99 of the Revised Code for 1840  
violations prosecuted by prosecuting attorneys that involve the 1841  
transportation of brine by vehicle and penalties associated with 1842  
a compliance agreement entered into pursuant to this chapter 1843  
shall be paid to the county treasury of the county where the 1844  
violation occurred. 1845

The fund shall be used solely and exclusively for the 1846  
purposes enumerated in division (B) of section 1509.071 of the 1847  
Revised Code, for the expenses of the division associated with 1848  
the administration of this chapter and Chapter 1571. of the 1849  
Revised Code and rules adopted under them, and for expenses that 1850  
are critical and necessary for the protection of human health 1851  
and safety and the environment related to oil and gas production 1852

in this state. The expenses of the division in excess of the 1853  
moneys available in the fund shall be paid from general revenue 1854  
fund appropriations to the department. 1855

**Sec. 1509.11.** ~~(A)(1)~~ (A)(1)(a) The owner of any well, 1856  
except a horizontal well, that is producing or capable of 1857  
producing oil or gas shall file with the chief of the division 1858  
of oil and gas resources management, on or before the thirty- 1859  
first day of March, a statement of production of oil, gas, and 1860  
brine for the last preceding calendar year in such form as the 1861  
chief may prescribe. An owner that has more than one hundred 1862  
such wells in this state shall submit electronically the 1863  
statement of production in a format that is approved by the 1864  
chief. 1865

(b) The owner of an exempt domestic well designated as an 1866  
exempt domestic well on or after June 30, 2010, shall remit a 1867  
fee of sixty dollars for each such well to the director of the 1868  
department of natural resources or the director's designee on or 1869  
before the thirty-first day of March of each year, together with 1870  
the annual statement filed in accordance with division (A)(1)(a) 1871  
of this section or with another form prescribed by the director 1872  
for that purpose. Fees collected under this division shall be 1873  
credited to the oil and gas well fund. 1874

(2) The owner of any horizontal well that is producing or 1875  
capable of producing oil or gas shall file with the chief, on 1876  
the forty-fifth day following the close of each calendar 1877  
quarter, a statement of production of oil, gas, and brine for 1878  
the preceding calendar quarter in a form that the chief 1879  
prescribes. An owner that has more than one hundred horizontal 1880  
wells in this state shall submit electronically the statement of 1881  
production in a format that is approved by the chief. 1882



(B) The chief shall not disclose information received from 1883  
the department of taxation under section 5703.21 of the Revised 1884  
Code until the statement of production required by division (A) 1885  
of this section and related to that information is filed with 1886  
the chief. 1887

**Sec. 1509.34.** (A) (1) If an owner fails to pay the fees 1888  
imposed by this chapter, or if the chief of the division of oil 1889  
and gas resources management incurs costs under division (F) of 1890  
section 1509.071 of the Revised Code to correct conditions 1891  
associated with the owner's well that the chief reasonably has 1892  
determined are causing imminent health or safety risks, the 1893  
division of oil and gas resources management shall have a 1894  
priority lien against that owner's interest in the applicable 1895  
well in front of all other creditors for the amount of any such 1896  
unpaid fees and costs incurred. The chief shall file a statement 1897  
in the office of the county recorder of the county in which the 1898  
applicable well is located of the amount of the unpaid fees and 1899  
costs incurred as described in this division. The statement 1900  
shall constitute a lien on the owner's interest in the well as 1901  
of the date of the filing. The lien shall remain in force so 1902  
long as any portion of the lien remains unpaid or until the 1903  
chief issues a certificate of release of the lien. If the chief 1904  
issues a certificate of release of the lien, the chief shall 1905  
file the certificate of release in the office of the applicable 1906  
county recorder. 1907

(2) A lien imposed under division (A) (1) of this section 1908  
shall be in addition to any lien imposed by the attorney general 1909  
for failure to pay the assessment imposed by former section 1910  
1509.50 of the Revised Code or the tax levied under ~~division~~ 1911  
divisions (A) (5) ~~or (6)~~ to (8) of section 5749.02 of the Revised 1912  
Code, as applicable. 1913

(3) If the attorney general cannot collect from a severer 1914  
or an owner for an outstanding balance of amounts due under 1915  
former section 1509.50 of the Revised Code or of unpaid taxes 1916  
levied under ~~division~~ divisions (A) (5) ~~or (6)~~ to (8) of section 1917  
5749.02 of the Revised Code, as applicable, the tax commissioner 1918  
may request the chief to impose a priority lien against the 1919  
owner's interest in the applicable well. Such a lien has 1920  
priority in front of all other creditors. 1921

(B) The chief promptly shall issue a certificate of 1922  
release of a lien under either of the following circumstances: 1923

(1) Upon the repayment in full of the amount of unpaid 1924  
fees imposed by this chapter or costs incurred by the chief 1925  
under division (F) of section 1509.071 of the Revised Code to 1926  
correct conditions associated with the owner's well that the 1927  
chief reasonably has determined are causing imminent health or 1928  
safety risks; 1929

(2) Any other circumstance that the chief determines to be 1930  
in the best interests of the state. 1931

(C) The chief may modify the amount of a lien under this 1932  
section. If the chief modifies a lien, the chief shall file a 1933  
statement in the office of the county recorder of the applicable 1934  
county of the new amount of the lien. 1935

(D) An owner regarding which the division has recorded a 1936  
lien against the owner's interest in a well in accordance with 1937  
this section shall not transfer a well, lease, or mineral rights 1938  
to another owner or person until the chief issues a certificate 1939  
of release for each lien against the owner's interest in the 1940  
well. 1941

(E) All money from the collection of liens under this 1942

section shall be deposited in the state treasury to the credit 1943  
of the oil and gas well fund created in section 1509.02 of the 1944  
Revised Code. 1945

(F) As used in this section, "former section 1509.50 of 1946  
the Revised Code" means section 1509.50 of the Revised Code as 1947  
it existed before its repeal by this act. 1948

**Sec. 1513.08.** (A) After a coal mining and reclamation 1949  
permit application has been approved, the applicant shall file 1950  
with the chief of the division of mineral resources management, 1951  
on a form prescribed and furnished by the chief, the performance 1952  
security required under this section that shall be payable to 1953  
the state and conditioned on the faithful performance of all the 1954  
requirements of this chapter and rules adopted under it and the 1955  
terms and conditions of the permit. 1956

(B) Using the information contained in the permit 1957  
application; the requirements contained in the approved permit 1958  
and reclamation plan; and, after considering the topography, 1959  
geology, hydrology, and revegetation potential of the area of 1960  
the approved permit, the probable difficulty of reclamation; the 1961  
chief shall determine the estimated cost of reclamation under 1962  
the initial term of the permit if the reclamation has to be 1963  
performed by the division of mineral resources management in the 1964  
event of forfeiture of the performance security by the 1965  
applicant. The chief shall send either written notice by 1966  
certified mail or electronic notice with acknowledgment of 1967  
receipt of the amount of the estimated cost of reclamation to 1968  
the applicant. The applicant shall send either written notice or 1969  
electronic notice with acknowledgment of receipt to the chief 1970  
indicating the method by which the applicant will provide the 1971  
performance security pursuant to division (C) of this section. 1972

(C) The applicant shall provide the performance security 1973  
in an amount using one of the following: 1974

(1) If the applicant elects to provide performance 1975  
security without reliance on the reclamation forfeiture fund 1976  
created in section 1513.18 of the Revised Code, the amount of 1977  
the estimated cost of reclamation as determined by the chief 1978  
under division (B) of this section for the increments of land on 1979  
which the operator will conduct a coal mining and reclamation 1980  
operation under the initial term of the permit as indicated in 1981  
the application; 1982

(2) If the applicant elects to provide performance 1983  
security together with reliance on the reclamation forfeiture 1984  
fund through payment of the additional tax on the severance of 1985  
coal that is levied under division ~~(A) (8)~~ (A) (10) of section 1986  
5749.02 of the Revised Code, an amount of twenty-five hundred 1987  
dollars per acre of land on which the operator will conduct coal 1988  
mining and reclamation under the initial term of the permit as 1989  
indicated in the application. In order for an applicant to be 1990  
eligible to provide performance security in accordance with 1991  
division (C) (2) of this section, the applicant, an owner and 1992  
controller of the applicant, or an affiliate of the applicant 1993  
shall have held a permit issued under this chapter for any coal 1994  
mining and reclamation operation for a period of not less than 1995  
five years. 1996

If a permit is transferred, assigned, or sold, the 1997  
transferee is not eligible to provide performance security under 1998  
division (C) (2) of this section if the transferee has not held a 1999  
permit issued under this chapter for any coal mining and 2000  
reclamation operation for a period of not less than five years. 2001  
This restriction applies even if the status or name of the 2002

permittee otherwise remains the same after the transfer, 2003  
assignment, or sale. 2004

In the event of forfeiture of performance security that 2005  
was provided in accordance with division (C)(2) of this section, 2006  
the difference between the amount of that performance security 2007  
and the estimated cost of reclamation as determined by the chief 2008  
under division (B) of this section shall be obtained from money 2009  
in the reclamation forfeiture fund as needed to complete the 2010  
reclamation. 2011

The performance security provided under division (C) of 2012  
this section for the entire area to be mined under one permit 2013  
issued under this chapter shall not be less than ten thousand 2014  
dollars. 2015

The performance security shall cover areas of land 2016  
affected by mining within or immediately adjacent to the 2017  
permitted area, so long as the total number of acres does not 2018  
exceed the number of acres for which the performance security is 2019  
provided. However, the authority for the performance security to 2020  
cover areas of land immediately adjacent to the permitted area 2021  
does not authorize a permittee to mine areas outside an approved 2022  
permit area. As succeeding increments of coal mining and 2023  
reclamation operations are to be initiated and conducted within 2024  
the permit area, the permittee shall file with the chief 2025  
additional performance security to cover the increments in 2026  
accordance with this section. If a permittee intends to mine 2027  
areas outside the approved permit area, the permittee shall 2028  
provide additional performance security in accordance with this 2029  
section to cover the areas to be mined. 2030

If an applicant or permittee is not eligible to provide 2031  
performance security in accordance with division (C)(2) of this 2032

section, the applicant or permittee shall provide performance 2033  
security in accordance with division (C) (1) of this section in 2034  
the full amount of the estimated cost of reclamation as 2035  
determined by the chief for a permitted coal preparation plant 2036  
or coal refuse disposal area that is not located within a 2037  
permitted area of a mine. If an applicant for a permit for a 2038  
coal preparation plant or coal refuse disposal area or a 2039  
permittee of a permitted coal preparation plant or coal refuse 2040  
disposal area that is not located within a permitted area of a 2041  
mine has held a permit issued under this chapter for any coal 2042  
mining and reclamation operation for a period of five years or 2043  
more, the applicant or permittee may provide performance 2044  
security for the coal preparation plant or coal refuse disposal 2045  
area either in accordance with division (C) (1) of this section 2046  
in the full amount of the estimated cost of reclamation as 2047  
determined by the chief or in accordance with division (C) (2) of 2048  
this section in an amount of twenty-five hundred dollars per 2049  
acre of land with reliance on the reclamation forfeiture fund. 2050  
If a permittee has previously provided performance security 2051  
under division (C) (1) of this section for a coal preparation 2052  
plant or coal refuse disposal area that is not located within a 2053  
permitted area of a mine and elects to provide performance 2054  
security in accordance with division (C) (2) of this section, the 2055  
permittee shall submit written notice to the chief indicating 2056  
that the permittee elects to provide performance security in 2057  
accordance with division (C) (2) of this section. Upon receipt of 2058  
such a written notice, the chief shall release to the permittee 2059  
the amount of the performance security previously provided under 2060  
division (C) (1) of this section that exceeds the amount of 2061  
performance security that is required to be provided under 2062  
division (C) (2) of this section. 2063

(D) A permittee's liability under the performance security 2064  
shall be limited to the obligations established under the 2065  
permit, which include completion of the reclamation plan in 2066  
order to make the land capable of supporting the postmining land 2067  
use that was approved in the permit. The period of liability 2068  
under the performance security shall be for the duration of the 2069  
coal mining and reclamation operation and for a period 2070  
coincident with the operator's responsibility for revegetation 2071  
requirements under section 1513.16 of the Revised Code. 2072

(E) The amount of the estimated cost of reclamation 2073  
determined under division (B) of this section and the amount of 2074  
a permittee's performance security provided in accordance with 2075  
division (C) (1) of this section shall be adjusted by the chief 2076  
as the land that is affected by mining increases or decreases or 2077  
if the cost of reclamation increases or decreases. If the 2078  
performance security was provided in accordance with division 2079  
(C) (2) of this section and the chief has issued a cessation 2080  
order under division (D) (2) of section 1513.02 of the Revised 2081  
Code for failure to abate a violation of the contemporaneous 2082  
reclamation requirement under division (A) (15) of section 2083  
1513.16 of the Revised Code, the chief may require the permittee 2084  
to increase the amount of performance security from twenty-five 2085  
hundred dollars per acre of land to five thousand dollars per 2086  
acre of land. 2087

The chief shall notify the permittee, each surety, and any 2088  
person who has a property interest in the performance security 2089  
and who has requested to be notified of any proposed adjustment 2090  
to the performance security. The permittee may request an 2091  
informal conference with the chief concerning the proposed 2092  
adjustment, and the chief shall provide such an informal 2093  
conference. 2094

If the chief increases the amount of performance security 2095  
under this division, the permittee shall provide additional 2096  
performance security in an amount determined by the chief. If 2097  
the chief decreases the amount of performance security under 2098  
this division, the chief shall determine the amount of the 2099  
reduction of the performance security and send either written 2100  
notice or electronic notice with acknowledgment of receipt of 2101  
the amount of reduction to the permittee. The permittee may 2102  
reduce the amount of the performance security in the amount 2103  
determined by the chief. 2104

(F) A permittee may request a reduction in the amount of 2105  
the performance security by submitting to the chief 2106  
documentation proving that the amount of the performance 2107  
security provided by the permittee exceeds the estimated cost of 2108  
reclamation if the reclamation would have to be performed by the 2109  
division in the event of forfeiture of the performance security. 2110  
The chief shall examine the documentation and determine whether 2111  
the permittee's performance security exceeds the estimated cost 2112  
of reclamation. If the chief determines that the performance 2113  
security exceeds that estimated cost, the chief shall determine 2114  
the amount of the reduction of the performance security and send 2115  
either written notice or electronic notice with acknowledgment 2116  
of receipt of the amount to the permittee. The permittee may 2117  
reduce the amount of the performance security in the amount 2118  
determined by the chief. Adjustments in the amount of 2119  
performance security under this division shall not be considered 2120  
release of performance security and are not subject to section 2121  
1513.16 of the Revised Code. 2122

(G) If the performance security is a bond, it shall be 2123  
executed by the operator and a corporate surety licensed to do 2124  
business in this state. If the performance security is a cash 2125



deposit or negotiable certificates of deposit of a bank or 2126  
savings and loan association, the bank or savings and loan 2127  
association shall be licensed and operating in this state. The 2128  
cash deposit or market value of the securities shall be equal to 2129  
or greater than the amount of the performance security required 2130  
under this section. The chief shall review any documents 2131  
pertaining to the performance security and approve or disapprove 2132  
the documents. The chief shall notify the applicant of the 2133  
chief's determination. 2134

(H) If the performance security is a bond, the chief may 2135  
accept the bond of the applicant itself without separate surety 2136  
when the applicant demonstrates to the satisfaction of the chief 2137  
the existence of a suitable agent to receive service of process 2138  
and a history of financial solvency and continuous operation 2139  
sufficient for authorization to self-insure or bond the amount. 2140

(I) Performance security provided under this section may 2141  
be held in trust, provided that the state is the primary 2142  
beneficiary of the trust and the custodian of the performance 2143  
security held in trust is a bank, trust company, or other 2144  
financial institution that is licensed and operating in this 2145  
state. The chief shall review the trust document and approve or 2146  
disapprove the document. The chief shall notify the applicant of 2147  
the chief's determination. 2148

(J) If a surety, bank, savings and loan association, trust 2149  
company, or other financial institution that holds the 2150  
performance security required under this section becomes 2151  
insolvent, the permittee shall notify the chief of the 2152  
insolvency, and the chief shall order the permittee to submit a 2153  
plan for replacement performance security within thirty days 2154  
after receipt of notice from the chief. If the permittee 2155

provided performance security in accordance with division (C) (1) 2156  
of this section, the permittee shall provide the replacement 2157  
performance security within ninety days after receipt of notice 2158  
from the chief. If the permittee provided performance security 2159  
in accordance with division (C) (2) of this section, the 2160  
permittee shall provide the replacement performance security 2161  
within one year after receipt of notice from the chief, and, for 2162  
a period of one year after the permittee's receipt of notice 2163  
from the chief or until the permittee provides the replacement 2164  
performance security, whichever occurs first, money in the 2165  
reclamation forfeiture fund shall be the permittee's replacement 2166  
performance security in an amount not to exceed the estimated 2167  
cost of reclamation as determined by the chief. 2168

(K) If a permittee provided performance security in 2169  
accordance with division (C) (1) of this section, the permittee's 2170  
responsibility for repairing material damage and replacement of 2171  
water supply resulting from subsidence shall be satisfied by 2172  
either of the following: 2173

(1) The purchase prior to mining of a noncancelable 2174  
premium-prepaid liability insurance policy in lieu of the 2175  
permittee's performance security for subsidence damage. The 2176  
insurance policy shall contain terms and conditions that 2177  
specifically provide coverage for repairing material damage and 2178  
replacement of water supply resulting from subsidence. 2179

(2) The provision of additional performance security in 2180  
the amount of the estimated cost to the division of mineral 2181  
resources management to repair material damage and replace water 2182  
supplies resulting from subsidence until the repair or 2183  
replacement is completed. However, if such repair or replacement 2184  
is completed, or compensation for structures that have been 2185

damaged by subsidence is provided, by the permittee within 2186  
ninety days of the occurrence of the subsidence, additional 2187  
performance security is not required. In addition, the chief may 2188  
extend the ninety-day period for a period not to exceed one year 2189  
if the chief determines that the permittee has demonstrated in 2190  
writing that subsidence is not complete and that probable 2191  
subsidence-related damage likely will occur and, as a result, 2192  
the completion of repairs of subsidence-related material damage 2193  
to lands or protected structures or the replacement of water 2194  
supply within ninety days of the occurrence of the subsidence 2195  
would be unreasonable. 2196

(L) If the performance security provided in accordance 2197  
with this section exceeds the estimated cost of reclamation, the 2198  
chief may authorize the amount of the performance security that 2199  
exceeds the estimated cost of reclamation together with any 2200  
interest or other earnings on the performance security to be 2201  
paid to the permittee. 2202

(M) A permittee that held a valid coal mining and 2203  
reclamation permit immediately prior to April 6, 2007, shall 2204  
provide, not later than a date established by the chief, 2205  
performance security in accordance with division (C) (1) or (2) 2206  
of this section, rather than in accordance with the law as it 2207  
existed prior to that date, by filing it with the chief on a 2208  
form that the chief prescribes and furnishes. Accordingly, for 2209  
purposes of this section, "applicant" is deemed to include such 2210  
a permittee. 2211

(N) As used in this section: 2212

(1) "Affiliate of the applicant" means an entity that has 2213  
a parent entity in common with the applicant. 2214

(2) "Owner and controller of the applicant" means a person 2215  
that has any relationship with the applicant that gives the 2216  
person authority to determine directly or indirectly the manner 2217  
in which the applicant conducts coal mining operations. 2218

**Sec. 1513.182.** (A) There is hereby created the reclamation 2219  
forfeiture fund advisory board consisting of the director of 2220  
natural resources, the director of insurance, and seven members 2221  
appointed by the governor with the advice and consent of the 2222  
senate. Of the governor's appointments, one shall be a certified 2223  
public accountant, one shall be a registered professional 2224  
engineer with experience in reclamation of minedland, two shall 2225  
represent agriculture, agronomy, or forestry, one shall be a 2226  
representative of operators of coal mining operations that have 2227  
valid permits issued under this chapter and that have provided 2228  
performance security under division (C)(1) of section 1513.08 of 2229  
the Revised Code, one shall be a representative of operators of 2230  
coal mining operations that have valid permits issued under this 2231  
chapter and that have provided performance security under 2232  
division (C)(2) of section 1513.08 of the Revised Code, and one 2233  
shall be a representative of the public. 2234

Of the original members appointed by the governor, two 2235  
shall serve an initial term of two years, three an initial term 2236  
of three years, and two an initial term of four years. 2237  
Thereafter, terms of appointed members shall be for four years, 2238  
with each term ending on the same date as the original date of 2239  
appointment. An appointed member shall hold office from the date 2240  
of appointment until the end of the term for which the member 2241  
was appointed. Vacancies shall be filled in the same manner as 2242  
original appointments. A member appointed to fill a vacancy 2243  
occurring prior to the expiration of the term for which the 2244  
member's predecessor was appointed shall hold office for the 2245

remainder of that term. A member shall continue in office 2246  
subsequent to the expiration date of the member's term until the 2247  
member's successor takes office or until a period of sixty days 2248  
has elapsed, whichever occurs first. The governor may remove an 2249  
appointed member of the board for misfeasance, nonfeasance, or 2250  
malfeasance. 2251

The directors of natural resources and insurance shall not 2252  
receive compensation for serving on the board, but shall be 2253  
reimbursed for the actual and necessary expenses incurred in the 2254  
performance of their duties as members of the board. The members 2255  
appointed by the governor shall receive per diem compensation 2256  
fixed pursuant to division (J) of section 124.15 of the Revised 2257  
Code and reimbursement for the actual and necessary expenses 2258  
incurred in the performance of their duties. 2259

(B) The board annually shall elect from among its members 2260  
a chairperson, a vice-chairperson, and a secretary to record the 2261  
board's meetings. 2262

(C) The board shall hold meetings as often as necessary as 2263  
the chairperson or a majority of the members determines. 2264

(D) The board shall establish procedures for conducting 2265  
meetings and for the election of its chairperson, vice- 2266  
chairperson, and secretary. 2267

(E) The board shall do all of the following: 2268

(1) Review the deposits into and expenditures from the 2269  
reclamation forfeiture fund created in section 1513.18 of the 2270  
Revised Code; 2271

(2) Retain periodically a qualified actuary to perform an 2272  
actuarial study of the reclamation forfeiture fund; 2273

(3) Based on an actuarial study and as determined	2274
necessary by the board, adopt rules in accordance with Chapter	2275
119. of the Revised Code to adjust the rate of the tax levied	2276
under division <del>(A) (9)</del> <u>(A) (10)</u> of section 5749.02 of the Revised	2277
Code and the balance of the reclamation forfeiture fund that	2278
pertains to that rate;	2279
(4) Evaluate any rules, procedures, and methods for	2280
estimating the cost of reclamation for purposes of determining	2281
the amount of performance security that is required under	2282
section 1513.08 of the Revised Code; the collection of forfeited	2283
performance security; payments to the reclamation forfeiture	2284
fund; reclamation of sites for which operators have forfeited	2285
the performance security; and the compliance of operators with	2286
their reclamation plans;	2287
(5) Provide a forum for discussion of issues related to	2288
the reclamation forfeiture fund and the performance security	2289
that is required under section 1513.08 of the Revised Code;	2290
(6) Submit a report biennially to the governor that	2291
describes the financial status of the reclamation forfeiture	2292
fund and the adequacy of the amount of money in the fund to	2293
accomplish the purposes of the fund and that may discuss any	2294
matter related to the performance security that is required	2295
under section 1513.08 of the Revised Code;	2296
(7) Make recommendations to the governor, if necessary, of	2297
alternative methods of providing money for or using money in the	2298
reclamation forfeiture fund and issues related to the	2299
reclamation of land or water resources that have been adversely	2300
affected by past coal mining for which the performance security	2301
was forfeited;	2302

(8) Adopt rules in accordance with Chapter 119. of the Revised Code that are necessary to administer this section.

**Sec. 3301.91.** (A) As used in this section:

(1) "National school breakfast program" means the federal school breakfast program created under 42 U.S.C. 1773.

(2) "National school lunch program" means the federal school lunch program created under 42 U.S.C. 1751.

(3) "Public school" means a school building operated by a school district, a community school established under Chapter 3314. of the Revised Code, a STEM school established under Chapter 3326. of the Revised Code, a building operated by an educational service center, a special education program operated by the county board of developmental disabilities under section 3323.09 of the Revised Code, or a facility offering juvenile day treatment services.

(B) The department of education and workforce shall reimburse each public and chartered nonpublic school that participates in the national school breakfast program, from funds appropriated by the general assembly for that purpose, an amount equal to the sum of the following:

(1) The difference between the federal free reimbursement rate and the federal reimbursement for a reduced-price breakfast for each student eligible for a reduced-price breakfast and receiving breakfast;

(2) The difference between the federal free reimbursement rate and the federal reimbursement for a paid breakfast for each student receiving breakfast who does not qualify for free or reduced-price breakfast.

(C) The department shall reimburse each public school and chartered nonpublic school that participates in the national school lunch program, from funds appropriated by the general assembly for that purpose, an amount equal to the sum of the following:

(1) The difference between the federal free reimbursement rate and the federal reimbursement for a reduced-price lunch for each student eligible for a reduced-price lunch and receiving lunch;

(2) The difference between the federal free reimbursement rate and the federal reimbursement for a paid lunch for each student receiving lunch who does not qualify for free or reduced-price lunch.

**Sec. 3313.819.** (A) As used in this section, "national school breakfast program," "national school lunch program," and "public school" all have the same meanings as in section 3301.91 of the Revised Code.

(B) A public or chartered nonpublic school that participates in the national school breakfast program shall provide each student ~~eligible for a reduced-price breakfast~~ a breakfast at no cost to the student.

A public or chartered nonpublic school that participates in the national school lunch program shall provide each student ~~eligible for a reduced-price lunch~~ a lunch at no cost to the student.

**Sec. 3354.24.** (A) The provisions of this section prevail over conflicting provisions of this chapter; however, except as otherwise provided in this section, the eastern gateway community college district and its board of trustees shall



comply with the provisions of this chapter. 2360

(B) The territory of Columbiana, Mahoning, and Trumbull 2361  
counties is hereby added to the territory of the community 2362  
college district of Jefferson county, creating a new community 2363  
college district to replace the former community college 2364  
district of Jefferson county. The district created under this 2365  
section shall be known as and operate under the name of "eastern 2366  
gateway community college district," and its charter shall be 2367  
amended to this name. The Jefferson county campus is hereby part 2368  
of the eastern gateway community college district and shall 2369  
remain in operation unless otherwise specified by the board of 2370  
trustees of the community college. 2371

The eastern gateway community college district is divided 2372  
into two taxing subdistricts, one consisting of the territory of 2373  
Jefferson county, and the other consisting of the territories of 2374  
Columbiana, Mahoning, and Trumbull counties. 2375

(C) ~~On the effective date of this section as enacted by~~ 2376  
~~H.B. 1 of the 128th general assembly October 16, 2009,~~ the 2377  
government of the eastern gateway community college district 2378  
shall be vested in a board of eleven trustees to be appointed by 2379  
the governor, with the advice and consent of the senate. The 2380  
board of trustees of the former community college district of 2381  
Jefferson county is abolished on that date. 2382

The governor shall appoint the members of the board of 2383  
trustees of the eastern gateway community college district as 2384  
successors to the board of trustees of Jefferson community 2385  
college as follows: Three members of the board of trustees shall 2386  
be residents of Jefferson county. (The initial Jefferson county 2387  
members shall be members of the board of trustees of the former 2388  
community college district of Jefferson county, as it existed 2389

before ~~the effective date of this section~~ October 16, 2009.) 2390  
Eight members of the board of trustees shall be residents of 2391  
Columbiana, Mahoning, and Trumbull counties. 2392

The initial board of trustees shall be appointed within 2393  
ninety days after ~~the effective date of this section~~ October 16, 2394  
2009, for terms as follows: Of the trustees who are residents of 2395  
Jefferson county, one trustee shall be appointed for a one-year 2396  
term, one trustee shall be appointed for a three-year term, and 2397  
one trustee shall be appointed for a five-year term. Of the 2398  
trustees who are residents of Columbiana, Mahoning, and Trumbull 2399  
counties, one trustee shall be appointed for a one-year term, 2400  
two trustees shall be appointed for two-year terms, two trustees 2401  
shall be appointed for three-year terms, two trustees shall be 2402  
appointed for four-year terms, and one trustee shall be 2403  
appointed for a five-year term. 2404

At the conclusion of each initial term, the term of office 2405  
of each trustee shall be five years, each term ending on the 2406  
same day of the same month of the year as did the term that it 2407  
succeeds. 2408

Each trustee shall hold office from the date of the 2409  
trustee's appointment until the end of the term for which the 2410  
trustee was appointed. Any trustee appointed to fill a vacancy 2411  
occurring before the expiration of the term for which the 2412  
trustee's predecessor was appointed shall hold office for the 2413  
remainder of that term. Any trustee shall continue in office 2414  
subsequent to the expiration date of the trustee's term until 2415  
the trustee's successor takes office, or until a period of sixty 2416  
days has elapsed, whichever occurs first. 2417

If a vacancy occurs and the Jefferson county tax levy is 2418  
no longer in place or a conversion under division (H) of this 2419

section has occurred, the governor shall fill the vacancy with a person residing within the eastern gateway community college district.

(D) The board of trustees of the eastern gateway community college district shall continue to comply with division (G) of section 3354.09 of the Revised Code regarding tuition for students who are residents of Ohio but not residents of the district, and for students who are nonresidents of Ohio. The tuition rate shall be based on the student's county of residence and shall apply to all eastern gateway community college district classes in all district locations. Except as provided in division (F) (3) of this section, students who are residents of Columbiana, Mahoning, or Trumbull county shall continue to be charged tuition at the same rate as Ohio residents who are not residents of the district.

(E) (1) Except as provided in divisions (E) (2) and (3) of this section, each member of the board of trustees shall have full voting rights on all matters that come before the board.

(2) The three trustees representing Jefferson county shall have sole authority to vote on the following matters:

- (a) The Jefferson county tax levy;
- (b) The expenditure of revenue from that tax levy;
- (c) Levy-subsidized tuition rates.

(3) The voting restrictions under division (E) (2) of this section apply until the electors of the Columbiana, Mahoning, and Trumbull county taxing subdistrict approve a tax levy under division (F) (3) of this section that is equivalent to the tax levy approved by the electors of Jefferson county for the support of the former community college district of Jefferson

county on ~~the effective date of this section~~ October 16, 2009. 2449

For the purposes of this division, the tax levy is an equivalent 2450  
tax levy if either: 2451

(a) In the first tax year for which the tax is collected, 2452  
it yields revenue per capita equal to or greater than the yield 2453  
per capita of levies of the community college district in effect 2454  
that year in Jefferson county, as jointly determined by the 2455  
county auditors of Jefferson, Columbiana, Mahoning, and Trumbull 2456  
counties; or 2457

(b) In the first tax year for which the tax is collected, 2458  
the effective tax rate of the tax is equal to or greater than 2459  
the effective tax rate of levies of the community college 2460  
district in effect that tax year in Jefferson county, as jointly 2461  
determined by the county auditors of Jefferson, Columbiana, 2462  
Mahoning, and Trumbull counties. 2463

As used in this division, "effective tax rate" means the 2464  
quotient obtained by dividing the total taxes charged and 2465  
payable for a taxing subdistrict for a tax year after the 2466  
reduction prescribed by section 319.301 of the Revised Code but 2467  
before ~~the any~~ reduction prescribed by section ~~319.302 or~~ 2468  
323.152 of the Revised Code, by the taxable value for the taxing 2469  
subdistrict for that tax year. 2470

(F) (1) For each taxing subdistrict of the eastern gateway 2471  
community college district, the board of trustees may propose to 2472  
levy a tax in accordance with the procedures prescribed in 2473  
section 3354.12 of the Revised Code, except the following terms 2474  
used in that section shall have the meanings given them in this 2475  
section: 2476

(a) "District" and "community college district" mean the 2477

appropriate taxing subdistrict defined in this section; 2478

(b) "Board of trustees of the community college district" 2479  
means the board of trustees for the entire eastern gateway 2480  
community college district. That board of trustees may propose 2481  
separate levies for either of the two taxing subdistricts. 2482

(c) "Tax duplicate" means the tax duplicate of only the 2483  
appropriate taxing subdistrict and not the tax duplicate of the 2484  
entire eastern gateway community college district. 2485

(2) The board of trustees may propose to levy a tax on 2486  
taxable property in Jefferson county to be voted on by the 2487  
electors of Jefferson county as provided in division (F) (1) of 2488  
this section. An affirmative vote by a majority of the electors 2489  
of the subdistrict voting on the question is necessary for 2490  
passage. Any money raised by a tax levied by the former 2491  
community college district of Jefferson county or a subsequent 2492  
tax levied in Jefferson county in accordance with division (F) 2493  
(1) of this section shall be used solely for the benefit of 2494  
Jefferson county residents attending the eastern gateway 2495  
community college in the form of student tuition subsidies, 2496  
student scholarships, and instructional facilities, equipment, 2497  
and support services located within Jefferson county, or for any 2498  
purpose approved by the electors. Such amounts shall be 2499  
deposited into a separate fund of the taxing subdistrict, and 2500  
shall be budgeted separately. 2501

(3) The board of trustees may propose to levy a tax on 2502  
taxable property in Columbiana, Mahoning, and Trumbull counties 2503  
to be voted on by the electors of the counties as provided in 2504  
division (F) (1) of this section. An affirmative vote by a 2505  
majority of the electors of the subdistrict voting on the 2506  
question is necessary for passage. Any amounts raised by such a 2507

tax in the tax subdistrict shall be used solely for the benefit 2508  
of residents of the subdistrict attending the eastern gateway 2509  
community college in the form of student tuition subsidies, 2510  
student scholarships, and instructional facilities, equipment, 2511  
and support services located within Columbiana, Mahoning, and 2512  
Trumbull counties, or for any purpose approved by the electors. 2513  
Amounts collected shall be deposited into a separate fund from 2514  
all other revenues collected by each taxing subdistrict. 2515

The board of trustees may adjust the rate of tuition 2516  
charged to each taxing subdistrict's residents to an amount 2517  
commensurate with the amount of tax the board of trustees 2518  
dedicates for instructional and general services provided to the 2519  
residents of the subdistrict. 2520

(G) The board of trustees of the eastern gateway community 2521  
college district may issue bonds in accordance with section 2522  
3354.11 of the Revised Code, but the board may limit the 2523  
question of approval of the issue of those bonds to the electors 2524  
of only one of the two taxing subdistricts, in which case the 2525  
board also may limit the use of the property or improvements to 2526  
the residents of that subdistrict. 2527

(H) If the tax levy in Jefferson county expires, is not 2528  
renewed, or is not approved by the electors of Jefferson county 2529  
and the other taxing subdistrict does not levy a tax for the 2530  
purposes of this section, the board of trustees of the eastern 2531  
gateway community college district shall submit a proposal to 2532  
the chancellor of the board of regents to convert to a state 2533  
community college and, upon the chancellor's approval of the 2534  
proposal, enter into a transition agreement with the chancellor 2535  
following the procedures set forth in section 3358.05 of the 2536  
Revised Code for a technical college district. 2537

Sec. 3354.25. (A) The provisions of this section prevail 2538  
over conflicting provisions of this chapter; however, except as 2539  
provided in this section, the community college district and its 2540  
board of trustees created by this section shall comply with the 2541  
provisions of this chapter. 2542

(B) (1) The territory of Warren county is hereby added to 2543  
the territory of the community college district of Montgomery 2544  
county, creating the Warren county Montgomery county community 2545  
college district and replacing the former community college 2546  
district of Montgomery county. The district created in this 2547  
section may be known as and operate under the name of the 2548  
Sinclair community college district. 2549

(2) The community college district created by this section 2550  
shall be divided into separate taxing subdistricts, one 2551  
consisting of the territory of Warren county, and another 2552  
consisting of the territory of Montgomery county. 2553

Taxes for the benefit of the community college district 2554  
shall be levied and the benefits from the revenues of those 2555  
taxes shall be apportioned among the subdistricts only in 2556  
accordance with this section. 2557

(C) The board of trustees of the two-county community 2558  
college district created by this section shall consist of eleven 2559  
members. 2560

(1) Nine members of the board of trustees shall be 2561  
residents of Montgomery county. The initial Montgomery county 2562  
members shall be the same members of the board of trustees of 2563  
the former community college district of Montgomery county, as 2564  
it existed prior to ~~the effective date of this section~~ September 2565  
29, 2005, whose terms shall expire and whose successors shall be 2566

appointed as they would have otherwise under division (B) of 2567  
section 3354.05 of the Revised Code. 2568

(2) Two members of the board of trustees shall be 2569  
residents of Warren county, one of whom shall be appointed by 2570  
the board of county commissioners of Warren county, and one of 2571  
whom shall be appointed by the governor with the advice and 2572  
consent of the senate. Each of the initial appointments under 2573  
division (C) (2) of this section shall be made within ninety days 2574  
after ~~the effective date of this section~~ September 29, 2005. At 2575  
the time of the initial meeting of the trustees of the community 2576  
college district created by this section, a drawing among the 2577  
Warren county appointees shall be held to determine the initial 2578  
term of each appointee, one trustee to serve for a term ending 2579  
three years after the expiration date of the Montgomery county 2580  
trustee's term that is the first to expire after ~~the effective~~ 2581  
~~date of this section~~ September 29, 2005, and the other trustee 2582  
to serve for a term ending five years after the expiration date 2583  
of the Montgomery county trustee's term that is the first to 2584  
expire after ~~the effective date of this section~~ September 29, 2585  
2005. Thereafter, the successive terms of the Warren county 2586  
members of the board of trustees shall be for five years, each 2587  
term ending on the same day of the same month of the year as did 2588  
the term which it succeeds. Each trustee shall hold office from 2589  
the date of the trustee's appointment until the end of the term 2590  
for which appointed. Any trustee appointed to fill a vacancy 2591  
occurring prior to the expiration of the term for which the 2592  
trustee's predecessor was appointed shall hold office for the 2593  
remainder of that term. Any trustee shall continue in office 2594  
subsequent to the expiration date of the trustee's term until 2595  
the trustee's successor takes office, or until a period of sixty 2596  
days has elapsed, whichever occurs first. 2597



(D) The board of trustees of the community college 2598  
district created by this section shall continue to comply with 2599  
division (G) of section 3354.09 of the Revised Code, regarding 2600  
tuition for students who are residents of Ohio but not of the 2601  
district, and for students who are nonresidents of Ohio. The 2602  
tuition rate shall be based on the student's county of residence 2603  
and shall apply to all Sinclair community college classes in all 2604  
Sinclair community college locations. Except as provided in 2605  
division (G) (2) of this section, students who are residents of 2606  
Warren county shall continue to be charged tuition at the same 2607  
rate as Ohio residents who are not residents of the district. 2608

(E) (1) Unless the conditions prescribed in division (F) of 2609  
this section are satisfied, the trustees from each respective 2610  
county of the community college district created by this section 2611  
shall have no vote on any of the following matters pertaining to 2612  
the other county: 2613

(a) Tax levies; 2614

(b) The expenditure of revenue from tax levies; 2615

(c) Levy-subsidized tuition rates. 2616

(2) As long as either of the conditions prescribed in 2617  
division (F) (1) or (2) of this section are satisfied, each 2618  
member of the board of trustees shall have full voting rights on 2619  
all matters coming before the board. 2620

(3) At all times, on any matter related to community 2621  
college programming or facilities within one county or the 2622  
other, both of the following are necessary: 2623

(a) The affirmative vote of a majority of the full 2624  
membership of the board of trustees; 2625

(b) The affirmative vote of at least fifty per cent of the trustees from the affected county.

(4) If the millage rate of the Warren county tax levy described in division (F) of this section is subsequently reduced by a vote of the electors of Warren county to the extent that it no longer satisfies a condition prescribed in either division (F)(1) or (2) of this section, the voting restrictions prescribed in division (E)(1) of this section again apply to the board effective on the first day of the tax year that begins after the reduction is approved by the electors.

(F) The voting restrictions of division (E)(1) of this section apply until the electors of Warren county approve a tax levy, in accordance with division (G)(3) of this section, equivalent to the tax levy approved by the electors of Montgomery county for the support of the former community college district of Montgomery county prior to ~~the effective date of this section~~ September 29, 2005. For this purpose, an equivalent tax levy is a tax levied in Warren county that either:

(1) In the first tax year for which the tax is collected, yields revenue per capita equal to or greater than the yield per capita of levies of the community college district in effect that tax year in Montgomery county, as jointly determined by the county auditors of Montgomery and Warren counties;

(2) In the first tax year for which the tax is collected, imposes a millage rate that is equal to or greater than the effective tax rate of levies of the community college district in effect that tax year in Montgomery county, as jointly determined by the county auditors of Montgomery and Warren counties.

As used in division (F) (2) of this section, "effective tax rate" means the quotient obtained by dividing the total taxes charged and payable for the taxing subdistrict for a tax year, after the reduction prescribed by section 319.301 of the Revised Code but before ~~the any~~ reduction prescribed by section ~~319.302~~ ~~or~~ 323.152 of the Revised Code, by the taxable value for the taxing subdistrict for that tax year.

(G) (1) The board of trustees may propose to levy a tax on taxable property in Montgomery county to be voted on by the electors of Montgomery county as provided in division (G) (3) of this section. Any money raised by a tax levied by the former community college district of Montgomery county or a subsequent tax levied in Montgomery county in accordance with division (G) (3) of this section shall be used solely for the benefit of Montgomery county residents attending Sinclair community college in the form of student tuition subsidy, student scholarships, and instructional facilities, equipment and support services located within Montgomery county, shall be deposited into a separate fund from all other revenues of the district, and shall be budgeted separately.

(2) The board of trustees may propose to levy a tax on taxable property in Warren county to be voted on by electors of Warren county as provided in division (G) (3) of this section. Any money raised by the tax shall be used solely for the benefit of Warren county residents attending Sinclair community college in the form of student tuition subsidy, student scholarships, and instructional facilities, equipment and support services located within Warren county, shall be deposited into a separate fund from all other revenues of the district, and shall be budgeted separately. If the tax is approved in accordance with division (G) (3) (c) of this section, the board of trustees may

adjust the rate of tuition charged to Warren county residents 2687  
commensurate with the amount of that tax the board of trustees 2688  
dedicates for instructional and general services provided to 2689  
Warren county residents. 2690

(3) For each taxing subdistrict of the community college 2691  
district created by this section, the board of trustees may 2692  
propose to levy a tax in accordance with the procedures 2693  
prescribed in section 3354.12 of the Revised Code, except as 2694  
provided in divisions (G) (3) (a) to (c) of this section. 2695

(a) Wherein section 3354.12 of the Revised Code the terms 2696  
"district" and "community college district" are used, those 2697  
terms shall be construed to mean the appropriate taxing 2698  
subdistrict described in division (B) (2) of this section, except 2699  
that the "board of trustees of the community college district" 2700  
means the board of trustees for the entire community college 2701  
district as described in division (C) of this section. That 2702  
board of trustees may propose separate levies for either of the 2703  
two taxing subdistricts. 2704

(b) "Tax duplicate," as used in section 3354.12 of the 2705  
Revised Code, means the tax duplicate of only the appropriate 2706  
taxing subdistrict and not the tax duplicate of the entire 2707  
community college district. 2708

(c) The resolution of the board of trustees proposing a 2709  
tax levy in the Warren county taxing subdistrict is subject to 2710  
approval of a two-thirds vote of the board of county 2711  
commissioners of Warren county. If so approved by the board of 2712  
county commissioners of Warren county, that board shall certify 2713  
the resolution to the Warren county board of elections, which 2714  
shall place on the ballot for the electors of Warren county the 2715  
question of levying the tax proposed in the resolution on all 2716

taxable property of the county. If approved by the electors of 2717  
the county, the tax shall be levied as provided in section 2718  
3354.12 of the Revised Code and anticipation notes may be issued 2719  
by the board of trustees in accordance with that section. 2720

(H) (1) The board of trustees of the community college 2721  
district created by this section may issue bonds in accordance 2722  
with section 3354.11 of the Revised Code; however, the board may 2723  
limit the question of approval of the issue of those bonds to 2724  
the electors of only one of the two taxing subdistricts 2725  
described in division (B) (2) of this section, in which case the 2726  
board also may limit the use of the property or improvements to 2727  
the residents of that subdistrict. 2728

(2) A resolution of the board of trustees proposing the 2729  
issuance of bonds for only the Warren county taxing subdistrict 2730  
is subject to approval of a two-thirds vote of the board of 2731  
county commissioners of Warren county. If so approved by the 2732  
board of county commissioners of Warren county, that board shall 2733  
certify the resolution to the Warren county board of elections 2734  
which shall place on the ballot for the electors of Warren 2735  
county the question of issuing bonds as proposed in the 2736  
resolution. 2737

**Sec. 4503.06.** (A) The owner of each manufactured or mobile 2738  
home that has acquired situs in this state shall pay either a 2739  
real property tax pursuant to Title LVII of the Revised Code or 2740  
a manufactured home tax pursuant to division (C) of this 2741  
section. 2742

(B) The owner of a manufactured or mobile home shall pay 2743  
real property taxes if either of the following applies: 2744

(1) The manufactured or mobile home acquired situs in the 2745

state or ownership in the home was transferred on or after	2746
January 1, 2000, and all of the following apply:	2747
(a) The home is affixed to a permanent foundation as	2748
defined in division (C) (5) of section 3781.06 of the Revised	2749
Code.	2750
(b) The home is located on land that is owned by the owner	2751
of the home.	2752
(c) The certificate of title has been inactivated by the	2753
clerk of the court of common pleas that issued it, pursuant to	2754
division (H) of section 4505.11 of the Revised Code.	2755
(2) The manufactured or mobile home acquired situs in the	2756
state or ownership in the home was transferred before January 1,	2757
2000, and all of the following apply:	2758
(a) The home is affixed to a permanent foundation as	2759
defined in division (C) (5) of section 3781.06 of the Revised	2760
Code.	2761
(b) The home is located on land that is owned by the owner	2762
of the home.	2763
(c) The owner of the home has elected to have the home	2764
taxed as real property and, pursuant to section 4505.11 of the	2765
Revised Code, has surrendered the certificate of title to the	2766
auditor of the county containing the taxing district in which	2767
the home has its situs, together with proof that all taxes have	2768
been paid.	2769
(d) The county auditor has placed the home on the real	2770
property tax list and delivered the certificate of title to the	2771
clerk of the court of common pleas that issued it and the clerk	2772
has inactivated the certificate.	2773

(C) (1) Any mobile or manufactured home that is not taxed 2774  
as real property as provided in division (B) of this section is 2775  
subject to an annual manufactured home tax, payable by the 2776  
owner, for locating the home in this state. The tax as levied in 2777  
this section is for the purpose of supplementing the general 2778  
revenue funds of the local subdivisions in which the home has 2779  
its situs pursuant to this section. 2780

(2) The year for which the manufactured home tax is levied 2781  
commences on the first day of January and ends on the following 2782  
thirty-first day of December. The state shall have the first 2783  
lien on any manufactured or mobile home on the list for the 2784  
amount of taxes, penalties, and interest charged against the 2785  
owner of the home under this section. The lien of the state for 2786  
the tax for a year shall attach on the first day of January to a 2787  
home that has acquired situs on that date. The lien for a home 2788  
that has not acquired situs on the first day of January, but 2789  
that acquires situs during the year, shall attach on the next 2790  
first day of January. The lien shall continue until the tax, 2791  
including any penalty or interest, is paid. 2792

(3) (a) The situs of a manufactured or mobile home located 2793  
in this state on the first day of January is the local taxing 2794  
district in which the home is located on that date. 2795

(b) The situs of a manufactured or mobile home not located 2796  
in this state on the first day of January, but located in this 2797  
state subsequent to that date, is the local taxing district in 2798  
which the home is located thirty days after it is acquired or 2799  
first enters this state. 2800

(4) The tax is collected by and paid to the county 2801  
treasurer of the county containing the taxing district in which 2802  
the home has its situs. 2803

(D) The manufactured home tax shall be computed and 2804  
assessed by the county auditor of the county containing the 2805  
taxing district in which the home has its situs as follows: 2806

(1) On a home that acquired situs in this state prior to 2807  
January 1, 2000: 2808

(a) By multiplying the assessable value of the home by the 2809  
tax rate of the taxing district in which the home has its situs, 2810  
and deducting from the product thus obtained any reduction 2811  
authorized under section 4503.065 of the Revised Code. The tax 2812  
levied under this formula shall not be less than thirty-six 2813  
dollars, unless the home qualifies for a reduction in assessable 2814  
value under section 4503.065 of the Revised Code, in which case 2815  
there shall be no minimum tax and the tax shall be the amount 2816  
calculated under this division. 2817

(b) The assessable value of the home shall be forty per 2818  
cent of the amount arrived at by the following computation: 2819

(i) If the cost to the owner, or market value at time of 2820  
purchase, whichever is greater, of the home includes the 2821  
furnishings and equipment, such cost or market value shall be 2822  
multiplied according to the following schedule: 2823

2824

	1	2	3
A	For the first calendar year in which the home is owned by the current owner	x	80%
B	2nd calendar year	x	75%



C	3rd "	x	70%
D	4th "	x	65%
E	5th "	x	60%
F	6th "	x	55%
G	7th "	x	50%
H	8th "	x	45%
I	9th "	x	40%
J	10th and each year thereafter	x	35%

The first calendar year means any period between the first day of January and the thirty-first day of December of the first year. 2825  
2826  
2827

(ii) If the cost to the owner, or market value at the time of purchase, whichever is greater, of the home does not include the furnishings and equipment, such cost or market value shall be multiplied according to the following schedule: 2828  
2829  
2830  
2831

2832

	1	2	3
A	For the first calendar year in which the home is owned by the current owner	x	95%
B	2nd calendar year	x	90%

C	3rd "	x	85%
D	4th "	x	80%
E	5th "	x	75%
F	6th "	x	70%
G	7th "	x	65%
H	8th "	x	60%
I	9th "	x	55%
J	10th and each year thereafter	x	50%

The first calendar year means any period between the first day of January and the thirty-first day of December of the first year. 2833  
2834  
2835

(2) On a home in which ownership was transferred or that first acquired situs in this state on or after January 1, 2000: 2836  
2837

(a) By multiplying the assessable value of the home by the effective tax rate, as defined in section 323.08 of the Revised Code, for residential real property of the taxing district in which the home has its situs, and deducting from the product thus obtained the reductions required ~~or authorized~~ under ~~section 319.302,~~ division (B) of section 323.152~~7~~, or section 4503.065 of the Revised Code. 2838  
2839  
2840  
2841  
2842  
2843  
2844

(b) The assessable value of the home shall be thirty-five per cent of its true value as determined under division (L) of this section. 2845  
2846  
2847

(3) On or before the fifteenth day of January each year, 2848

the county auditor shall record the assessable value and the 2849  
amount of tax on the manufactured or mobile home on the tax list 2850  
and deliver a duplicate of the list to the county treasurer. In 2851  
the case of an emergency as defined in section 323.17 of the 2852  
Revised Code, the tax commissioner, by journal entry, may extend 2853  
the times for delivery of the duplicate for an additional 2854  
fifteen days upon receiving a written application from the 2855  
county auditor regarding an extension for the delivery of the 2856  
duplicate, or from the county treasurer regarding an extension 2857  
of the time for the billing and collection of taxes. The 2858  
application shall contain a statement describing the emergency 2859  
that will cause the unavoidable delay and must be received by 2860  
the tax commissioner on or before the last day of the month 2861  
preceding the day delivery of the duplicate is otherwise 2862  
required. When an extension is granted for delivery of the 2863  
duplicate, the time period for payment of taxes shall be 2864  
extended for a like period of time. When a delay in the closing 2865  
of a tax collection period becomes unavoidable, the tax 2866  
commissioner, upon application by the county auditor and county 2867  
treasurer, may order the time for payment of taxes to be 2868  
extended if the tax commissioner determines that penalties have 2869  
accrued or would otherwise accrue for reasons beyond the control 2870  
of the taxpayers of the county. The order shall prescribe the 2871  
final extended date for payment of taxes for that collection 2872  
period. 2873

(4) After January 1, 1999, the owner of a manufactured or 2874  
mobile home taxed pursuant to division (D)(1) of this section 2875  
may elect to have the home taxed pursuant to division (D)(2) of 2876  
this section by filing a written request with the county auditor 2877  
of the taxing district in which the home is located on or before 2878  
the first day of December of any year. Upon the filing of the 2879

request, the county auditor shall determine whether all taxes 2880  
levied under division (D) (1) of this section have been paid, and 2881  
if those taxes have been paid, the county auditor shall tax the 2882  
manufactured or mobile home pursuant to division (D) (2) of this 2883  
section commencing in the next tax year. 2884

(5) A manufactured or mobile home that acquired situs in 2885  
this state prior to January 1, 2000, shall be taxed pursuant to 2886  
division (D) (2) of this section if no manufactured home tax had 2887  
been paid for the home and the home was not exempted from 2888  
taxation pursuant to division (E) of this section for the year 2889  
for which the taxes were not paid. 2890

(6) (a) Immediately upon receipt of any manufactured home 2891  
tax duplicate from the county auditor, but not less than twenty 2892  
days prior to the last date on which the first one-half taxes 2893  
may be paid without penalty as prescribed in division (F) of 2894  
this section, the county treasurer shall cause to be prepared 2895  
and mailed or delivered to each person charged on that duplicate 2896  
with taxes, or to an agent designated by such person, the tax 2897  
bill prescribed by the tax commissioner under division (D) (7) of 2898  
this section. When taxes are paid by installments, the county 2899  
treasurer shall mail or deliver to each person charged on such 2900  
duplicate or the agent designated by that person a second tax 2901  
bill showing the amount due at the time of the second tax 2902  
collection. The second half tax bill shall be mailed or 2903  
delivered at least twenty days prior to the close of the second 2904  
half tax collection period. A change in the mailing address, 2905  
electronic mail address, or telephone number of any tax bill 2906  
shall be made in writing to the county treasurer. Failure to 2907  
receive a bill required by this section does not excuse failure 2908  
or delay to pay any taxes shown on the bill or, except as 2909  
provided in division (B) (1) of section 5715.39 of the Revised 2910

Code, avoid any penalty, interest, or charge for such delay. 2911

A policy adopted by a county treasurer under division (A) 2912  
(2) of section 323.13 of the Revised Code shall also allow any 2913  
person required to receive a tax bill under division (D)(6)(a) 2914  
of this section to request electronic delivery of that tax bill 2915  
in the same manner. A person may rescind such a request in the 2916  
same manner as a request made under division (A)(2) of section 2917  
323.13 of the Revised Code. The request shall terminate upon a 2918  
change in the name of the person charged with the taxes pursuant 2919  
to section 4503.061 of the Revised Code. 2920

(b) After delivery of the copy of the delinquent 2921  
manufactured home tax list under division (H) of this section, 2922  
the county treasurer may prepare and mail to each person in 2923  
whose name a home is listed an additional tax bill showing the 2924  
total amount of delinquent taxes charged against the home as 2925  
shown on the list. The tax bill shall include a notice that the 2926  
interest charge prescribed by division (G) of this section has 2927  
begun to accrue. 2928

(7) Each tax bill prepared and mailed or delivered under 2929  
division (D)(6) of this section shall be in the form and contain 2930  
the information required by the tax commissioner. The 2931  
commissioner may prescribe different forms for each county and 2932  
may authorize the county auditor to make up tax bills and tax 2933  
receipts to be used by the county treasurer. The tax bill shall 2934  
not contain or be mailed or delivered with any information or 2935  
material that is not required by this section or that is not 2936  
authorized by section 321.45 of the Revised Code or by the tax 2937  
commissioner. In addition to the information required by the 2938  
commissioner, each tax bill shall contain the following 2939  
information: 2940

(a) The taxes levied and the taxes charged and payable 2941  
against the manufactured or mobile home; 2942

(b) The following notice: "Notice: If the taxes are not 2943  
paid within sixty days after the county auditor delivers the 2944  
delinquent manufactured home tax list to the county treasurer, 2945  
you and your home may be subject to collection proceedings for 2946  
tax delinquency." Failure to provide such notice has no effect 2947  
upon the validity of any tax judgment to which a home may be 2948  
subjected. 2949

(c) In the case of manufactured or mobile homes taxed 2950  
under division (D) (2) of this section, the following additional 2951  
information: 2952

(i) The effective tax rate. The words "effective tax rate" 2953  
shall appear in boldface type. 2954

(ii) The following notice: "Notice: If the taxes charged 2955  
against this home have been reduced by the 2-1/2 per cent tax 2956  
reduction for residences occupied by the owner but the home is 2957  
not a residence occupied by the owner, the owner must notify the 2958  
county auditor's office not later than March 31 of the year for 2959  
which the taxes are due. Failure to do so may result in the 2960  
owner being convicted of a fourth degree misdemeanor, which is 2961  
punishable by imprisonment up to 30 days, a fine up to \$250, or 2962  
both, and in the owner having to repay the amount by which the 2963  
taxes were erroneously or illegally reduced, plus any interest 2964  
that may apply. 2965

If the taxes charged against this home have not been 2966  
reduced by the 2-1/2 per cent tax reduction and the home is a 2967  
residence occupied by the owner, the home may qualify for the 2968  
tax reduction. To obtain an application for the tax reduction or 2969

further information, the owner may contact the county auditor's office at \_\_\_\_\_ (insert the address and telephone number of the county auditor's office)." 2970  
2971  
2972

(E) (1) A manufactured or mobile home is not subject to this section when any of the following applies: 2973  
2974

(a) It is taxable as personal property pursuant to section 5709.01 of the Revised Code. Any manufactured or mobile home that is used as a residence shall be subject to this section and shall not be taxable as personal property pursuant to section 5709.01 of the Revised Code. 2975  
2976  
2977  
2978  
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(b) It bears a license plate issued by any state other than this state unless the home is in this state in excess of an accumulative period of thirty days in any calendar year. 2980  
2981  
2982

(c) The annual tax has been paid on the home in this state for the current year. 2983  
2984

(d) The tax commissioner has determined, pursuant to section 5715.27 of the Revised Code, that the property is exempt from taxation, or would be exempt from taxation under Chapter 5709. of the Revised Code if it were classified as real property. 2985  
2986  
2987  
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2989

(2) A travel trailer or park trailer, as these terms are defined in section 4501.01 of the Revised Code, is not subject to this section if it is unused or unoccupied and stored at the owner's normal place of residence or at a recognized storage facility. 2990  
2991  
2992  
2993  
2994

(3) A travel trailer or park trailer, as these terms are defined in section 4501.01 of the Revised Code, is subject to this section and shall be taxed as a manufactured or mobile home if it has a situs longer than thirty days in one location and is 2995  
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connected to existing utilities, unless either of the following  
applies: 2999  
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(a) The situs is in a state facility or a camping or park  
area as defined in division (C), (Q), (S), or (V) of section  
3729.01 of the Revised Code. 3001  
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(b) The situs is in a camping or park area that is a tract  
of land that has been limited to recreational use by deed or  
zoning restrictions and subdivided for sale of five or more  
individual lots for the express or implied purpose of occupancy  
by either self-contained recreational vehicles as defined in  
division (T) of section 3729.01 of the Revised Code or by  
dependent recreational vehicles as defined in division (D) of  
section 3729.01 of the Revised Code. 3004  
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(F) Except as provided in division (D) (3) of this section,  
the manufactured home tax is due and payable as follows: 3012  
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(1) When a manufactured or mobile home has a situs in this  
state, as provided in this section, on the first day of January,  
one-half of the amount of the tax is due and payable on or  
before the first day of March and the balance is due and payable  
on or before the thirty-first day of July. At the option of the  
owner of the home, the tax for the entire year may be paid in  
full on the first day of March. 3014  
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(2) When a manufactured or mobile home first acquires a  
situs in this state after the first day of January, no tax is  
due and payable for that year. 3021  
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(G) (1) (a) Except as otherwise provided in division (G) (1)  
(b) of this section, if one-half of the current taxes charged  
under this section against a manufactured or mobile home,  
together with the full amount of any delinquent taxes, are not 3024  
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paid on or before the first day of March in that year, or on or 3028  
before the last day for such payment as extended pursuant to 3029  
section 4503.063 of the Revised Code, a penalty of ten per cent 3030  
shall be charged against the unpaid balance of such half of the 3031  
current taxes. If the total amount of all such taxes is not paid 3032  
on or before the thirty-first day of July, next thereafter, or 3033  
on or before the last day for payment as extended pursuant to 3034  
section 4503.063 of the Revised Code, a like penalty shall be 3035  
charged on the balance of the total amount of the unpaid current 3036  
taxes. 3037

(b) After a valid delinquent tax contract that includes 3038  
unpaid current taxes from a first-half collection period 3039  
described in division (F) of this section has been entered into 3040  
under section 323.31 of the Revised Code, no ten per cent 3041  
penalty shall be charged against such taxes after the second- 3042  
half collection period while the delinquent tax contract remains 3043  
in effect. On the day a delinquent tax contract becomes void, 3044  
the ten per cent penalty shall be charged against such taxes and 3045  
shall equal the amount of penalty that would have been charged 3046  
against unpaid current taxes outstanding on the date on which 3047  
the second-half penalty would have been charged thereon under 3048  
division (G) (1) (a) of this section if the contract had not been 3049  
in effect. 3050

(2) (a) On the first day of the month following the last 3051  
day the second installment of taxes may be paid without penalty 3052  
beginning in 2000, interest shall be charged against and 3053  
computed on all delinquent taxes other than the current taxes 3054  
that became delinquent taxes at the close of the last day such 3055  
second installment could be paid without penalty. The charge 3056  
shall be for interest that accrued during the period that began 3057  
on the preceding first day of December and ended on the last day 3058

of the month that included the last date such second installment 3059  
could be paid without penalty. The interest shall be computed at 3060  
the rate per annum prescribed by section 5703.47 of the Revised 3061  
Code and shall be entered as a separate item on the delinquent 3062  
manufactured home tax list compiled under division (H) of this 3063  
section. 3064

(b) On the first day of December beginning in 2000, the 3065  
interest shall be charged against and computed on all delinquent 3066  
taxes. The charge shall be for interest that accrued during the 3067  
period that began on the first day of the month following the 3068  
last date prescribed for the payment of the second installment 3069  
of taxes in the current year and ended on the immediately 3070  
preceding last day of November. The interest shall be computed 3071  
at the rate per annum prescribed by section 5703.47 of the 3072  
Revised Code and shall be entered as a separate item on the 3073  
delinquent manufactured home tax list. 3074

(c) After a valid undertaking has been entered into for 3075  
the payment of any delinquent taxes, no interest shall be 3076  
charged against such delinquent taxes while the undertaking 3077  
remains in effect in compliance with section 323.31 of the 3078  
Revised Code. If a valid undertaking becomes void, interest 3079  
shall be charged against the delinquent taxes for the periods 3080  
that interest was not permitted to be charged while the 3081  
undertaking was in effect. The interest shall be charged on the 3082  
day the undertaking becomes void and shall equal the amount of 3083  
interest that would have been charged against the unpaid 3084  
delinquent taxes outstanding on the dates on which interest 3085  
would have been charged thereon under divisions (G) (1) and (2) 3086  
of this section had the undertaking not been in effect. 3087

(3) If the full amount of the taxes due at either of the 3088

times prescribed by division (F) of this section is paid within 3089  
ten days after such time, the county treasurer shall waive the 3090  
collection of and the county auditor shall remit one-half of the 3091  
penalty provided for in this division for failure to make that 3092  
payment by the prescribed time. 3093

(4) The treasurer shall compile and deliver to the county 3094  
auditor a list of all tax payments the treasurer has received as 3095  
provided in division (G) (3) of this section. The list shall 3096  
include any information required by the auditor for the 3097  
remission of the penalties waived by the treasurer. The taxes so 3098  
collected shall be included in the settlement next succeeding 3099  
the settlement then in process. 3100

(H) (1) The county auditor shall compile annually a 3101  
"delinquent manufactured home tax list" consisting of homes the 3102  
county treasurer's records indicate have taxes that were not 3103  
paid within the time prescribed by divisions (D) (3) and (F) of 3104  
this section, have taxes that remain unpaid from prior years, or 3105  
have unpaid tax penalties or interest that have been assessed. 3106

(2) Within thirty days after the settlement under division 3107  
~~(H) (2)~~ (G) (2) of section 321.24 of the Revised Code, the county 3108  
auditor shall deliver a copy of the delinquent manufactured home 3109  
tax list to the county treasurer. The auditor shall update and 3110  
publish the delinquent manufactured home tax list annually in 3111  
the same manner as delinquent real property tax lists are 3112  
published. The county auditor may apportion the cost of 3113  
publishing the list among taxing districts in proportion to the 3114  
amount of delinquent manufactured home taxes so published that 3115  
each taxing district is entitled to receive upon collection of 3116  
those taxes, or the county auditor may charge the owner of a 3117  
home on the list a flat fee established under section 319.54 of 3118

the Revised Code for the cost of publishing the list and, if the fee is not paid, may place the fee upon the delinquent manufactured home tax list as a lien on the listed home, to be collected as other manufactured home taxes.

(3) When taxes, penalties, or interest are charged against a person on the delinquent manufactured home tax list and are not paid within sixty days after the list is delivered to the county treasurer, the county treasurer shall, in addition to any other remedy provided by law for the collection of taxes, penalties, and interest, enforce collection of such taxes, penalties, and interest by civil action in the name of the treasurer against the owner for the recovery of the unpaid taxes following the procedures for the recovery of delinquent real property taxes in sections 323.25 to 323.28 of the Revised Code. The action may be brought in municipal or county court, provided the amount charged does not exceed the monetary limitations for original jurisdiction for civil actions in those courts.

It is sufficient, having made proper parties to the suit, for the county treasurer to allege in the treasurer's bill of particulars or petition that the taxes stand chargeable on the books of the county treasurer against such person, that they are due and unpaid, and that such person is indebted in the amount of taxes appearing to be due the county. The treasurer need not set forth any other matter relating thereto. If it is found on the trial of the action that the person is indebted to the state, judgment shall be rendered in favor of the county treasurer prosecuting the action. The judgment debtor is not entitled to the benefit of any law for stay of execution or exemption of property from levy or sale on execution in the enforcement of the judgment.

Upon the filing of an entry of confirmation of sale or an order of forfeiture in a proceeding brought under this division, title to the manufactured or mobile home shall be in the purchaser. The clerk of courts shall issue a certificate of title to the purchaser upon presentation of proof of filing of the entry of confirmation or order and, in the case of a forfeiture, presentation of the county auditor's certificate of sale.

(I) The total amount of taxes collected shall be distributed in the following manner: four per cent shall be allowed as compensation to the county auditor for the county auditor's service in assessing the taxes; two per cent shall be allowed as compensation to the county treasurer for the services the county treasurer renders as a result of the tax levied by this section. Such amounts shall be paid into the county treasury, to the credit of the county general revenue fund, on the warrant of the county auditor. Fees to be paid to the credit of the real estate assessment fund shall be collected pursuant to division (C) of section 319.54 of the Revised Code and paid into the county treasury, on the warrant of the county auditor. The balance of the taxes collected shall be distributed among the taxing subdivisions of the county in which the taxes are collected and paid in the same ratio as those taxes were collected for the benefit of the taxing subdivision. The taxes levied and revenues collected under this section shall be in lieu of any general property tax and any tax levied with respect to the privilege of using or occupying a manufactured or mobile home in this state except as provided in sections 4503.04 and 5741.02 of the Revised Code.

(J) An agreement to purchase or a bill of sale for a manufactured home shall show whether or not the furnishings and

equipment are included in the purchase price. 3180

(K) If the county treasurer and the county prosecuting attorney agree that an item charged on the delinquent manufactured home tax list is uncollectible, they shall certify that determination and the reasons to the county board of revision. If the board determines the amount is uncollectible, it shall certify its determination to the county auditor, who shall strike the item from the list. 3181  
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(L) (1) The county auditor shall appraise at its true value any manufactured or mobile home in which ownership is transferred or which first acquires situs in this state on or after January 1, 2000, and any manufactured or mobile home the owner of which has elected, under division (D) (4) of this section, to have the home taxed under division (D) (2) of this section. The true value shall include the value of the home, any additions, and any fixtures, but not any furnishings in the home. In determining the true value of a manufactured or mobile home, the auditor shall consider all facts and circumstances relating to the value of the home, including its age, its capacity to function as a residence, any obsolete characteristics, and other factors that may tend to prove its true value. 3188  
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(2) (a) If a manufactured or mobile home has been the subject of an arm's length sale between a willing seller and a willing buyer within a reasonable length of time prior to the determination of true value, the county auditor shall consider the sale price of the home to be the true value for taxation purposes. 3202  
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(b) The sale price in an arm's length transaction between a willing seller and a willing buyer shall not be considered the 3208  
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true value of the home if either of the following occurred after 3210  
the sale: 3211

(i) The home has lost value due to a casualty. 3212

(ii) An addition or fixture has been added to the home. 3213

(3) The county auditor shall have each home viewed and 3214  
appraised at least once in each six-year period in the same year 3215  
in which real property in the county is appraised pursuant to 3216  
Chapter 5713. of the Revised Code, and shall update the 3217  
appraised values in the third calendar year following the 3218  
appraisal. The person viewing or appraising a home may enter the 3219  
home to determine by actual view any additions or fixtures that 3220  
have been added since the last appraisal. In conducting the 3221  
appraisals and establishing the true value, the auditor shall 3222  
follow the procedures set forth for appraising real property in 3223  
sections 5713.01 and 5713.03 of the Revised Code. 3224

(4) The county auditor shall place the true value of each 3225  
home on the manufactured home tax list upon completion of an 3226  
appraisal. 3227

(5) (a) If the county auditor changes the true value of a 3228  
home, the auditor shall notify the owner of the home in writing, 3229  
delivered by mail or in person. The notice shall be given at 3230  
least thirty days prior to the issuance of any tax bill that 3231  
reflects the change. Failure to receive the notice does not 3232  
invalidate any proceeding under this section. 3233

(b) Any owner of a home or any other person or party that 3234  
would be authorized to file a complaint under division (A) of 3235  
section 5715.19 of the Revised Code if the home was real 3236  
property may file a complaint against the true value of the home 3237  
as appraised under this section. The complaint shall be filed 3238

with the county auditor on or before the thirty-first day of 3239  
March of the current tax year or the date of closing of the 3240  
collection for the first half of manufactured home taxes for the 3241  
current tax year, whichever is later. The auditor shall present 3242  
to the county board of revision all complaints filed with the 3243  
auditor under this section. The board shall hear and investigate 3244  
the complaint and may take action on it as provided under 3245  
sections 5715.11 to 5715.19 of the Revised Code. 3246

(c) If the county board of revision determines, pursuant 3247  
to a complaint against the valuation of a manufactured or mobile 3248  
home filed under this section, that the amount of taxes, 3249  
assessments, or other charges paid was in excess of the amount 3250  
due based on the valuation as finally determined, then the 3251  
overpayment shall be refunded in the manner prescribed in 3252  
section 5715.22 of the Revised Code. 3253

(d) Payment of all or part of a tax under this section for 3254  
any year for which a complaint is pending before the county 3255  
board of revision does not abate the complaint or in any way 3256  
affect the hearing and determination thereof. 3257

(M) If the county auditor determines that any tax or other 3258  
charge or any part thereof has been erroneously charged as a 3259  
result of a clerical error as defined in section 319.35 of the 3260  
Revised Code, the county auditor shall call the attention of the 3261  
county board of revision to the erroneous charges. If the board 3262  
finds that the taxes or other charges have been erroneously 3263  
charged or collected, it shall certify the finding to the 3264  
auditor. Upon receipt of the certification, the auditor shall 3265  
remove the erroneous charges on the manufactured home tax list 3266  
or delinquent manufactured home tax list in the same manner as 3267  
is prescribed in section 319.35 of the Revised Code for 3268



erroneous charges against real property, and refund any 3269  
erroneous charges that have been collected, with interest, in 3270  
the same manner as is prescribed in section 319.36 of the 3271  
Revised Code for erroneous charges against real property. 3272

(N) As used in this section and section 4503.061 of the 3273  
Revised Code: 3274

(1) "Manufactured home taxes" includes taxes, penalties, 3275  
and interest charged under division (C) or (G) of this section 3276  
and any penalties charged under division (G) or (H) (5) of 3277  
section 4503.061 of the Revised Code. 3278

(2) "Current taxes" means all manufactured home taxes 3279  
charged against a manufactured or mobile home that have not 3280  
appeared on the manufactured home tax list for any prior year. 3281  
Current taxes become delinquent taxes if they remain unpaid 3282  
after the last day prescribed for payment of the second 3283  
installment of current taxes without penalty, whether or not 3284  
they have been certified delinquent. 3285

(3) "Delinquent taxes" means: 3286

(a) Any manufactured home taxes that were charged against 3287  
a manufactured or mobile home for a prior year, including any 3288  
penalties or interest charged for a prior year and the costs of 3289  
publication under division (H) (2) of this section, and that 3290  
remain unpaid; 3291

(b) Any current manufactured home taxes charged against a 3292  
manufactured or mobile home that remain unpaid after the last 3293  
day prescribed for payment of the second installment of current 3294  
taxes without penalty, whether or not they have been certified 3295  
delinquent, including any penalties or interest and the costs of 3296  
publication under division (H) (2) of this section. 3297

<b>Sec. 4503.065.</b> (A) (1) Division (A) of this section applies	3298
to any of the following persons:	3299
(a) An individual who is permanently and totally disabled;	3300
(b) An individual who is sixty-five years of age or older;	3301
(c) An individual who is the surviving spouse of a	3302
deceased person who was permanently and totally disabled or	3303
sixty-five years of age or older and who applied and qualified	3304
for a reduction in assessable value under this section in the	3305
year of death, provided the surviving spouse is at least fifty-	3306
nine but not sixty-five or more years of age on the date the	3307
deceased spouse dies.	3308
(2) The manufactured home tax on a manufactured or mobile	3309
home that is paid pursuant to division (C) of section 4503.06 of	3310
the Revised Code and that is owned and occupied as a home by an	3311
individual whose domicile is in this state and to whom this	3312
section applies, shall be reduced for any tax year for which an	3313
application for such reduction has been approved, provided the	3314
individual did not acquire ownership from a person, other than	3315
the individual's spouse, related by consanguinity or affinity	3316
for the purpose of qualifying for the reduction. An owner	3317
includes a settlor of a revocable or irrevocable inter vivos	3318
trust holding the title to a manufactured or mobile home	3319
occupied by the settlor as of right under the trust.	3320
(a) For manufactured and mobile homes for which the tax	3321
imposed by section 4503.06 of the Revised Code is computed under	3322
division (D) (2) of that section, the reduction shall equal one	3323
of the following amounts, as applicable to the person:	3324
(i) If the person received a reduction under this section	3325
for tax year 2007, the greater of the reduction for that tax	3326

year or the amount computed under division (A) (2) (b) of this section; 3327  
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(ii) If the person received, for any homestead, a reduction under division (A) of this section for tax year 2014 or under division (A) (1) of section 323.152 of the Revised Code for tax year 2013 or the person is the surviving spouse of such a person and the surviving spouse is at least fifty-nine years of age on the date the deceased spouse dies, the amount computed under division (A) (2) (b) of this section. 3329  
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(iii) If the person is not described in division (A) (2) (a) (i) or (ii) of this section and the person's total income does not exceed thirty thousand dollars, as adjusted under division (A) (2) (e) of this section, the amount computed under division (A) (2) (b) of this section. 3336  
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(b) The amount of the reduction under division (A) (2) (b) of this section equals the product of the following: 3341  
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(i) Twenty-five thousand dollars of the true value of the property in money, as adjusted under division (A) (2) (e) of this section; 3343  
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(ii) The assessment percentage established by the tax commissioner under division (B) of section 5715.01 of the Revised Code, not to exceed thirty-five per cent; 3346  
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(iii) The effective tax rate used to calculate the taxes charged against the property for the current year, where "effective tax rate" is defined as in section 323.08 of the Revised Code; 3349  
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(iv) The quantity equal to one minus the sum of the percentage reductions in taxes received by the property for the current tax year under ~~section 319.302 of the Revised Code and~~ 3353  
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division (B) of section 323.152 of the Revised Code. 3356

(c) For manufactured and mobile homes for which the tax 3357  
imposed by section 4503.06 of the Revised Code is computed under 3358  
division (D)(1) of that section, the reduction shall equal one 3359  
of the following amounts, as applicable to the person: 3360

(i) If the person received a reduction under this section 3361  
for tax year 2007, the greater of the reduction for that tax 3362  
year or the amount computed under division (A)(2)(d) of this 3363  
section; 3364

(ii) If the person received, for any homestead, a 3365  
reduction under division (A) of this section for tax year 2014 3366  
or under division (A)(1) of section 323.152 of the Revised Code 3367  
for tax year 2013 or the person is the surviving spouse of such 3368  
a person and the surviving spouse is at least fifty-nine years 3369  
of age on the date the deceased spouse dies, the amount computed 3370  
under division (A)(2)(d) of this section. 3371

(iii) If the person is not described in division (A)(2)(c) 3372  
(i) or (ii) of this section and the person's total income does 3373  
not exceed thirty thousand dollars, as adjusted under division 3374  
(A)(2)(e) of this section, the amount computed under division 3375  
(A)(2)(d) of this section. 3376

(d) The amount of the reduction under division (A)(2)(d) 3377  
of this section equals the product of the following: 3378

(i) Twenty-five thousand dollars of the cost to the owner, 3379  
or the market value at the time of purchase, whichever is 3380  
greater, as those terms are used in division (D)(1) of section 3381  
4503.06 of the Revised Code, and as adjusted under division (A) 3382  
(2)(e) of this section; 3383

(ii) The percentage from the appropriate schedule in 3384

division (D) (1) (b) of section 4503.06 of the Revised Code; 3385

(iii) The assessment percentage of forty per cent used in 3386  
division (D) (1) (b) of section 4503.06 of the Revised Code; 3387

(iv) The tax rate of the taxing district in which the home 3388  
has its situs. 3389

(e) The tax commissioner shall adjust the income threshold 3390  
described in divisions (A) (2) (a) (iii) and (A) (2) (c) (iii) and the 3391  
reduction amounts described in divisions (A) (2) (b) (i), (A) (2) (d) 3392  
(i), (B) (1), (B) (2), (C) (1), and (C) (2) of this section by 3393  
completing the following calculations in September of each year: 3394

(i) Determine the percentage increase in the gross 3395  
domestic product deflator determined by the bureau of economic 3396  
analysis of the United States department of commerce from the 3397  
first day of January of the preceding calendar year to the last 3398  
day of December of the preceding calendar year; 3399

(ii) Multiply that percentage increase by the total income 3400  
threshold or reduction amount for the ensuing tax year, as 3401  
applicable; 3402

(iii) Add the resulting product to the total income 3403  
threshold or reduction amount, as applicable for the ensuing tax 3404  
year; 3405

(iv) Round the resulting sum to the nearest multiple of 3406  
one hundred dollars. 3407

The commissioner shall certify the amount resulting from 3408  
each adjustment to each county auditor not later than the first 3409  
day of December each year. The certified amount applies to the 3410  
second ensuing tax year. The commissioner shall not make the 3411  
applicable adjustment in any calendar year in which the amount 3412

resulting from the adjustment would be less than the total 3413  
income threshold or the reduction amount for the ensuing tax 3414  
year. 3415

(B) (1) The manufactured home tax levied pursuant to 3416  
division (C) of section 4503.06 of the Revised Code on a 3417  
manufactured or mobile home that is owned and occupied by a 3418  
disabled veteran shall be reduced for any tax year for which an 3419  
application for such reduction has been approved, provided the 3420  
disabled veteran did not acquire ownership from a person, other 3421  
than the disabled veteran's spouse, related by consanguinity or 3422  
affinity for the purpose of qualifying for the reduction. An 3423  
owner includes an owner within the meaning of division (A) (2) of 3424  
this section. 3425

(a) For manufactured and mobile homes for which the tax 3426  
imposed by section 4503.06 of the Revised Code is computed under 3427  
division (D) (2) of that section, the reduction shall equal the 3428  
product obtained by multiplying fifty thousand dollars of the 3429  
true value of the property in money, as adjusted under division 3430  
(A) (2) (e) of this section, by the amounts described in divisions 3431  
(A) (2) (b) (ii) to (iv) of this section. 3432

(b) For manufactured and mobile homes for which the tax 3433  
imposed by section 4503.06 of the Revised Code is computed under 3434  
division (D) (1) of that section, the reduction shall equal the 3435  
product obtained by multiplying fifty thousand dollars of the 3436  
cost to the owner, or the market value at the time of purchase, 3437  
whichever is greater, as those terms are used in division (D) (1) 3438  
of section 4503.06 of the Revised Code, as adjusted under 3439  
division (A) (2) (e) of this section, by the amounts described in 3440  
divisions (A) (2) (d) (ii) to (iv) of this section. 3441

The reduction is in lieu of any reduction under section 3442

4503.0610 of the Revised Code or division (A), (B) (2), or (C) of 3443  
this section. The reduction applies to only one manufactured or 3444  
mobile home owned and occupied by a disabled veteran. 3445

(2) The manufactured home tax levied pursuant to division 3446  
(C) of section 4503.06 of the Revised Code on a manufactured or 3447  
mobile home that is owned and occupied by the surviving spouse 3448  
of a disabled veteran shall be reduced for each tax year for 3449  
which an application for such reduction has been approved. The 3450  
reduction shall equal the amount of the reduction authorized 3451  
under division (B) (1) (a) or (b) of this section, as applicable. 3452  
An owner includes an owner within the meaning of division (A) (2) 3453  
of this section. 3454

The reduction is in lieu of any reduction under section 3455  
4503.0610 of the Revised Code or division (A), (B) (1), or (C) of 3456  
this section. The reduction applies to only one manufactured or 3457  
mobile home owned and occupied by the surviving spouse of a 3458  
disabled veteran. A manufactured or mobile home qualifies for a 3459  
reduction in taxes under division (B) (2) of this section 3460  
beginning in one of the following tax years: 3461

(a) For a surviving spouse described in division (H) (1) of 3462  
section 4503.064 of the Revised Code, the year the disabled 3463  
veteran dies; 3464

(b) For a surviving spouse described in division (H) (2) of 3465  
section 4503.064 of the Revised Code, the first year on the 3466  
first day of January of which the total disability rating 3467  
described in division (F) of section 323.151 of the Revised Code 3468  
has been received for the deceased spouse. 3469

In either case, the reduction shall continue through the 3470  
tax year in which the surviving spouse dies or remarries. 3471

(C) The manufactured home tax levied pursuant to division 3472  
(C) of section 4503.06 of the Revised Code on a manufactured or 3473  
mobile home that is owned and occupied by the surviving spouse 3474  
of a public service officer killed in the line of duty shall be 3475  
reduced for any tax year for which an application for such 3476  
reduction has been approved, provided the surviving spouse did 3477  
not acquire ownership from a person, other than the surviving 3478  
spouse's deceased public service officer spouse, related by 3479  
consanguinity or affinity for the purpose of qualifying for the 3480  
reduction. An owner includes an owner within the meaning of 3481  
division (A) (2) of this section. 3482

(1) For manufactured and mobile homes for which the tax 3483  
imposed by section 4503.06 of the Revised Code is computed under 3484  
division (D) (2) of that section, the reduction shall equal the 3485  
product obtained by multiplying fifty thousand dollars of the 3486  
true value of the property in money, as adjusted under division 3487  
(A) (2) (e) of this section, by the amounts described in divisions 3488  
(A) (2) (b) (ii) to (iv) of this section. 3489

(2) For manufactured and mobile homes for which the tax 3490  
imposed by section 4503.06 of the Revised Code is computed under 3491  
division (D) (1) of that section, the reduction shall equal the 3492  
product obtained by multiplying fifty thousand dollars of the 3493  
cost to the owner, or the market value at the time of purchase, 3494  
whichever is greater, as those terms are used in division (D) (1) 3495  
of section 4503.06 of the Revised Code, as adjusted under 3496  
division (A) (2) (e) of this section, by the amounts described in 3497  
divisions (A) (2) (d) (ii) to (iv) of this section. 3498

The reduction is in lieu of any reduction under section 3499  
4503.0610 of the Revised Code or division (A) or (B) of this 3500  
section. The reduction applies to only one manufactured or 3501



mobile home owned and occupied by such a surviving spouse. A 3502  
manufactured or mobile home qualifies for a reduction in taxes 3503  
under this division for the tax year in which the public service 3504  
officer dies through the tax year in which the surviving spouse 3505  
dies or remarries. 3506

(D) If the owner or the spouse of the owner of a 3507  
manufactured or mobile home is eligible for a homestead 3508  
exemption on the land upon which the home is located, the 3509  
reduction to which the owner or spouse is entitled under this 3510  
section shall not exceed the difference between the reduction to 3511  
which the owner or spouse is entitled under division (A), (B), 3512  
or (C) of this section and the amount of the reduction under the 3513  
homestead exemption. 3514

(E) No reduction shall be made with respect to the home of 3515  
any person convicted of violating division (C) or (D) of section 3516  
4503.066 of the Revised Code for a period of three years 3517  
following the conviction. 3518

**Sec. 5703.021.** (A) There is hereby established a small 3519  
claims docket within the board of tax appeals. 3520

(B) An appeal may be filed with the board of tax appeals 3521  
and assigned to the small claims docket as authorized under 3522  
division (C) of this section, provided the appeal is ~~either of~~ 3523  
~~the following:~~ 3524

~~(1) Commenced under section 5717.01 of the Revised Code in~~ 3525  
~~which the property at issue qualifies for the partial tax~~ 3526  
~~exemption described in section 319.302 of the Revised Code; or~~ 3527

~~(2) Commenced~~ commenced under section 5717.011 or 5717.02 3528  
of the Revised Code ~~when~~ and the amount in controversy claimed 3529  
by the taxpayer does not exceed ten thousand dollars exclusive 3530

of interest and penalty. The board by rule may modify the 3531  
jurisdictional dollar threshold for cases qualifying for the 3532  
small claims docket. 3533

(C) (1) An appeal may be assigned to the small claims 3534  
docket only if either of the following applies: 3535

(a) The appellant is one or more taxpayers that requests 3536  
assignment of the appeal to the small claims docket; 3537

(b) The appellant is not a taxpayer, and the appellant 3538  
files with the notice of appeal a written statement from every 3539  
taxpayer that is a party to the appeal stating that each such 3540  
taxpayer consents to the appeal being assigned to the small 3541  
claims docket. 3542

(2) After an appeal is assigned to the small claims docket 3543  
or the regular docket, the board may reassign the case to the 3544  
regular docket or the small claims docket, respectively, only 3545  
with the written consent of all the parties or as authorized 3546  
under division (D) of this section. 3547

(D) Notwithstanding division (B) of this section, the 3548  
board shall reassign an appeal initially assigned to the small 3549  
claims docket to the regular docket upon the request of a party 3550  
that is a taxpayer, when the appeal presents an issue of public 3551  
or great general interest or presents a constitutional issue, or 3552  
when the board determines that the appeal does not meet the 3553  
requirements of division (B) of this section. 3554

(E) The board shall adopt rules to implement procedures to 3555  
provide informal review of the taxpayers' appeals in the small 3556  
claims docket, which may include telephonic hearings. 3557

(F) A decision or order for an appeal assigned to the 3558  
small claims docket shall be conclusive as to all parties and 3559

may not be appealed, and shall be recorded in the journal 3560  
required by division (C) of section 5703.02 of the Revised Code, 3561  
but such a decision or order shall not be considered as 3562  
precedent in any other case, hearing, or proceeding. 3563

(G) The appearance of an attorney at law licensed to 3564  
practice law in this state on behalf of any party to an appeal 3565  
assigned to the small claims docket is permitted but not 3566  
required. A person other than a natural person, which is a real 3567  
party in interest as taxpayer or claimant, or an entity that may 3568  
participate by statute, may commence such an appeal or appear 3569  
through an attorney at law licensed to practice law in this 3570  
state. Such an organization may, through any bona fide officer, 3571  
partner, member, trustee, or salaried employee, file and present 3572  
its claim or defense in any appeal assigned to the small claims 3573  
docket, provided the organization does not, in the absence of 3574  
representation by an attorney at law licensed to practice law in 3575  
this state, engage in cross-examination, argument, or other acts 3576  
of advocacy. The board may provide by rule for additional 3577  
guidelines applicable to practice before the board. 3578

**Sec. 5703.052.** (A) There is hereby created in the state 3579  
treasury the tax refund fund, from which refunds shall be paid 3580  
for amounts illegally or erroneously assessed or collected, or 3581  
for any other reason overpaid, with respect to taxes levied by 3582  
Chapter 4301., 4305., 5726., 5728., 5729., 5731., 5733., 5735., 3583  
5736., 5739., 5741., 5743., 5747., 5748., 5749., 5751., or 5753. 3584  
and sections 3737.71, 3905.35, 3905.36, 4303.33, 5707.03, 3585  
5725.18, 5727.28, 5727.38, 5727.81, and 5727.811 of the Revised 3586  
Code. Refunds for fees levied under sections 3734.90 to 3587  
3734.9014 of the Revised Code, wireless 9-1-1 charges imposed 3588  
under section 128.40 of the Revised Code, next generation 9-1-1 3589  
access fees imposed under sections 128.41 and 128.42 of the 3590

Revised Code, or any penalties assessed with respect to such 3591  
fees or charges, that are illegally or erroneously assessed or 3592  
collected, or for any other reason overpaid, also shall be paid 3593  
from the fund. Refunds for amounts illegally or erroneously 3594  
assessed or collected by the tax commissioner, or for any other 3595  
reason overpaid, that are due under former section 1509.50 of 3596  
the Revised Code as that section existed before its repeal by 3597  
this act shall be paid from the fund. Refunds for amounts 3598  
illegally or erroneously assessed or collected by the 3599  
commissioner, or for any other reason overpaid to the 3600  
commissioner, under sections 718.80 to 718.95 of the Revised 3601  
Code shall be paid from the fund. However, refunds for amounts 3602  
illegally or erroneously assessed or collected by the 3603  
commissioner, or for any other reason overpaid to the 3604  
commissioner, with respect to taxes levied under section 3605  
5739.101 of the Revised Code shall not be paid from the tax 3606  
refund fund, but shall be paid as provided in section 5739.104 3607  
of the Revised Code. 3608

(B) (1) Upon certification by the tax commissioner to the 3609  
treasurer of state of a tax refund, a wireless 9-1-1 charge 3610  
refund, a next generation 9-1-1 access fee refund, or another 3611  
amount refunded, or by the superintendent of insurance of a 3612  
domestic or foreign insurance tax refund, the treasurer of state 3613  
shall place the amount certified to the credit of the fund. The 3614  
certified amount transferred shall be derived from the receipts 3615  
of the same tax, fee, wireless 9-1-1 charge, next generation 9- 3616  
1-1 access fee, or other amount from which the refund arose. 3617

(2) When a refund is for a tax, fee, wireless 9-1-1 3618  
charge, next generation 9-1-1 access fee, or other amount that 3619  
is not levied by the state or that was illegally or erroneously 3620  
distributed to a taxing jurisdiction, the tax commissioner shall 3621

recover the amount of that refund from the next distribution of 3622  
that tax, fee, wireless 9-1-1 charge, next generation 9-1-1 3623  
access fee, or other amount that otherwise would be made to the 3624  
taxing jurisdiction. If the amount to be recovered would exceed 3625  
twenty-five per cent of the next distribution of that tax, fee, 3626  
wireless 9-1-1 charge, next generation 9-1-1 access fee, or 3627  
other amount, the commissioner may spread the recovery over more 3628  
than one future distribution, taking into account the amount to 3629  
be recovered and the amount of the anticipated future 3630  
distributions. In no event may the commissioner spread the 3631  
recovery over a period to exceed thirty-six months. 3632

**Sec. 5703.19.** (A) To carry out the purposes of the laws 3633  
that the tax commissioner is required to administer, the 3634  
commissioner or any person employed by the commissioner for that 3635  
purpose, upon demand, may inspect books, accounts, records, and 3636  
memoranda of any person or public utility subject to those laws, 3637  
and may examine under oath any officer, agent, or employee of 3638  
that person or public utility. Any person other than the 3639  
commissioner who makes a demand pursuant to this section shall 3640  
produce the person's authority to make the inspection. 3641

(B) If a person or public utility receives at least ten 3642  
days' written notice of a demand made under division (A) of this 3643  
section and refuses to comply with that demand, a penalty of 3644  
five hundred dollars shall be imposed upon the person or public 3645  
utility for each day the person or public utility refuses to 3646  
comply with the demand. Penalties imposed under this division 3647  
may be assessed and collected in the same manner as assessments 3648  
made under Chapter 3769., 4305., 5727., 5728., 5733., 5735., 3649  
5736., 5739., 5743., 5745., 5747., 5749., 5751., or 5753., or 3650  
sections 718.90, 3734.90 to 3734.9014, of the Revised Code. 3651

(C) For the purpose of ensuring compliance with divisions 3652  
(A) (5) to (8) of section 5749.02 of the Revised Code, the 3653  
commissioner or any person employed by the commissioner for that 3654  
purpose, upon demand, may perform the same functions referenced 3655  
in division (A) of this section for any person involved in the 3656  
sale, transfer, or other disposition of oil, gas, condensate, or 3657  
natural gas liquids, as those terms are defined in section 3658  
5749.01 of the Revised Code. 3659

**Sec. 5703.80.** (A) There is hereby created in the state 3660  
treasury the property tax administration fund. All money ~~to the~~ 3661  
~~credit of~~ credited to the fund shall be used to defray the costs 3662  
incurred by the department of taxation in administering the 3663  
taxation of property and the equalization of real property 3664  
valuation. 3665

(B) Each fiscal year between the first and fifteenth days 3666  
of July, the tax commissioner shall compute ~~the following~~ 3667  
~~amounts,~~ for the property in each taxing district in each 3668  
county, ~~and certify to the director of budget and management the~~ 3669  
~~sum of those amounts for all taxing districts in all counties:~~ 3670

~~(A) For fiscal year 2020 and thereafter, an amount not to~~ 3671  
~~exceed twenty-five hundredths of one per cent of the total~~ 3672  
~~amount by which taxes charged against real property on the~~ 3673  
~~general tax list of real and public utility property were~~ 3674  
~~reduced under section 319.302 of the Revised Code for the~~ 3675  
~~preceding tax year;~~ 3676

~~(B) For fiscal year 2020 and thereafter, an amount not to~~ 3677  
~~exceed forty-five hundredths of one per cent of the~~ 3678  
sum of the 3679  
following:

(1) The total amount of taxes charged and payable against 3680

public utility personal property on the general tax list of real 3681  
and public utility property for the preceding tax year ~~and of~~ 3682  
~~the;~~ 3683

(2) The total amount of taxes charged and payable against 3684  
tangible personal property on the general tax list of personal 3685  
property ~~of for~~ the preceding tax year and for which returns 3686  
were filed with the tax commissioner under section 5711.13 of 3687  
the Revised Code. 3688

(C) In computing the amounts described in ~~divisions (A)~~ 3689  
~~and division~~ (B) of this section, the commissioner shall base 3690  
the actual percentages charged in any fiscal year on the 3691  
estimated costs incurred by the department of taxation in 3692  
administering the taxation of property and the equalization of 3693  
real property valuation for that fiscal year. 3694

(D) The commissioner shall certify to the director of 3695  
budget and management the sum of the amounts described in 3696  
division (B) of this section for all taxing districts in all 3697  
counties. After receiving the tax commissioner's certification, 3698  
the director of budget and management shall transfer from the 3699  
general revenue fund to the property tax administration fund the 3700  
amount certified or a lesser amount based on the availability of 3701  
cash balances in the property tax administration fund to cover 3702  
required expenditures. 3703

~~On or before the thirtieth day of June of the fiscal year,~~ 3704  
~~the tax commissioner shall certify to the director of budget and~~ 3705  
~~management the sum of the amounts by which the amounts computed~~ 3706  
~~for a taxing district under this section exceeded the~~ 3707  
~~distributions to the taxing district under division (F) of~~ 3708  
~~section 321.24 of the Revised Code, and the director shall~~ 3709  
~~transfer that sum from the property tax administration fund to~~ 3710

<del>the general revenue fund.</del>	3711
<b>Sec. 5709.92.</b> (A) As used in this section:	3712
(1) "School district" means a city, local, or exempted village school district.	3713 3714
(2) "Joint vocational school district" means a joint vocational school district created under section 3311.16 of the Revised Code, and includes a cooperative education school district created under section 3311.52 or 3311.521 of the Revised Code and a county school financing district created under section 3311.50 of the Revised Code.	3715 3716 3717 3718 3719 3720
(3) "Total resources" means the sum of the amounts described in divisions (A) (3) (a) to (g) of this section less any reduction required under division (C) (3) (a) of this section.	3721 3722 3723
(a) The state education aid for fiscal year 2015;	3724
(b) The sum of the payments received in fiscal year 2015 for current expense levy losses under division (C) (3) of section 5727.85 and division (C) (12) of section 5751.21 of the Revised Code, as they existed at that time, excluding the portion of such payments attributable to levies for joint vocational school district purposes;	3725 3726 3727 3728 3729 3730
(c) The sum of fixed-sum levy loss payments received by the school district in fiscal year 2015 under division (F) (1) of section 5727.85 and division (E) (1) of section 5751.21 of the Revised Code, as they existed at that time, for fixed-sum levies charged and payable for a purpose other than paying debt charges;	3731 3732 3733 3734 3735 3736
(d) The district's taxes charged and payable against all property on the tax list of real and public utility property for	3737 3738



current expense purposes for tax year 2014, including taxes	3739
charged and payable from emergency levies charged and payable	3740
under sections 5705.194 to 5705.197 of the Revised Code,	3741
excluding taxes levied for joint vocational school district	3742
purposes or levied under section 5705.23 of the Revised Code;	3743
(e) The amount certified for fiscal year 2015 under	3744
division (A) (2) of section 3317.08 of the Revised Code;	3745
(f) Distributions received during calendar year 2014 from	3746
taxes levied under section 718.09 of the Revised Code;	3747
(g) Distributions received during fiscal year 2015 from	3748
the gross casino revenue county student fund.	3749
(4) (a) "State education aid" for a school district means	3750
the sum of state amounts computed for the district under	3751
sections 3317.022 and 3317.0212 of the Revised Code after any	3752
amounts are added or subtracted under Section 263.240 of Am.	3753
Sub. H.B. 59 of the 130th general assembly, entitled	3754
"TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL	3755
DISTRICTS."	3756
(b) "State education aid" for a joint vocational district	3757
means the amount computed for the district under section 3317.16	3758
of the Revised Code after any amounts are added or subtracted	3759
under Section 263.250 of Am. Sub. H.B. 59 of the 130th general	3760
assembly, entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL	3761
DISTRICTS."	3762
(5) "Taxes charged and payable" means taxes charged and	3763
payable after the reduction required by section 319.301 of the	3764
Revised Code but before <del>the reductions</del> <u>any reduction</u> required by	3765
<del>sections 319.302 and section 323.152</del> of the Revised Code.	3766
(6) "Capacity quintile" means the capacity measure	3767

quintiles determined under division (B) of this section.	3768
(7) "Threshold per cent" means the following:	3769
(a) For a school district in the lowest capacity quintile, one per cent for fiscal year 2016 and two per cent for fiscal year 2017.	3770 3771 3772
(b) For a school district in the second lowest capacity quintile, one and one-fourth per cent for fiscal year 2016 and two and one-half per cent for fiscal year 2017.	3773 3774 3775
(c) For a school district in the third lowest capacity quintile, one and one-half per cent for fiscal year 2016 and three per cent for fiscal year 2017.	3776 3777 3778
(d) For a school district in the second highest capacity quintile, one and three-fourths per cent for fiscal year 2016 and three and one-half per cent for fiscal year 2017.	3779 3780 3781
(e) For a school district in the highest capacity quintile, two per cent for fiscal year 2016 and four per cent for fiscal year 2017.	3782 3783 3784
(f) For a joint vocational school district, two per cent for fiscal year 2016 and four per cent for fiscal year 2017.	3785 3786
(8) "Current expense allocation" means the sum of the payments received by a school district or joint vocational school district in fiscal year 2015 for current expense levy losses under division (C) (3) of section 5727.85 and division (C) (12) of section 5751.21 of the Revised Code as they existed at that time, less any reduction required under division (C) (3) (b) of this section.	3787 3788 3789 3790 3791 3792 3793
(9) "Non-current expense allocation" means the sum of the payments received by a school district or joint vocational	3794 3795

school district in fiscal year 2015 for levy losses under 3796  
division (C) (3) (c) of section 5727.85 and division (C) (12) (c) of 3797  
section 5751.21 of the Revised Code, as they existed at that 3798  
time, and levy losses in fiscal year 2015 under division (H) of 3799  
section 5727.84 of the Revised Code as that section existed at 3800  
that time attributable to levies for and payments received for 3801  
losses on levies intended to generate money for maintenance of 3802  
classroom facilities. 3803

(10) "Operating TPP fixed-sum levy losses" means the sum 3804  
of payments received by a school district in fiscal year 2015 3805  
for levy losses under division (E) of section 5751.21 of the 3806  
Revised Code, excluding levy losses for debt purposes. 3807

(11) "Operating S.B. 3 fixed-sum levy losses" means the 3808  
sum of payments received by the school district in fiscal year 3809  
2015 for levy losses under division (H) of section 5727.84 of 3810  
the Revised Code, excluding levy losses for debt purposes. 3811

(12) "TPP fixed-sum debt levy losses" means the sum of 3812  
payments received by a school district in fiscal year 2015 for 3813  
levy losses under division (E) of section 5751.21 of the Revised 3814  
Code for debt purposes. 3815

(13) "S.B. 3 fixed-sum debt levy losses" means the sum of 3816  
payments received by the school district in fiscal year 2015 for 3817  
levy losses under division (H) of section 5727.84 of the Revised 3818  
Code for debt purposes. 3819

(14) "Qualifying levies" means qualifying levies described 3820  
in section 5751.20 of the Revised Code as that section was in 3821  
effect before July 1, 2015. 3822

(15) "Total taxable value" has the same meaning as in 3823  
section 3317.02 of the Revised Code. 3824

(B) The department of education and workforce shall rank 3825  
all school districts in the order of districts' capacity 3826  
measures determined under former section 3317.018 of the Revised 3827  
Code from lowest to highest, and divide such ranking into 3828  
quintiles, with the first quintile containing the twenty per 3829  
cent of school districts having the lowest capacity measure and 3830  
the fifth quintile containing the twenty per cent of school 3831  
districts having the highest capacity measure. This calculation 3832  
and ranking shall be performed once, in fiscal year 2016. 3833

(C) (1) In fiscal year 2016, payments shall be made to 3834  
school districts and joint vocational school districts equal to 3835  
the sum of the amounts described in divisions (C) (1) (a) or (b) 3836  
and (C) (1) (c) of this section. In fiscal year 2017, payments 3837  
shall be made to school districts and joint vocational school 3838  
districts equal to the amount described in division (C) (1) (a) or 3839  
(b) of this section. 3840

(a) If the ratio of the current expense allocation to 3841  
total resources is equal to or less than the district's 3842  
threshold percent, zero; 3843

(b) If the ratio of the current expense allocation to 3844  
total resources is greater than the district's threshold per 3845  
cent, the difference between the current expense allocation and 3846  
the product of the threshold percentage and total resources; 3847

(c) For fiscal year 2016, the product of the non-current 3848  
expense allocation multiplied by fifty per cent. 3849

(2) In fiscal year 2018 and subsequent fiscal years, 3850  
payments shall be made to school districts and joint vocational 3851  
school districts equal to the difference obtained by subtracting 3852  
the amount described in division (C) (2) (b) of this section from 3853

the amount described in division (C) (2) (a) of this section, 3854  
provided that such amount is greater than zero. 3855

(a) The sum of the payments received by the district under 3856  
division (C) (1) (b) or (C) (2) of this section for the immediately 3857  
preceding fiscal year; 3858

(b) One-sixteenth of one per cent of the average of the 3859  
total taxable value of the district for tax years 2014, 2015, 3860  
and 2016. 3861

(3) (a) "Total resources" used to compute payments under 3862  
division (C) (1) of this section shall be reduced to the extent 3863  
that payments distributed in fiscal year 2015 were attributable 3864  
to levies no longer charged and payable for tax year 2014. 3865

(b) "Current expense allocation" used to compute payments 3866  
under division (C) (1) of this section shall be reduced to the 3867  
extent that the payments distributed in fiscal year 2015 were 3868  
attributable to levies no longer charged and payable for tax 3869  
year 2014. 3870

(4) The department of education and workforce shall report 3871  
to each school district and joint vocational school district the 3872  
apportionment of the payments under division (C) (1) of this 3873  
section among the district's funds based on qualifying levies. 3874

(D) (1) Payments in the following amounts shall be made to 3875  
school districts and joint vocational school districts in tax 3876  
years 2016 through 2021: 3877

(a) In tax year 2016, the sum of the district's operating 3878  
TPP fixed-sum levy losses and operating S.B. 3 fixed-sum levy 3879  
losses. 3880

(b) In tax year 2017, the sum of the district's operating 3881

TPP fixed-sum levy losses and eighty per cent of operating S.B.	3882
3 fixed-sum levy losses.	3883
(c) In tax year 2018, the sum of eighty per cent of the	3884
district's operating TPP fixed-sum levy losses and sixty per	3885
cent of its operating S.B. 3 fixed-sum levy losses.	3886
(d) In tax year 2019, the sum of sixty per cent of the	3887
district's operating TPP fixed-sum levy losses and forty per	3888
cent of its operating S.B. 3 fixed-sum levy losses.	3889
(e) In tax year 2020, the sum of forty per cent of the	3890
district's operating TPP fixed-sum levy losses and twenty per	3891
cent of its operating S.B. 3 fixed-sum levy losses.	3892
(f) In tax year 2021, twenty per cent of the district's	3893
operating TPP fixed-sum levy losses.	3894
No payment shall be made under division (D) (1) of this	3895
section after tax year 2021.	3896
(2) Amounts are payable under division (D) of this section	3897
for fixed-sum levy losses only to the extent of such losses for	3898
qualifying levies that remain in effect for the current tax	3899
year. For this purpose, a qualifying levy levied under section	3900
5705.194 or 5705.213 of the Revised Code remains in effect for	3901
the current tax year only if a tax levied under either of those	3902
sections is charged and payable for the current tax year for an	3903
annual sum at least equal to the annual sum levied by the board	3904
of education for tax year 2004 under those sections less the	3905
amount of the payment under this division.	3906
(E) (1) For fixed-sum levies for debt purposes, payments	3907
shall be made to school districts and joint vocational school	3908
districts equal to one hundred per cent of the district's fixed-	3909
sum levy loss determined under division (E) of section 5751.20	3910

and division (H) of section 5727.84 of the Revised Code as in 3911  
effect before July 1, 2015, and paid in tax year 2014. No 3912  
payment shall be made for qualifying levies that are no longer 3913  
charged and payable. 3914

(2) Beginning in 2016, by the thirty-first day of January 3915  
of each year, the tax commissioner shall review the calculation 3916  
of fixed-sum levy loss for debt purposes determined under 3917  
division (E) of section 5751.20 and division (H) of section 3918  
5727.84 of the Revised Code as in effect before July 1, 2015. If 3919  
the commissioner determines that a fixed-sum levy that had been 3920  
scheduled to be reimbursed in the current year is no longer 3921  
charged and payable, a revised calculation for that year and all 3922  
subsequent years shall be made. 3923

(F) (1) For taxes levied within the ten-mill limitation for 3924  
debt purposes in tax year 1998 in the case of electric company 3925  
tax value losses, and in tax year 1999 in the case of natural 3926  
gas company tax value losses, payments shall be made to school 3927  
districts and joint vocational school districts equal to one 3928  
hundred per cent of the loss computed under division (D) of 3929  
section 5727.85 of the Revised Code as in effect before July 1, 3930  
2015, as if the tax were a fixed-rate levy, but those payments 3931  
shall extend through fiscal year 2016. 3932

(2) For taxes levied within the ten-mill limitation for 3933  
debt purposes in tax year 2005, payments shall be made to school 3934  
districts and joint vocational school districts equal to one 3935  
hundred per cent of the loss computed under division (D) of 3936  
section 5751.21 of the Revised Code as in effect before July 1, 3937  
2015, as if the tax were a fixed-rate levy, but those payments 3938  
shall extend through fiscal year 2018. 3939

(G) If all the territory of a school district or joint 3940

vocational school district is merged with another district, or 3941  
if a part of the territory of a school district or joint 3942  
vocational school district is transferred to an existing or 3943  
newly created district, the department of education and 3944  
workforce, in consultation with the tax commissioner, shall 3945  
adjust the payments made under this section as follows: 3946

(1) For a merger of two or more districts, fixed-sum levy 3947  
losses, total resources, current expense allocation, and non- 3948  
current expense allocation of the successor district shall be 3949  
the sum of such items for each of the districts involved in the 3950  
merger. 3951

(2) If property is transferred from one district to a 3952  
previously existing district, the amount of the total resources, 3953  
current expense allocation, and non-current expense allocation 3954  
that shall be transferred to the recipient district shall be an 3955  
amount equal to the total resources, current expense allocation, 3956  
and non-current expense allocation of the transferor district 3957  
times a fraction, the numerator of which is the number of pupils 3958  
being transferred to the recipient district, measured, in the 3959  
case of a school district, by formula ADM as defined in section 3960  
3317.02 of the Revised Code or, in the case of a joint vocational 3961  
school district, by formula ADM as defined for a joint 3962  
vocational school district in that section, and the denominator 3963  
of which is the formula ADM of the transferor district. 3964

(3) After December 31, 2010, if property is transferred 3965  
from one or more districts to a district that is newly created 3966  
out of the transferred property, the newly created district 3967  
shall be deemed not to have any total resources, current expense 3968  
allocation, total allocation, or non-current expense allocation. 3969

(4) If the recipient district under division (G) (2) of 3970



this section or the newly created district under division (G) (3) 3971  
of this section is assuming debt from one or more of the 3972  
districts from which the property was transferred and any of the 3973  
districts losing the property had fixed-sum levy losses, the 3974  
department of education and workforce, in consultation with the 3975  
tax commissioner, shall make an equitable division of the 3976  
reimbursements for those losses. 3977

(H) The payments required by divisions (C), (D), (E), (F), 3978  
and (I) of this section shall be distributed periodically to 3979  
each school and joint vocational school district by the 3980  
department of education and workforce unless otherwise provided 3981  
for. Except as provided in division (D) of this section, if a 3982  
levy that is a qualifying levy is not charged and payable in any 3983  
year after 2014, payments to the school district or joint 3984  
vocational school district shall be reduced to the extent that 3985  
the payments distributed in fiscal year 2015 were attributable 3986  
to the levy loss of that levy. 3987

(I) For fiscal years 2022 through 2026, if the total 3988  
amount to be received under divisions (C) and (E) of this 3989  
section by any school district that has a nuclear power plant 3990  
located within its territory is less than the amount the 3991  
district received under this section in fiscal year 2017, the 3992  
district shall receive a supplemental payment equal to the 3993  
difference between the amount to be received under those 3994  
divisions for the fiscal year and the amount received under this 3995  
section in fiscal year 2017. 3996

**Sec. 5709.93.** (A) As used in this section: 3997

(1) "Taxes charged and payable" means taxes charged and 3998  
payable after the reduction required by section 319.301 of the 3999  
Revised Code but before ~~the reductions~~ any reduction required by 4000

~~sections 319.302 and section 323.152~~ of the Revised Code. 4001

(2) "Threshold per cent" means two per cent for fiscal 4002  
year 2016; and, for fiscal year 2017 and thereafter, the sum of 4003  
the prior year's threshold per cent plus two percentage points. 4004

(3) "Public library" means a county, municipal, school 4005  
district, or township public library that receives the proceeds 4006  
of a tax levied under section 5705.23 of the Revised Code. 4007

(4) "Local taxing unit" means a subdivision or taxing 4008  
unit, as defined in section 5705.01 of the Revised Code, a park 4009  
district created under Chapter 1545. of the Revised Code, or a 4010  
township park district established under section 511.23 of the 4011  
Revised Code, but excludes school districts and joint vocational 4012  
school districts. 4013

(5) "Municipal current expense allocation" means the sum 4014  
of the payments received by a municipal corporation in calendar 4015  
year 2014 for current expense levy losses under division (A)(1) 4016  
(e) (ii) of section 5727.86 and division (A)(1)(c)(ii) of section 4017  
5751.22 of the Revised Code as they existed at that time. 4018

(6) "Current expense allocation" means the sum of the 4019  
payments received by a local taxing unit or public library in 4020  
calendar year 2014 for current expense levy losses under 4021  
division (A)(1) of section 5727.86 and divisions (A)(1) and (2) 4022  
of section 5751.22 of the Revised Code as they existed at that 4023  
time, less any reduction required under division (B)(2) of this 4024  
section. 4025

(7) "TPP inside millage debt levy loss" means payments 4026  
made to local taxing units in calendar year 2014 under division 4027  
(A)(3) of section 5751.22 of the Revised Code as that section 4028  
existed at that time. 4029

(8) "S.B. 3 inside millage debt levy loss" means payments 4030  
made to local taxing units in calendar year 2014 under section 4031  
(A) (4) of section 5727.86 of the Revised Code as that section 4032  
existed at that time. 4033

(9) "Qualifying levy" means a levy for which payment was 4034  
made in calendar year 2014 under division (A) (1) of section 4035  
5727.86 and divisions (A) (1) and (2) of section 5751.22 of the 4036  
Revised Code as they existed at that time. 4037

(10) "Total resources," in the case of county mental 4038  
health and disability related functions, means the sum of the 4039  
amounts in divisions (A) (10) (a) and (b) of this section less any 4040  
reduction required under division (B) (1) of this section. 4041

(a) The sum of the payments received by the county for 4042  
mental health and developmental disability related functions in 4043  
calendar year 2014 under division (A) (1) of section 5727.86 and 4044  
division (A) (1) of section 5751.22 of the Revised Code as they 4045  
existed at that time; 4046

(b) With respect to taxes levied by the county for mental 4047  
health and developmental disability related purposes, the taxes 4048  
charged and payable for such purposes against all property on 4049  
the tax list of real and public utility property for tax year 4050  
2014. 4051

(11) "Total resources," in the case of county senior 4052  
services related functions, means the sum of the amounts in 4053  
divisions (A) (11) (a) and (b) of this section less any reduction 4054  
required under division (B) (1) of this section. 4055

(a) The sum of the payments received by the county for 4056  
senior services related functions in calendar year 2014 under 4057  
division (A) (1) of section 5727.86 and division (A) (1) of 4058

section 5751.22 of the Revised Code as they existed at that 4059  
time; 4060

(b) With respect to taxes levied by the county for senior 4061  
services related purposes, the taxes charged and payable for 4062  
such purposes against all property on the tax list of real and 4063  
public utility property for tax year 2014. 4064

(12) "Total resources," in the case of county children's 4065  
services related functions, means the sum of the amounts in 4066  
divisions (A) (12) (a) and (b) of this section less any reduction 4067  
required under division (B) (1) of this section. 4068

(a) The sum of the payments received by the county for 4069  
children's services related functions in calendar year 2014 4070  
under division (A) (1) of section 5727.86 and division (A) (1) of 4071  
section 5751.22 of the Revised Code as they existed at that 4072  
time; 4073

(b) With respect to taxes levied by the county for 4074  
children's services related purposes, the taxes charged and 4075  
payable for such purposes against all property on the tax list 4076  
of real and public utility property for tax year 2014. 4077

(13) "Total resources," in the case of county public 4078  
health related functions, means the sum of the amounts in 4079  
divisions (A) (13) (a) and (b) of this section less any reduction 4080  
required under division (B) (1) of this section. 4081

(a) The sum of the payments received by the county for 4082  
public health related functions in calendar year 2014 under 4083  
division (A) (1) of section 5727.86 and division (A) (1) of 4084  
section 5751.22 of the Revised Code as they existed at that 4085  
time; 4086

(b) With respect to taxes levied by the county for public 4087

health related purposes, the taxes charged and payable for such 4088  
purposes against all property on the tax list of real and public 4089  
utility property for tax year 2014. 4090

(14) "Total resources," in the case of all county 4091  
functions not included in divisions (A) (10) to (13) of this 4092  
section, means the sum of the amounts in divisions (A) (14) (a) to 4093  
(e) of this section less any reduction required under division 4094  
(B) (1) or (2) of this section. 4095

(a) The sum of the payments received by the county for all 4096  
other purposes in calendar year 2014 under division (A) (1) of 4097  
section 5727.86 and division (A) (1) of section 5751.22 of the 4098  
Revised Code as they existed at that time; 4099

(b) The county's percentage share of county undivided 4100  
local government fund allocations as certified to the tax 4101  
commissioner for calendar year 2015 by the county auditor under 4102  
division (J) of section 5747.51 of the Revised Code or division 4103  
(F) of section 5747.53 of the Revised Code multiplied by the 4104  
total amount actually distributed in calendar year 2014 from the 4105  
county undivided local government fund; 4106

(c) With respect to taxes levied by the county for all 4107  
other purposes, the taxes charged and payable for such purposes 4108  
against all property on the tax list of real and public utility 4109  
property for tax year 2014, excluding taxes charged and payable 4110  
for the purpose of paying debt charges; 4111

(d) The sum of the amounts distributed to the county in 4112  
calendar year 2014 for the taxes levied pursuant to sections 4113  
5739.021 and 5741.021 of the Revised Code; 4114

(e) The sum of amounts distributed to the county from the 4115  
gross casino revenue county fund from July 2014 through April 4116

2015. 4117

(15) "Total resources," in the case of a municipal 4118  
corporation, means the sum of the amounts in divisions (A) (15) 4119  
(a) to (h) of this section less any reduction required under 4120  
division (B) (1) or (2) of this section. 4121

(a) The sum of the payments received by the municipal 4122  
corporation in calendar year 2014 for current expense levy 4123  
losses under division (A) (1) of section 5727.86 and division (A) 4124  
(1) of section 5751.22 of the Revised Code as they existed at 4125  
that time; 4126

(b) The municipal corporation's percentage share of county 4127  
undivided local government fund allocations as certified to the 4128  
tax commissioner for calendar year 2015 by the county auditor 4129  
under division (J) of section 5747.51 of the Revised Code or 4130  
division (F) of section 5747.53 of the Revised Code multiplied 4131  
by the total amount actually distributed in calendar year 2014 4132  
from the county undivided local government fund; 4133

(c) The sum of the amounts distributed to the municipal 4134  
corporation in calendar year 2014 pursuant to section 5747.50 of 4135  
the Revised Code; 4136

(d) With respect to taxes levied by the municipal 4137  
corporation, the taxes charged and payable against all property 4138  
on the tax list of real and public utility property for 4139  
municipal current expenses for tax year 2014; 4140

(e) The amount of admissions tax collected by the 4141  
municipal corporation in calendar year 2013, or if such 4142  
information has not yet been reported to the tax commissioner, 4143  
in the most recent year before 2013 for which the municipal 4144  
corporation has reported data to the commissioner; 4145

(f) The amount of income taxes collected by the municipal corporation in calendar year 2013 as certified to the tax commissioner under section 5747.50 of the Revised Code in 2013, or if such information has not yet been reported to the commissioner, in the most recent year before 2014 for which the municipal corporation has reported such data to the commissioner;

(g) The sum of the amounts distributed to the municipal corporation from the gross casino revenue host city fund from July 2014 through April 2015;

(h) The sum of the amounts distributed to the municipal corporation from the gross casino revenue county fund from July 2014 through April 2015.

(16) "Total resources," in the case of a township, means the sum of the amounts in divisions (A)(16)(a) to (c) of this section less any reduction required under division (B)(1) or (2) of this section.

(a) The sum of the payments received by the township in calendar year 2014 pursuant to division (A)(1) of section 5727.86 of the Revised Code and division (A)(1) of section 5751.22 of the Revised Code as they existed at that time, excluding payments received for debt purposes;

(b) The township's percentage share of county undivided local government fund allocations as certified to the tax commissioner for calendar year 2015 by the county auditor under division (J) of section 5747.51 of the Revised Code or division (F) of section 5747.53 of the Revised Code multiplied by the total amount actually distributed in calendar year 2014 from the county undivided local government fund;

(c) With respect to taxes levied by the township, the 4175  
taxes charged and payable against all property on the tax list 4176  
of real and public utility property for tax year 2014 excluding 4177  
taxes charged and payable for the purpose of paying debt charges 4178  
or from levies imposed under section 5705.23 of the Revised 4179  
Code. 4180

(17) "Total resources," in the case of a local taxing unit 4181  
that is not a county, municipal corporation, township, or public 4182  
library means the sum of the amounts in divisions (A) (17) (a) to 4183  
(e) of this section less any reduction required under division 4184  
(B) (1) of this section. 4185

(a) The sum of the payments received by the local taxing 4186  
unit in calendar year 2014 pursuant to division (A) (1) of 4187  
section 5727.86 of the Revised Code and division (A) (1) of 4188  
section 5751.22 of the Revised Code as they existed at that 4189  
time; 4190

(b) The local taxing unit's percentage share of county 4191  
undivided local government fund allocations as certified to the 4192  
tax commissioner for calendar year 2015 by the county auditor 4193  
under division (J) of section 5747.51 of the Revised Code or 4194  
division (F) of section 5747.53 of the Revised Code multiplied 4195  
by the total amount actually distributed in calendar year 2014 4196  
from the county undivided local government fund; 4197

(c) With respect to taxes levied by the local taxing unit, 4198  
the taxes charged and payable against all property on the tax 4199  
list of real and public utility property for tax year 2014 4200  
excluding taxes charged and payable for the purpose of paying 4201  
debt charges or from a levy imposed under section 5705.23 of the 4202  
Revised Code; 4203



(d) The amount received from the tax commissioner during 4204  
calendar year 2014 for sales or use taxes authorized under 4205  
sections 5739.023 and 5741.022 of the Revised Code; 4206

(e) For institutions of higher education receiving tax 4207  
revenue from a local levy, as identified in section 3358.02 of 4208  
the Revised Code, the final state share of instruction 4209  
allocation for fiscal year 2014 as calculated by the chancellor 4210  
of higher education and reported to the state controlling board. 4211

(18) "Total resources," in the case of a county, municipal 4212  
corporation, school district, or township public library that 4213  
receives the proceeds of a tax levied under section 5705.23 of 4214  
the Revised Code, means the sum of the amounts in divisions (A) 4215  
(18) (a) to (d) of this section less any reduction required under 4216  
division (B) (1) of this section. 4217

(a) The sum of the payments received by the county, 4218  
municipal corporation, school district, or township public 4219  
library in calendar year 2014 pursuant to sections 5727.86 and 4220  
5751.22 of the Revised Code, as they existed at that time, for 4221  
fixed-rate levy losses attributable to a tax levied under 4222  
section 5705.23 of the Revised Code for the benefit of the 4223  
public library; 4224

(b) The public library's percentage share of county 4225  
undivided local government fund allocations as certified to the 4226  
tax commissioner for calendar year 2015 by the county auditor 4227  
under division (J) of section 5747.51 of the Revised Code or 4228  
division (F) of section 5747.53 of the Revised Code multiplied 4229  
by the total amount actually distributed in calendar year 2014 4230  
from the county undivided local government fund; 4231

(c) With respect to a tax levied pursuant to section 4232

5705.23 of the Revised Code for the benefit of the public 4233  
library, the amount of such tax that is charged and payable 4234  
against all property on the tax list of real and public utility 4235  
property for tax year 2014 excluding any tax that is charged and 4236  
payable for the purpose of paying debt charges; 4237

(d) The sum of the amounts distributed to the library 4238  
district from the county public library fund in calendar year 4239  
2014, as reported to the tax commissioner by the county auditor. 4240

(19) "Municipal current expense property tax levies" means 4241  
all property tax levies of a municipality, except those with the 4242  
following levy names: library; airport resurfacing; bond or any 4243  
levy name including the word "bond"; capital improvement or any 4244  
levy name including the word "capital"; debt or any levy name 4245  
including the word "debt"; equipment or any levy name including 4246  
the word "equipment," unless the levy is for combined operating 4247  
and equipment; employee termination fund; fire pension or any 4248  
levy containing the word "pension," including police pensions; 4249  
fireman's fund or any practically similar name; sinking fund; 4250  
road improvements or any levy containing the word "road"; fire 4251  
truck or apparatus; flood or any levy containing the word 4252  
"flood"; conservancy district; county health; note retirement; 4253  
sewage, or any levy containing the words "sewage" or "sewer"; 4254  
park improvement; parkland acquisition; storm drain; street or 4255  
any levy name containing the word "street"; lighting, or any 4256  
levy name containing the word "lighting"; and water. 4257

(20) "Operating fixed-rate levy loss" means, in the case 4258  
of local taxing units other than municipal corporations, fixed- 4259  
rate levy losses of levies imposed for purposes other than 4260  
paying debt charges or, in the case of municipal corporations, 4261  
fixed-rate levy losses of municipal current expense property tax 4262

levies. 4263

(21) (a) "Qualifying municipal corporation" means a 4264  
municipal corporation in the territory of which a qualifying end 4265  
user is located. 4266

(b) "Qualifying end user" means an end user of at least 4267  
seven million qualifying kilowatt hours of electricity annually. 4268

(c) "Qualifying kilowatt hours" means kilowatt hours of 4269  
electricity generated by a renewable energy resource, as defined 4270  
in section 5727.01 of the Revised Code, using wind energy and 4271  
the distribution of which is subject to the tax levied under 4272  
section 5727.81 of the Revised Code for any measurement period 4273  
beginning after June 30, 2015. 4274

(22) Any term used in this section has the same meaning as 4275  
in section 5727.84 or 5751.20 of the Revised Code unless 4276  
otherwise defined by this section. 4277

(B) (1) "Total resources" used to compute payments to be 4278  
made under division (C) of this section shall be reduced to the 4279  
extent that payments distributed in calendar year 2014 were 4280  
attributable to levies no longer charged and payable. 4281

(2) "Current expense allocation" used to compute payments 4282  
to be made under division (C) of this section shall be reduced 4283  
to the extent that payments distributed in calendar year 2014 4284  
were attributable to levies no longer charged and payable. 4285

(C) (1) Except as provided in division (D) of this section, 4286  
the tax commissioner shall compute payments for operating fixed- 4287  
rate levy losses of local taxing units and public libraries for 4288  
fiscal year 2016 and each year thereafter as prescribed in 4289  
divisions (C) (1) (a) and (b) of this section: 4290

(a) For public libraries and local taxing units other than municipal corporations:	4291 4292
(i) If the ratio of current expense allocation to total resources is equal to or less than the threshold per cent, zero;	4293 4294
(ii) If the ratio of current expense allocation to total resources is greater than the threshold per cent, the current expense allocation minus the product of total resources multiplied by the threshold per cent.	4295 4296 4297 4298
(b) For municipal corporations:	4299
(i) If the ratio of the municipal current expense allocation to total resources is equal to or less than the threshold per cent, zero;	4300 4301 4302
(ii) If the ratio of the municipal current expense allocation to total resources is greater than the threshold per cent, the municipal current expense allocation minus the product of total resources multiplied by the threshold per cent.	4303 4304 4305 4306
(2) For any local taxing unit or public library with operating fixed-rate levy losses greater than zero, the operating fixed-rate levy loss shall be allocated among all qualifying operating fixed-rate levies in proportion to each such levy's share of the payments received in tax year 2014. In fiscal year 2016 and thereafter, if a levy to which operating fixed-rate levy loss is allocated is no longer charged and payable, the payment to the local taxing unit or public library shall be reduced by the amount allocated to the levy that is no longer charged and payable.	4307 4308 4309 4310 4311 4312 4313 4314 4315 4316
(D) (1) Except as provided in division (D) (2) of this section, the tax commissioner shall make payments to local taxing units equal to the sum of TPP inside millage debt levy	4317 4318 4319

loss and S.B. 3 inside millage debt levy loss. No payment shall 4320  
be made if the levy for which the levy loss is computed is not 4321  
charged and payable for debt purposes in fiscal year 2016 or any 4322  
year thereafter. 4323

(2) No payment shall be made for TPP inside millage debt 4324  
levy loss in calendar year 2018 or thereafter. No payment shall 4325  
be made for S.B.3 inside millage debt levy loss in calendar year 4326  
2017 or thereafter. 4327

(E) For a qualifying municipal corporation, the tax 4328  
commissioner shall compute payments for fiscal year 2016 and 4329  
each ensuing fiscal year in an amount equal to the amount of tax 4330  
imposed under section 5727.81 of the Revised Code and paid on 4331  
the basis of qualifying kilowatt hours of electricity 4332  
distributed through the meter of a qualifying end user located 4333  
in the municipal corporation for measurement periods ending in 4334  
the preceding calendar year. The payment shall be computed 4335  
regardless of whether the qualifying municipal corporation 4336  
qualifies for a payment under any other division of this section 4337  
for the fiscal year in which the payment is computed under this 4338  
division. For the purposes of this division, the commissioner 4339  
may require an electric distribution company distributing 4340  
qualifying kilowatt hours or, if the end user is a self- 4341  
assessing purchaser, the end user, to report to the commissioner 4342  
the number of qualifying kilowatt hours distributed through the 4343  
meter of the qualifying end user. 4344

(F) (1) The payments required to be made under divisions 4345  
(C), (D), and (H) of this section shall be paid from the local 4346  
government tangible property tax replacement fund to the county 4347  
undivided income tax fund in the proper county treasury. 4348  
Beginning in August 2015, one-half of the amount determined 4349

under each of those divisions shall be paid on or before the 4350  
last day of August each year, and one-half shall be paid on or 4351  
before the last day of February each year. Within thirty days 4352  
after receipt of such payments, the county treasurer shall 4353  
distribute amounts determined under this section to the proper 4354  
local taxing unit or public library as if they had been levied 4355  
and collected as taxes, and the local taxing unit or public 4356  
library shall allocate the amounts so received among its funds 4357  
in the same proportions as if those amounts had been levied and 4358  
collected as taxes. 4359

(2) On or before the last day of August and of February of 4360  
each fiscal year that follows a calendar year in which taxes are 4361  
paid on the basis of qualifying kilowatt hours of electricity 4362  
distributed through the meter of a qualifying end user located 4363  
in a qualifying municipal corporation, one-half of the payment 4364  
computed under division (E) of this section shall be paid from 4365  
the local government tangible personal property tax replacement 4366  
fund directly to the qualifying municipal corporation. The 4367  
municipal corporation shall credit the payments to a special 4368  
fund created for the purpose of providing grants or other 4369  
financial assistance to the qualifying end user or to compensate 4370  
the municipal corporation for municipal income tax or other tax 4371  
credits or reductions as the legislative authority may grant to 4372  
the qualifying end user. Such grants or other financial 4373  
assistance may be provided for by ordinance or resolution of the 4374  
legislative authority of the qualifying municipal corporation 4375  
and may continue for as long as is provided by the ordinance or 4376  
resolution. 4377

(G) If all or a part of the territories of two or more 4378  
local taxing units are merged, or unincorporated territory of a 4379  
township is annexed by a municipal corporation, the tax 4380

commissioner shall adjust the payments made under this section 4381  
to each of the local taxing units in proportion to the square 4382  
mileage of the merged or annexed territory as a percentage of 4383  
the total square mileage of the jurisdiction from which the 4384  
territory originated, or as otherwise provided by a written 4385  
agreement between the legislative authorities of the local 4386  
taxing units certified to the commissioner not later than the 4387  
first day of June of the calendar year in which the payment is 4388  
to be made. 4389

(H) For fiscal years 2022 through 2026, if the total 4390  
amount to be received under division (C) of this section by a 4391  
joint fire district that has a nuclear power plant located 4392  
within its territory is less than the amount the district 4393  
received under this section in fiscal year 2017, the district 4394  
shall receive a supplemental payment equal to the difference 4395  
between the amount to be received under that division for the 4396  
fiscal year and the amount received under this section in fiscal 4397  
year 2017. 4398

**Sec. 5715.19.** (A) As used in this section: 4399

"Member" has the same meaning as in section 1706.01 of the 4400  
Revised Code. 4401

"Internet identifier of record" has the same meaning as in 4402  
section 9.312 of the Revised Code. 4403

"Interim" period" means, for each county, the tax year to 4404  
which section 5715.24 of the Revised Code applies and each 4405  
subsequent tax year until the tax year in which that section 4406  
applies again. 4407

"Legislative authority" means a board of county 4408  
commissioners, a board of township trustees of any township with 4409

territory in the county, the board of education of any school 4410  
district with territory in the county, or the legislative 4411  
authority of a municipal corporation with territory in the 4412  
county. 4413

"Original complaint" means a complaint filed under 4414  
division (A) of this section. 4415

"Counter-complaint" means a complaint filed under division 4416  
(B) of this section in response to an original complaint. 4417

"Third party complainant" means a complainant other than 4418  
the property owner, the owner's spouse, a tenant authorized to 4419  
file an original complaint, or any person acting on behalf of a 4420  
property owner. "Third party complainant" does not include a 4421  
legislative authority or a mayor of a municipal corporation, but 4422  
does include the prosecuting attorney or treasurer of a county. 4423

(1) Subject to division (A) (2) of this section, a 4424  
complaint against any of the following determinations for the 4425  
current tax year shall be filed with the county auditor on or 4426  
before the thirty-first day of March of the ensuing tax year or 4427  
the date of closing of the collection for the first half of real 4428  
and public utility property taxes for the current tax year, 4429  
whichever is later: 4430

(a) Any classification made under section 5713.041 of the 4431  
Revised Code; 4432

(b) Any determination made under section 5713.32 or 4433  
5713.35 of the Revised Code; 4434

(c) Any recoupment charge levied under section 5713.35 of 4435  
the Revised Code; 4436

(d) The determination of the total valuation or assessment 4437



of any parcel that appears on the tax list, except parcels 4438  
assessed by the tax commissioner pursuant to section 5727.06 of 4439  
the Revised Code; 4440

(e) The determination of the total valuation of any parcel 4441  
that appears on the agricultural land tax list, except parcels 4442  
assessed by the tax commissioner pursuant to section 5727.06 of 4443  
the Revised Code; 4444

~~(f) Any determination made under division (A) of section 4445  
319.302 of the Revised Code. 4446~~

If such a complaint is filed by mail or certified mail, 4447  
the date of the United States postmark placed on the envelope or 4448  
sender's receipt by the postal service shall be treated as the 4449  
date of filing. A private meter postmark on an envelope is not a 4450  
valid postmark for purposes of establishing the filing date. 4451

Subject to division (A) (6) of this section, any person 4452  
owning taxable real property in the county or in a taxing 4453  
district with territory in the county; such a person's spouse; a 4454  
tenant of the property owner, if the property is classified as 4455  
to use for tax purposes as commercial or industrial, the lease 4456  
requires the tenant to pay the entire amount of taxes charged 4457  
against the property, and the lease allows, or the property 4458  
owner otherwise authorizes, the tenant to file such a complaint 4459  
with respect to the property; an individual who is retained by 4460  
such a person or tenant and who holds a designation from a 4461  
professional assessment organization, such as the institute for 4462  
professionals in taxation, the national council of property 4463  
taxation, or the international association of assessing 4464  
officers; a public accountant who holds a permit under section 4465  
4701.10 of the Revised Code, a general or residential real 4466  
estate appraiser licensed or certified under Chapter 4763. of 4467

the Revised Code, or a real estate broker licensed under Chapter 4468  
4735. of the Revised Code, who is retained by such a person or 4469  
tenant; if the person or tenant is a firm, company, association, 4470  
partnership, limited liability company, or corporation, an 4471  
officer, a salaried employee, a partner, or a member of that 4472  
person or tenant; if the person or tenant is a trust, a trustee 4473  
of the trust; the prosecuting attorney or treasurer of the 4474  
county; or the legislative authority of a subdivision or the 4475  
mayor of a municipal corporation may file such a complaint 4476  
regarding any such determination affecting any real property in 4477  
the county, except that a person owning taxable real property in 4478  
another county may file such a complaint only with regard to any 4479  
such determination affecting real property in the county that is 4480  
located in the same taxing district as that person's real 4481  
property is located. The county auditor shall present to the 4482  
county board of revision all complaints filed with the auditor. 4483

(2) No person, legislative authority, or officer shall 4484  
file a complaint against the valuation or assessment of any 4485  
parcel that appears on the tax list if it filed a complaint 4486  
against the valuation or assessment of that parcel for any prior 4487  
tax year in the same interim period, unless the person, 4488  
legislative authority, or officer alleges that the valuation or 4489  
assessment should be changed due to one or more of the following 4490  
circumstances that occurred after the tax lien date for the tax 4491  
year for which the prior complaint was filed and that the 4492  
circumstances were not taken into consideration with respect to 4493  
the prior complaint: 4494

(a) The property was sold in an arm's length transaction, 4495  
as described in section 5713.03 of the Revised Code; 4496

(b) The property lost value due to some casualty; 4497

(c) Substantial improvement was added to the property;	4498
(d) An increase or decrease of at least fifteen per cent in the property's occupancy has had a substantial economic impact on the property.	4499 4500 4501
(3) If a county board of revision, the board of tax appeals, or any court dismisses a complaint filed under this section or section 5715.13 of the Revised Code for the reason that the act of filing the complaint was the unauthorized practice of law or the person filing the complaint was engaged in the unauthorized practice of law, the party affected by a decrease in valuation or the party's agent, or the person owning taxable real property in the county or in a taxing district with territory in the county, may refile the complaint, notwithstanding division (A) (2) of this section.	4502 4503 4504 4505 4506 4507 4508 4509 4510 4511
(4) (a) No complaint filed under this section or section 5715.13 of the Revised Code shall be dismissed for the reason that the complaint fails to accurately identify the owner of the property that is the subject of the complaint.	4512 4513 4514 4515
(b) If a complaint fails to accurately identify the owner of the property that is the subject of the complaint, the board of revision shall exercise due diligence to ensure the correct property owner is notified as required by divisions (B) and (C) of this section.	4516 4517 4518 4519 4520
(5) Notwithstanding division (A) (2) of this section, a person, legislative authority, or officer may file a complaint against the valuation or assessment of any parcel that appears on the tax list if it filed a complaint against the valuation or assessment of that parcel for any prior tax year in the same interim period if the person, legislative authority, or officer	4521 4522 4523 4524 4525 4526

withdrew the complaint before the complaint was heard by the board. 4527  
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(6) The legislative authority of a subdivision, the mayor of a municipal corporation, or a third party complainant shall not file an original complaint with respect to property the subdivision or complainant does not own or lease unless both of the following conditions are met: 4529  
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(a) If the complaint is based on a determination described in division (A) (1) (d) or (e) of this section, the property was (i) sold in an arm's length transaction, as described in section 5713.03 of the Revised Code, before, but not after, the tax lien date for the tax year for which the complaint is to be filed, and (ii) the sale price exceeds the true value of the property appearing on the tax list for that tax year by both ten per cent and the amount of the filing threshold determined under division (J) of this section; 4534  
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(b) If the complaint is filed by a legislative authority or mayor, the legislative authority or, in the case of a mayor, the legislative authority of the municipal corporation, first adopts a resolution authorizing the filing of the original complaint at a public meeting of the legislative authority. 4543  
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(7) A resolution adopted under division (A) (6) (b) of this section shall include all of the following information: 4548  
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(a) Identification of the parcel or parcels that are the subject of the original complaint by street address, if available from online records of the county auditor, and by permanent parcel number; 4550  
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(b) The name of at least one of the record owners of the parcel or parcels; 4554  
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(c) The basis for the complaint under divisions (A) (1) (a) 4556  
to ~~(f)~~(e) of this section relative to each parcel identified in 4557  
the resolution; 4558

(d) The tax year for which the complaint will be filed, 4559  
which shall be a year for which a complaint may be timely filed 4560  
under this section at the time of the resolution's adoption. 4561

A legislative authority shall not adopt a resolution 4562  
required under division (A) (6) (b) of this section that 4563  
identifies more than one parcel under division (A) (7) (a) of this 4564  
section, except that a single resolution may identify more than 4565  
one parcel under that division if each parcel has the same 4566  
record owner or the same record owners, as applicable. A 4567  
legislative authority may adopt multiple resolutions required 4568  
under division (A) (6) (b) of this section by a single vote, 4569  
provided that the vote is separate from the question of whether 4570  
to adopt any resolution that is not adopted under division (A) 4571  
(6) (b) of this section. 4572

Before adopting a resolution required by division (A) (6) 4573  
(b) of this section, the legislative authority shall mail a 4574  
written notice to at least one of the record owners of the 4575  
parcel or parcels identified in the resolution stating the 4576  
intent of the legislative authority in adopting the resolution, 4577  
the proposed date of adoption, and the basis for the complaint 4578  
under divisions (A) (1) (a) to ~~(f)~~(e) of this section relative to 4579  
each parcel identified in the resolution. The notice shall be 4580  
sent by certified mail to the last known tax-mailing address of 4581  
at least one of the record owners and, if different from that 4582  
tax-mailing address, to the street address of the parcel or 4583  
parcels identified in the resolution. Alternatively, if the 4584  
legislative authority has record of an internet identifier of 4585

record associated with at least one of the record owners, the 4586  
legislative authority may send the notice by ordinary mail and 4587  
by that internet identifier of record. The notice shall be 4588  
postmarked or, if sent by internet identifier of record, sent at 4589  
least seven calendar days before the legislative authority 4590  
adopts the resolution. 4591

A board of revision has jurisdiction to consider a 4592  
complaint filed pursuant to a resolution adopted under division 4593  
(A) (6) (b) of this section only if the legislative authority 4594  
notifies the board of revision of the resolution in the manner 4595  
prescribed in division (A) (8) of this section. The failure to 4596  
accurately identify the street address or the name of the record 4597  
owners of the parcel in the resolution does not invalidate the 4598  
resolution nor is it a cause for dismissal of the complaint. 4599

(8) A complaint form prescribed by a board of revision or 4600  
the tax commissioner for the purpose of this section shall 4601  
include a box that must be checked, when a legislative authority 4602  
files an original complaint, to indicate that a resolution 4603  
authorizing the complaint was adopted in accordance with 4604  
divisions (A) (6) (b) and (7) of this section and that notice was 4605  
mailed or sent in accordance with division (A) (7) of this 4606  
section before adoption of the resolution to at least one of the 4607  
record owners of the property that is the subject of the 4608  
complaint. 4609

(B) Within thirty days after the last date such complaints 4610  
may be filed, the auditor shall give notice of each complaint in 4611  
which the stated amount of overvaluation, undervaluation, 4612  
discriminatory valuation, illegal valuation, or incorrect 4613  
determination is at least seventeen thousand five hundred 4614  
dollars in taxable value to each property owner whose property 4615

is the subject of the complaint, if the complaint was not filed 4616  
by the owner or the owner's spouse. A board of education, 4617  
subject to this division; a property owner; the owner's spouse; 4618  
a tenant of the owner, if that tenant would be eligible to file 4619  
a complaint under division (A) of this section with respect to 4620  
the property; an individual who is retained by such an owner or 4621  
tenant and who holds a designation from a professional 4622  
assessment organization, such as the institute for professionals 4623  
in taxation, the national council of property taxation, or the 4624  
international association of assessing officers; a public 4625  
accountant who holds a permit under section 4701.10 of the 4626  
Revised Code, a general or residential real estate appraiser 4627  
licensed or certified under Chapter 4763. of the Revised Code, 4628  
or a real estate broker licensed under Chapter 4735. of the 4629  
Revised Code, who is retained by such an owner or tenant; or, if 4630  
the owner or tenant is a firm, company, association, 4631  
partnership, limited liability company, corporation, or trust, 4632  
an officer, a salaried employee, a partner, a member, or trustee 4633  
of that owner or tenant, may file a counter-complaint in support 4634  
of or objecting to the amount of alleged overvaluation, 4635  
undervaluation, discriminatory valuation, illegal valuation, or 4636  
incorrect determination stated in a previously filed original 4637  
complaint or objecting to the current valuation. 4638

A board of education may file a counter-complaint only if 4639  
the original complaint states an amount of overvaluation, 4640  
undervaluation, discriminatory valuation, illegal valuation, or 4641  
incorrect determination of at least seventeen thousand five 4642  
hundred dollars in taxable value. The board shall file the 4643  
counter-complaint within thirty days after the original 4644  
complaint is filed, and any other person shall file the counter- 4645  
complaint within thirty days after receiving the notice required 4646

under this division. 4647

Upon the filing of a counter-complaint, the board of 4648  
education, property owner, or tenant shall be made a party to 4649  
the action. 4650

(C) Each board of revision shall notify any complainant 4651  
and counter-complainant, and also the property owner, if the 4652  
property owner's address is known, and the complaint is filed by 4653  
one other than the property owner, not less than ten days prior 4654  
to the hearing, either by certified mail or, if the board has 4655  
record of an internet identifier of record associated with the 4656  
owner, by ordinary mail and by that internet identifier of 4657  
record of the time and place the same will be heard. The board 4658  
of revision shall hear and render its decision on an original 4659  
complaint within one hundred eighty days after the last day such 4660  
a complaint may be filed with the board under division (A) (1) of 4661  
this section or, if a counter-complaint is filed, within one 4662  
hundred eighty days after such filing. If the original complaint 4663  
is filed by the legislative authority of a subdivision, the 4664  
mayor of a municipal corporation with territory in the county, 4665  
or a third party complainant, and if the board of revision has 4666  
not rendered its decision on the complaint within one year after 4667  
the date the complaint was filed, the board is without 4668  
jurisdiction to hear, and shall dismiss, the complaint. 4669

(D) The determination of any such original complaint or 4670  
counter-complaint shall relate back to the date when the lien 4671  
for taxes or recoupment charges for the current year attached or 4672  
the date as of which liability for such year was determined. 4673  
Liability for taxes and recoupment charges for such year and 4674  
each succeeding year until the complaint is finally determined 4675  
and for any penalty and interest for nonpayment thereof within 4676



the time required by law shall be based upon the determination, 4677  
valuation, or assessment as finally determined. Each complaint 4678  
shall state the amount of overvaluation, undervaluation, 4679  
discriminatory valuation, illegal valuation, or incorrect 4680  
classification or determination upon which the complaint is 4681  
based. The treasurer shall accept any amount tendered as taxes 4682  
or recoupment charge upon property concerning which a complaint 4683  
is then pending, computed upon the claimed valuation as set 4684  
forth in the complaint. Unless dismissal is required under 4685  
division (C) of this section, if an original complaint or 4686  
counter-complaint filed for the current year is not determined 4687  
by the board within the time prescribed for such determination, 4688  
the complaint and any proceedings in relation thereto shall be 4689  
continued by the board as a valid complaint for any ensuing year 4690  
until that original complaint or counter-complaint is finally 4691  
determined by the board or upon any appeal from a decision of 4692  
the board. In such case, the original complaint and counter- 4693  
complaint shall continue in effect without further filing by the 4694  
original taxpayer, the original taxpayer's assignee, or any 4695  
other person or entity authorized to file a complaint under this 4696  
section. 4697

(E) If a taxpayer files a complaint as to the 4698  
classification, valuation, assessment, or any determination 4699  
affecting the taxpayer's own property and tenders less than the 4700  
full amount of taxes or recoupment charges as finally 4701  
determined, an interest charge shall accrue as follows: 4702

(1) If the amount finally determined is less than the 4703  
amount billed but more than the amount tendered, the taxpayer 4704  
shall pay interest at the rate per annum prescribed by section 4705  
5703.47 of the Revised Code, computed from the date that the 4706  
taxes were due on the difference between the amount finally 4707

determined and the amount tendered. This interest charge shall 4708  
be in lieu of any penalty or interest charge under section 4709  
323.121 of the Revised Code unless the taxpayer failed to file a 4710  
complaint and tender an amount as taxes or recoupment charges 4711  
within the time required by this section, in which case section 4712  
323.121 of the Revised Code applies. 4713

(2) If the amount of taxes finally determined is equal to 4714  
or greater than the amount billed and more than the amount 4715  
tendered, the taxpayer shall pay interest at the rate prescribed 4716  
by section 5703.47 of the Revised Code from the date the taxes 4717  
were due on the difference between the amount finally determined 4718  
and the amount tendered, such interest to be in lieu of any 4719  
interest charge but in addition to any penalty prescribed by 4720  
section 323.121 of the Revised Code. 4721

(F) Upon request of a complainant, the tax commissioner 4722  
shall determine the common level of assessment of real property 4723  
in the county for the year stated in the request that is not 4724  
valued under section 5713.31 of the Revised Code, which common 4725  
level of assessment shall be expressed as a percentage of true 4726  
value and the common level of assessment of lands valued under 4727  
such section, which common level of assessment shall also be 4728  
expressed as a percentage of the current agricultural use value 4729  
of such lands. Such determination shall be made on the basis of 4730  
the most recent available sales ratio studies of the 4731  
commissioner and such other factual data as the commissioner 4732  
deems pertinent. 4733

(G) A complainant shall provide to the board of revision 4734  
all information or evidence within the complainant's knowledge 4735  
or possession that affects the real property that is the subject 4736  
of the complaint. A complainant who fails to provide such 4737

information or evidence is precluded from introducing it on 4738  
appeal to the board of tax appeals or the court of common pleas, 4739  
except that the board of tax appeals or court may admit and 4740  
consider the evidence if the complainant shows good cause for 4741  
the complainant's failure to provide the information or evidence 4742  
to the board of revision. 4743

(H) In case of the pendency of any proceeding in court 4744  
based upon an alleged excessive, discriminatory, or illegal 4745  
valuation or incorrect classification or determination, the 4746  
taxpayer may tender to the treasurer an amount as taxes upon 4747  
property computed upon the claimed valuation as set forth in the 4748  
complaint to the court. The treasurer may accept the tender. If 4749  
the tender is not accepted, no penalty shall be assessed because 4750  
of the nonpayment of the full taxes assessed. 4751

(I) A legislative authority may not enter into a private 4752  
payment agreement with respect to any complaint filed or 4753  
contemplated under this section or section 5715.13 of the 4754  
Revised Code, and any such agreement is void and unenforceable. 4755  
As used in this division, "private payment agreement" means any 4756  
type of agreement in which a property owner, a tenant authorized 4757  
to file a complaint under division (A) of this section, or any 4758  
person acting on behalf of a property owner or such a tenant 4759  
agrees to make one or more payments to a subdivision in exchange 4760  
for the legislative authority of that subdivision doing any of 4761  
the following: 4762

(1) Refraining from filing a complaint or counter- 4763  
complaint under this section; 4764

(2) Dismissing a complaint or counter-complaint filed by 4765  
the legislative authority under this section; 4766

(3) Resolving a claim under this section by settlement agreement. 4767  
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A "private payment agreement" does not include any agreement to resolve a claim under this section pursuant to which an agreed-upon valuation for the property that is the subject of the claim is approved by the county auditor and reflected on the tax list, provided that agreement does not require any payments described in this division. 4769  
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(J) For the purpose of division ~~(A) (6) (b)~~ (A) (6) (a) of this section, the filing threshold for tax year 2022 equals five hundred thousand dollars. For tax year 2023 and each tax year thereafter, the tax commissioner shall adjust the filing threshold used in that division by completing the following calculations in September of each year: 4775  
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~~(a)~~ (1) Determine the percentage increase in the gross domestic product deflator determined by the bureau of economic analysis of the United States department of commerce from the first day of January of the preceding year to the last day of December of the preceding year; 4781  
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~~(b)~~ (2) Multiply that percentage increase by the filing threshold for the current year; 4786  
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~~(c)~~ (3) Add the resulting product to the filing threshold for the current year; 4788  
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~~(d)~~ (4) Round the resulting sum to the nearest multiple of one thousand dollars. 4790  
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The commissioner shall certify the amount resulting from the adjustment to each county auditor not later than the first day of October each year. The certified amount applies to complaints filed for the tax year in which the amount is 4792  
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certified. The commissioner shall not make the adjustment for 4796  
any tax year in which the amount resulting from the adjustment 4797  
would be less than the filing threshold for the current tax 4798  
year. 4799

**Sec. 5715.30.** The tax commissioner shall prescribe for and 4800  
furnish to all county boards of revision, county auditors, and 4801  
county treasurers blank forms for all oaths of office, 4802  
statements, returns, reports, tax lists and duplicates, 4803  
abstracts, records of proceedings, complaints, notices of 4804  
appeal, tax bills, receipts, and all other documents, files, and 4805  
records authorized or required by any law which relates to the 4806  
assessment, levy, or collection of taxes or the reduction of 4807  
taxes or by any rules, orders, or instructions of the 4808  
commissioner. The commissioner shall prescribe a form for tax 4809  
lists and duplicates to insure proper administration of sections 4810  
319.301, ~~319.302~~, and 323.151 to 323.159 of the Revised Code. 4811  
The commissioner shall prescribe and furnish blank forms of 4812  
records and papers for all proceedings and official actions 4813  
authorized or required by any law which relates to the 4814  
assessment, levy, or collection of taxes or by any rules, 4815  
orders, or instruction of the commissioner. Auditors, 4816  
treasurers, all other officers, and all persons required to list 4817  
property for taxation shall use true copies of such blank forms. 4818

**Sec. 5739.01.** As used in this chapter: 4819

(A) "Person" includes individuals, receivers, assignees, 4820  
trustees in bankruptcy, estates, firms, partnerships, 4821  
associations, joint-stock companies, joint ventures, clubs, 4822  
societies, corporations, the state and its political 4823  
subdivisions, and combinations of individuals of any form. 4824

(B) "Sale" and "selling" include all of the following 4825

transactions for a consideration in any manner, whether 4826  
absolutely or conditionally, whether for a price or rental, in 4827  
money or by exchange, and by any means whatsoever: 4828

(1) All transactions by which title or possession, or 4829  
both, of tangible personal property, is or is to be transferred, 4830  
or a license to use or consume tangible personal property is or 4831  
is to be granted; 4832

(2) All transactions by which lodging by a hotel or short- 4833  
term rental property is or is to be furnished to transient 4834  
guests; 4835

(3) All transactions by which: 4836

(a) An item of tangible personal property is or is to be 4837  
repaired, except property, the purchase of which would not be 4838  
subject to the tax imposed by section 5739.02 of the Revised 4839  
Code; 4840

(b) An item of tangible personal property is or is to be 4841  
installed, except property, the purchase of which would not be 4842  
subject to the tax imposed by section 5739.02 of the Revised 4843  
Code or property that is or is to be incorporated into and will 4844  
become a part of a production, transmission, transportation, or 4845  
distribution system for the delivery of a public utility 4846  
service; 4847

(c) The service of washing, cleaning, waxing, polishing, 4848  
or painting a motor vehicle is or is to be furnished; 4849

(d) Laundry and dry cleaning services are or are to be 4850  
provided; 4851

(e) Automatic data processing, computer services, or 4852  
electronic information services are or are to be provided for 4853

use in business when the true object of the transaction is the receipt by the consumer of automatic data processing, computer services, or electronic information services rather than the receipt of personal or professional services to which automatic data processing, computer services, or electronic information services are incidental or supplemental. Notwithstanding any other provision of this chapter, such transactions that occur between members of an affiliated group are not sales. An "affiliated group" means two or more persons related in such a way that one person owns or controls the business operation of another member of the group. In the case of corporations with stock, one corporation owns or controls another if it owns more than fifty per cent of the other corporation's common stock with voting rights.

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

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

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

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

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

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

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

- (m) Recreation and sports club service is or is to be provided; 4883  
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- (n) Satellite broadcasting service is or is to be provided; 4885  
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- (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. 4887  
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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; 4895  
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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. 4902  
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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. 4906  
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- (s) Electronic publishing service is or is to be provided 4911



to a consumer for use in business, except that such transactions 4912  
occurring between members of an affiliated group, as defined in 4913  
division (B) (3) (e) of this section, are not sales. 4914

(4) All transactions by which printed, imprinted, 4915  
overprinted, lithographic, multilithic, blueprinted, 4916  
photostatic, or other productions or reproductions of written or 4917  
graphic matter are or are to be furnished or transferred; 4918

(5) The production or fabrication of tangible personal 4919  
property for a consideration for consumers who furnish either 4920  
directly or indirectly the materials used in the production of 4921  
fabrication work; and include the furnishing, preparing, or 4922  
serving for a consideration of any tangible personal property 4923  
consumed on the premises of the person furnishing, preparing, or 4924  
serving such tangible personal property. Except as provided in 4925  
section 5739.03 of the Revised Code, a construction contract 4926  
pursuant to which tangible personal property is or is to be 4927  
incorporated into a structure or improvement on and becoming a 4928  
part of real property is not a sale of such tangible personal 4929  
property. The construction contractor is the consumer of such 4930  
tangible personal property, provided that the sale and 4931  
installation of carpeting, the sale and installation of 4932  
agricultural land tile, the sale and erection or installation of 4933  
portable grain bins, or the provision of landscaping and lawn 4934  
care service and the transfer of property as part of such 4935  
service is never a construction contract. 4936

As used in division (B) (5) of this section: 4937

(a) "Agricultural land tile" means fired clay or concrete 4938  
tile, or flexible or rigid perforated plastic pipe or tubing, 4939  
incorporated or to be incorporated into a subsurface drainage 4940  
system appurtenant to land used or to be used primarily in 4941

production by farming, agriculture, horticulture, or 4942  
floriculture. The term does not include such materials when they 4943  
are or are to be incorporated into a drainage system appurtenant 4944  
to a building or structure even if the building or structure is 4945  
used or to be used in such production. 4946

(b) "Portable grain bin" means a structure that is used or 4947  
to be used by a person engaged in farming or agriculture to 4948  
shelter the person's grain and that is designed to be 4949  
disassembled without significant damage to its component parts. 4950

(6) All transactions in which all of the shares of stock 4951  
of a closely held corporation are transferred, or an ownership 4952  
interest in a pass-through entity, as defined in section 5733.04 4953  
of the Revised Code, is transferred, if the corporation or pass- 4954  
through entity is not engaging in business and its entire assets 4955  
consist of boats, planes, motor vehicles, or other tangible 4956  
personal property operated primarily for the use and enjoyment 4957  
of the shareholders or owners; 4958

(7) All transactions in which a warranty, maintenance or 4959  
service contract, or similar agreement by which the vendor of 4960  
the warranty, contract, or agreement agrees to repair or 4961  
maintain the tangible personal property of the consumer is or is 4962  
to be provided; 4963

(8) The transfer of copyrighted motion picture films used 4964  
solely for advertising purposes, except that the transfer of 4965  
such films for exhibition purposes is not a sale; 4966

(9) All transactions by which tangible personal property 4967  
is or is to be stored, except such property that the consumer of 4968  
the storage holds for sale in the regular course of business; 4969

(10) All transactions in which "guaranteed auto 4970

protection" is provided whereby a person promises to pay to the 4971  
consumer the difference between the amount the consumer receives 4972  
from motor vehicle insurance and the amount the consumer owes to 4973  
a person holding title to or a lien on the consumer's motor 4974  
vehicle in the event the consumer's motor vehicle suffers a 4975  
total loss under the terms of the motor vehicle insurance policy 4976  
or is stolen and not recovered, if the protection and its price 4977  
are included in the purchase or lease agreement; 4978

(11) (a) Except as provided in division (B) (11) (b) of this 4979  
section, all transactions by which health care services are paid 4980  
for, reimbursed, provided, delivered, arranged for, or otherwise 4981  
made available by a medicaid health insuring corporation 4982  
pursuant to the corporation's contract with the state. 4983

(b) If the centers for medicare and medicaid services of 4984  
the United States department of health and human services 4985  
determines that the taxation of transactions described in 4986  
division (B) (11) (a) of this section constitutes an impermissible 4987  
health care-related tax under the "Social Security Act," section 4988  
1903(w), 42 U.S.C. 1396b(w), and regulations adopted thereunder, 4989  
the medicaid director shall notify the tax commissioner of that 4990  
determination. Beginning with the first day of the month 4991  
following that notification, the transactions described in 4992  
division (B) (11) (a) of this section are not sales for the 4993  
purposes of this chapter or Chapter 5741. of the Revised Code. 4994  
The tax commissioner shall order that the collection of taxes 4995  
under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 4996  
5741.021, 5741.022, and 5741.023 of the Revised Code shall cease 4997  
for transactions occurring on or after that date. 4998

(12) All transactions by which a specified digital product 4999  
is provided for permanent use or less than permanent use, 5000

regardless of whether continued payment is required. 5001

Except as provided in this section, "sale" and "selling" 5002  
do not include transfers of interest in leased property where 5003  
the original lessee and the terms of the original lease 5004  
agreement remain unchanged, or professional, insurance, or 5005  
personal service transactions that involve the transfer of 5006  
tangible personal property as an inconsequential element, for 5007  
which no separate charges are made. 5008

(C) "Vendor" means the person providing the service or by 5009  
whom the transfer effected or license given by a sale is or is 5010  
to be made or given and, for sales described in division (B)(3) 5011  
(i) of this section, the telecommunications service vendor that 5012  
provides the nine hundred telephone service; if two or more 5013  
persons are engaged in business at the same place of business 5014  
under a single trade name in which all collections on account of 5015  
sales by each are made, such persons shall constitute a single 5016  
vendor. 5017

Physicians, dentists, hospitals, and veterinarians who are 5018  
engaged in selling tangible personal property as received from 5019  
others, such as eyeglasses, mouthwashes, dentifrices, or similar 5020  
articles, are vendors. Veterinarians who are engaged in 5021  
transferring to others for a consideration drugs, the dispensing 5022  
of which does not require an order of a licensed veterinarian or 5023  
physician under federal law, are vendors. 5024

The operator of any peer-to-peer car sharing program shall 5025  
be considered to be the vendor. 5026

The operator of a short-term rental platform shall be 5027  
considered to be the vendor on all transactions by which lodging 5028  
by a hotel or short-term rental property is or is to be 5029

furnished to transient guests through use of the platform. 5030

(D) (1) "Consumer" means the person for whom the service is 5031  
provided, to whom the transfer effected or license given by a 5032  
sale is or is to be made or given, to whom the service described 5033  
in division (B) (3) (f) or (i) of this section is charged, or to 5034  
whom the admission is granted. 5035

(2) Physicians, dentists, hospitals, and blood banks 5036  
operated by nonprofit institutions and persons licensed to 5037  
practice veterinary medicine, surgery, and dentistry are 5038  
consumers of all tangible personal property and services 5039  
purchased by them in connection with the practice of medicine, 5040  
dentistry, the rendition of hospital or blood bank service, or 5041  
the practice of veterinary medicine, surgery, and dentistry. In 5042  
addition to being consumers of drugs administered by them or by 5043  
their assistants according to their direction, veterinarians 5044  
also are consumers of drugs that under federal law may be 5045  
dispensed only by or upon the order of a licensed veterinarian 5046  
or physician, when transferred by them to others for a 5047  
consideration to provide treatment to animals as directed by the 5048  
veterinarian. 5049

(3) A person who performs a facility management, or 5050  
similar service contract for a contractee is a consumer of all 5051  
tangible personal property and services purchased for use in 5052  
connection with the performance of such contract, regardless of 5053  
whether title to any such property vests in the contractee. The 5054  
purchase of such property and services is not subject to the 5055  
exception for resale under division (E) of this section. 5056

(4) (a) In the case of a person who purchases printed 5057  
matter for the purpose of distributing it or having it 5058  
distributed to the public or to a designated segment of the 5059

public, free of charge, that person is the consumer of that 5060  
printed matter, and the purchase of that printed matter for that 5061  
purpose is a sale. 5062

(b) In the case of a person who produces, rather than 5063  
purchases, printed matter for the purpose of distributing it or 5064  
having it distributed to the public or to a designated segment 5065  
of the public, free of charge, that person is the consumer of 5066  
all tangible personal property and services purchased for use or 5067  
consumption in the production of that printed matter. That 5068  
person is not entitled to claim exemption under division (B) (42) 5069  
(f) of section 5739.02 of the Revised Code for any material 5070  
incorporated into the printed matter or any equipment, supplies, 5071  
or services primarily used to produce the printed matter. 5072

(c) The distribution of printed matter to the public or to 5073  
a designated segment of the public, free of charge, is not a 5074  
sale to the members of the public to whom the printed matter is 5075  
distributed or to any persons who purchase space in the printed 5076  
matter for advertising or other purposes. 5077

(5) A person who makes sales of any of the services listed 5078  
in division (B) (3) of this section is the consumer of any 5079  
tangible personal property used in performing the service. The 5080  
purchase of that property is not subject to the resale exception 5081  
under division (E) of this section. 5082

(6) A person who engages in highway transportation for 5083  
hire is the consumer of all packaging materials purchased by 5084  
that person and used in performing the service, except for 5085  
packaging materials sold by such person in a transaction 5086  
separate from the service. 5087

(7) In the case of a transaction for health care services 5088

under division (B) (11) of this section, a medicaid health 5089  
insuring corporation is the consumer of such services. The 5090  
purchase of such services by a medicaid health insuring 5091  
corporation is not subject to the exception for resale under 5092  
division (E) of this section or to the exemptions provided under 5093  
divisions (B) (12), (18), (19), and (22) of section 5739.02 of 5094  
the Revised Code. 5095

(E) "Retail sale" and "sales at retail" include all sales, 5096  
except those in which the purpose of the consumer is to resell 5097  
the thing transferred or benefit of the service provided, by a 5098  
person engaging in business, in the form in which the same is, 5099  
or is to be, received by the person. 5100

(F) "Business" includes any activity engaged in by any 5101  
person with the object of gain, benefit, or advantage, either 5102  
direct or indirect. "Business" does not include the activity of 5103  
a person in managing and investing the person's own funds. 5104

(G) "Engaging in business" means commencing, conducting, 5105  
or continuing in business, and liquidating a business when the 5106  
liquidator thereof holds itself out to the public as conducting 5107  
such business. Making a casual sale is not engaging in business. 5108

(H) (1) (a) "Price," except as provided in divisions (H) (2), 5109  
(3), and (4) of this section, means the total amount of 5110  
consideration, including cash, credit, property, and services, 5111  
for which tangible personal property or services are sold, 5112  
leased, or rented, valued in money, whether received in money or 5113  
otherwise, without any deduction for any of the following: 5114

(i) The vendor's cost of the property sold; 5115

(ii) The cost of materials used, labor or service costs, 5116  
interest, losses, all costs of transportation to the vendor, all 5117

taxes imposed on the vendor, including the tax imposed under 5118  
Chapter 5751. of the Revised Code, and any other expense of the 5119  
vendor; 5120

(iii) Charges by the vendor for any services necessary to 5121  
complete the sale; 5122

(iv) Delivery charges. As used in this division, "delivery 5123  
charges" means charges by the vendor for preparation and 5124  
delivery to a location designated by the consumer of tangible 5125  
personal property or a service, including transportation, 5126  
shipping, postage, handling, crating, and packing. 5127

(v) Installation charges; 5128

(vi) Credit for any trade-in. 5129

(b) "Price" includes consideration received by the vendor 5130  
from a third party, if the vendor actually receives the 5131  
consideration from a party other than the consumer, and the 5132  
consideration is directly related to a price reduction or 5133  
discount on the sale; the vendor has an obligation to pass the 5134  
price reduction or discount through to the consumer; the amount 5135  
of the consideration attributable to the sale is fixed and 5136  
determinable by the vendor at the time of the sale of the item 5137  
to the consumer; and one of the following criteria is met: 5138

(i) The consumer presents a coupon, certificate, or other 5139  
document to the vendor to claim a price reduction or discount 5140  
where the coupon, certificate, or document is authorized, 5141  
distributed, or granted by a third party with the understanding 5142  
that the third party will reimburse any vendor to whom the 5143  
coupon, certificate, or document is presented; 5144

(ii) The consumer identifies the consumer's self to the 5145  
seller as a member of a group or organization entitled to a 5146



price reduction or discount. A preferred customer card that is 5147  
available to any patron does not constitute membership in such a 5148  
group or organization. 5149

(iii) The price reduction or discount is identified as a 5150  
third party price reduction or discount on the invoice received 5151  
by the consumer, or on a coupon, certificate, or other document 5152  
presented by the consumer. 5153

(c) "Price" does not include any of the following: 5154

(i) Discounts, including cash, term, or coupons that are 5155  
not reimbursed by a third party that are allowed by a vendor and 5156  
taken by a consumer on a sale; 5157

(ii) Interest, financing, and carrying charges from credit 5158  
extended on the sale of tangible personal property or services, 5159  
if the amount is separately stated on the invoice, bill of sale, 5160  
or similar document given to the purchaser; 5161

(iii) Any taxes legally imposed directly on the consumer 5162  
that are separately stated on the invoice, bill of sale, or 5163  
similar document given to the consumer. For the purpose of this 5164  
division, the tax imposed under Chapter 5751. of the Revised 5165  
Code is not a tax directly on the consumer, even if the tax or a 5166  
portion thereof is separately stated. 5167

(iv) Notwithstanding divisions (H) (1) (b) (i) to (iii) of 5168  
this section, any discount allowed by an automobile manufacturer 5169  
to its employee, or to the employee of a supplier, on the 5170  
purchase of a new motor vehicle from a new motor vehicle dealer 5171  
in this state. 5172

(v) The dollar value of a gift card that is not sold by a 5173  
vendor or purchased by a consumer and that is redeemed by the 5174  
consumer in purchasing tangible personal property or services if 5175

the vendor is not reimbursed and does not receive compensation 5176  
from a third party to cover all or part of the gift card value. 5177  
For the purposes of this division, a gift card is not sold by a 5178  
vendor or purchased by a consumer if it is distributed pursuant 5179  
to an awards, loyalty, or promotional program. Past and present 5180  
purchases of tangible personal property or services by the 5181  
consumer shall not be treated as consideration exchanged for a 5182  
gift card. 5183

(2) In the case of a sale of any new motor vehicle by a 5184  
new motor vehicle dealer, as defined in section 4517.01 of the 5185  
Revised Code, in which another motor vehicle is accepted by the 5186  
dealer as part of the consideration received, "price" has the 5187  
same meaning as in division (H)(1) of this section, reduced by 5188  
the credit afforded the consumer by the dealer for the motor 5189  
vehicle received in trade. 5190

(3) In the case of a sale of any watercraft or outboard 5191  
motor by a watercraft dealer licensed in accordance with section 5192  
1547.543 of the Revised Code, in which another watercraft, 5193  
watercraft and trailer, or outboard motor is accepted by the 5194  
dealer as part of the consideration received, "price" has the 5195  
same meaning as in division (H)(1) of this section, reduced by 5196  
the credit afforded the consumer by the dealer for the 5197  
watercraft, watercraft and trailer, or outboard motor received 5198  
in trade. As used in this division, "watercraft" includes an 5199  
outdrive unit attached to the watercraft. 5200

(4) In the case of transactions for health care services 5201  
under division (B)(11) of this section, "price" means the amount 5202  
of managed care premiums received each month by a medicaid 5203  
health insuring corporation. 5204

(I) "Receipts" means the total amount of the prices of the 5205

sales of vendors, provided that the dollar value of gift cards 5206  
distributed pursuant to an awards, loyalty, or promotional 5207  
program, and cash discounts allowed and taken on sales at the 5208  
time they are consummated are not included, minus any amount 5209  
deducted as a bad debt pursuant to section 5739.121 of the 5210  
Revised Code. "Receipts" does not include the sale price of 5211  
property returned or services rejected by consumers when the 5212  
full sale price and tax are refunded either in cash or by 5213  
credit. 5214

(J) "Place of business" means any location at which a 5215  
person engages in business. 5216

(K) "Premises" includes any real property or portion 5217  
thereof upon which any person engages in selling tangible 5218  
personal property at retail or making retail sales and also 5219  
includes any real property or portion thereof designated for, or 5220  
devoted to, use in conjunction with the business engaged in by 5221  
such person. 5222

(L) "Casual sale" means a sale of an item of tangible 5223  
personal property that was obtained by the person making the 5224  
sale, through purchase or otherwise, for the person's own use 5225  
and was previously subject to any state's taxing jurisdiction on 5226  
its sale or use, and includes such items acquired for the 5227  
seller's use that are sold by an auctioneer employed directly by 5228  
the person for such purpose, provided the location of such sales 5229  
is not the auctioneer's permanent place of business. As used in 5230  
this division, "permanent place of business" includes any 5231  
location where such auctioneer has conducted more than two 5232  
auctions during the year. 5233

(M) "Hotel" means every establishment kept, used, 5234  
maintained, advertised, or held out to the public to be a place 5235

where sleeping accommodations are offered to guests, in which 5236  
five or more rooms are used for the accommodation of such 5237  
guests, whether the rooms are in one or several structures, 5238  
~~except as otherwise provided in section 5739.091 of the Revised~~ 5239  
~~Code.~~ 5240

(N) "Transient guests" means persons occupying a room or 5241  
rooms for sleeping accommodations for less than thirty 5242  
consecutive days. 5243

(O) "Making retail sales" means the effecting of 5244  
transactions wherein one party is obligated to pay the price and 5245  
the other party is obligated to provide a service or to transfer 5246  
title to or possession of the item sold. "Making retail sales" 5247  
does not include the preliminary acts of promoting or soliciting 5248  
the retail sales, other than the distribution of printed matter 5249  
which displays or describes and prices the item offered for 5250  
sale, nor does it include delivery of a predetermined quantity 5251  
of tangible personal property or transportation of property or 5252  
personnel to or from a place where a service is performed. 5253

(P) "Used directly in the rendition of a public utility 5254  
service" means that property that is to be incorporated into and 5255  
will become a part of the consumer's production, transmission, 5256  
transportation, or distribution system and that retains its 5257  
classification as tangible personal property after such 5258  
incorporation; fuel or power used in the production, 5259  
transmission, transportation, or distribution system; and 5260  
tangible personal property used in the repair and maintenance of 5261  
the production, transmission, transportation, or distribution 5262  
system, including only such motor vehicles as are specially 5263  
designed and equipped for such use. Tangible personal property 5264  
and services used primarily in providing highway transportation 5265

for hire are not used directly in the rendition of a public 5266  
utility service. In this definition, "public utility" includes a 5267  
citizen of the United States holding, and required to hold, a 5268  
certificate of public convenience and necessity issued under 49 5269  
U.S.C. 41102. 5270

(Q) "Refining" means removing or separating a desirable 5271  
product from raw or contaminated materials by distillation or 5272  
physical, mechanical, or chemical processes. 5273

(R) "Assembly" and "assembling" mean attaching or fitting 5274  
together parts to form a product, but do not include packaging a 5275  
product. 5276

(S) "Manufacturing operation" means a process in which 5277  
materials are changed, converted, or transformed into a 5278  
different state or form from which they previously existed and 5279  
includes refining materials, assembling parts, and preparing raw 5280  
materials and parts by mixing, measuring, blending, or otherwise 5281  
committing such materials or parts to the manufacturing process. 5282  
"Manufacturing operation" does not include packaging. 5283

(T) "Fiscal officer" means, with respect to a regional 5284  
transit authority, the secretary-treasurer thereof, and with 5285  
respect to a county that is a transit authority, the fiscal 5286  
officer of the county transit board if one is appointed pursuant 5287  
to section 306.03 of the Revised Code or the county auditor if 5288  
the board of county commissioners operates the county transit 5289  
system. 5290

(U) "Transit authority" means a regional transit authority 5291  
created pursuant to section 306.31 of the Revised Code or a 5292  
county in which a county transit system is created pursuant to 5293  
section 306.01 of the Revised Code. For the purposes of this 5294

chapter, a transit authority must extend to at least the entire 5295  
area of a single county. A transit authority that includes 5296  
territory in more than one county must include all the area of 5297  
the most populous county that is a part of such transit 5298  
authority. County population shall be measured by the most 5299  
recent census taken by the United States census bureau. 5300

(V) "Legislative authority" means, with respect to a 5301  
regional transit authority, the board of trustees thereof, and 5302  
with respect to a county that is a transit authority, the board 5303  
of county commissioners. 5304

(W) "Territory of the transit authority" means all of the 5305  
area included within the territorial boundaries of a transit 5306  
authority as they from time to time exist. Such territorial 5307  
boundaries must at all times include all the area of a single 5308  
county or all the area of the most populous county that is a 5309  
part of such transit authority. County population shall be 5310  
measured by the most recent census taken by the United States 5311  
census bureau. 5312

(X) "Providing a service" means providing or furnishing 5313  
anything described in division (B) (3) of this section for 5314  
consideration. 5315

(Y) (1) (a) "Automatic data processing" means processing of 5316  
others' data, including keypunching or similar data entry 5317  
services together with verification thereof, or providing access 5318  
to computer equipment for the purpose of processing data. 5319

(b) "Computer services" means providing services 5320  
consisting of specifying computer hardware configurations and 5321  
evaluating technical processing characteristics, computer 5322  
programming, and training of computer programmers and operators, 5323

provided in conjunction with and to support the sale, lease, or 5324  
operation of taxable computer equipment or systems. 5325

(c) "Electronic information services" means providing 5326  
access to computer equipment by means of telecommunications 5327  
equipment for the purpose of either of the following: 5328

(i) Examining or acquiring data stored in or accessible to 5329  
the computer equipment; 5330

(ii) Placing data into the computer equipment to be 5331  
retrieved by designated recipients with access to the computer 5332  
equipment. 5333

"Electronic information services" does not include 5334  
electronic publishing. 5335

(d) "Automatic data processing, computer services, or 5336  
electronic information services" shall not include personal or 5337  
professional services. 5338

(2) As used in divisions (B) (3) (e) and (Y) (1) of this 5339  
section, "personal and professional services" means all services 5340  
other than automatic data processing, computer services, or 5341  
electronic information services, including but not limited to: 5342

(a) Accounting and legal services such as advice on tax 5343  
matters, asset management, budgetary matters, quality control, 5344  
information security, and auditing and any other situation where 5345  
the service provider receives data or information and studies, 5346  
alters, analyzes, interprets, or adjusts such material; 5347

(b) Analyzing business policies and procedures; 5348

(c) Identifying management information needs; 5349

(d) Feasibility studies, including economic and technical 5350

analysis of existing or potential computer hardware or software needs and alternatives; 5351  
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(e) Designing policies, procedures, and custom software for collecting business information, and determining how data should be summarized, sequenced, formatted, processed, controlled, and reported so that it will be meaningful to management; 5353  
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(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled; 5358  
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(g) Testing of business procedures; 5361

(h) Training personnel in business procedure applications; 5362

(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; 5363  
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(j) Providing debt collection services by any oral, written, graphic, or electronic means; 5370  
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(k) Providing digital advertising services; 5372

(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, 5373  
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state, or local taxes withheld by an employer from an employee's compensation. 5379  
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The services listed in divisions (Y) (2) (a) to (l) of this section are not automatic data processing or computer services. 5381  
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(Z) "Highway transportation for hire" means the transportation of personal property belonging to others for consideration by any of the following: 5383  
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(1) The holder of a permit or certificate issued by this state or the United States authorizing the holder to engage in transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare; 5386  
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(2) A person who engages in the transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare but who could not have engaged in such transportation on December 11, 1985, unless the person was the holder of a permit or certificate of the types described in division (Z) (1) of this section; 5391  
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(3) A person who leases a motor vehicle to and operates it for a person described by division (Z) (1) or (2) of this section. 5398  
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(AA) (1) "Telecommunications service" means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. "Telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, 5401  
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conveyance, or routing without regard to whether the service is 5408  
referred to as voice-over internet protocol service or is 5409  
classified by the federal communications commission as enhanced 5410  
or value-added. "Telecommunications service" does not include 5411  
any of the following: 5412

(a) Data processing and information services that allow 5413  
data to be generated, acquired, stored, processed, or retrieved 5414  
and delivered by an electronic transmission to a consumer where 5415  
the consumer's primary purpose for the underlying transaction is 5416  
the processed data or information; 5417

(b) Installation or maintenance of wiring or equipment on 5418  
a customer's premises; 5419

(c) Tangible personal property; 5420

(d) Advertising, including directory advertising; 5421

(e) Billing and collection services provided to third 5422  
parties; 5423

(f) Internet access service; 5424

(g) Radio and television audio and video programming 5425  
services, regardless of the medium, including the furnishing of 5426  
transmission, conveyance, and routing of such services by the 5427  
programming service provider. Radio and television audio and 5428  
video programming services include, but are not limited to, 5429  
cable service, as defined in 47 U.S.C. 522(6), and audio and 5430  
video programming services delivered by commercial mobile radio 5431  
service providers, as defined in 47 C.F.R. 20.3; 5432

(h) Ancillary service; 5433

(i) Digital products delivered electronically, including 5434  
software, music, video, reading materials, or ring tones. 5435

(2) "Ancillary service" means a service that is associated 5436  
with or incidental to the provision of telecommunications 5437  
service, including conference bridging service, detailed 5438  
telecommunications billing service, directory assistance, 5439  
vertical service, and voice mail service. As used in this 5440  
division: 5441

(a) "Conference bridging service" means an ancillary 5442  
service that links two or more participants of an audio or video 5443  
conference call, including providing a telephone number. 5444  
"Conference bridging service" does not include 5445  
telecommunications services used to reach the conference bridge. 5446

(b) "Detailed telecommunications billing service" means an 5447  
ancillary service of separately stating information pertaining 5448  
to individual calls on a customer's billing statement. 5449

(c) "Directory assistance" means an ancillary service of 5450  
providing telephone number or address information. 5451

(d) "Vertical service" means an ancillary service that is 5452  
offered in connection with one or more telecommunications 5453  
services, which offers advanced calling features that allow 5454  
customers to identify callers and manage multiple calls and call 5455  
connections, including conference bridging service. 5456

(e) "Voice mail service" means an ancillary service that 5457  
enables the customer to store, send, or receive recorded 5458  
messages. "Voice mail service" does not include any vertical 5459  
services that the customer may be required to have in order to 5460  
utilize the voice mail service. 5461

(3) "900 service" means an inbound toll telecommunications 5462  
service purchased by a subscriber that allows the subscriber's 5463  
customers to call in to the subscriber's prerecorded 5464

announcement or live service, and which is typically marketed 5465  
under the name "900 service" and any subsequent numbers 5466  
designated by the federal communications commission. "900 5467  
service" does not include the charge for collection services 5468  
provided by the seller of the telecommunications service to the 5469  
subscriber, or services or products sold by the subscriber to 5470  
the subscriber's customer. 5471

(4) "Prepaid calling service" means the right to access 5472  
exclusively telecommunications services, which must be paid for 5473  
in advance and which enables the origination of calls using an 5474  
access number or authorization code, whether manually or 5475  
electronically dialed, and that is sold in predetermined units 5476  
or dollars of which the number declines with use in a known 5477  
amount. 5478

(5) "Prepaid wireless calling service" means a 5479  
telecommunications service that provides the right to utilize 5480  
mobile telecommunications service as well as other non- 5481  
telecommunications services, including the download of digital 5482  
products delivered electronically, and content and ancillary 5483  
services, that must be paid for in advance and that is sold in 5484  
predetermined units or dollars of which the number declines with 5485  
use in a known amount. 5486

(6) "Value-added non-voice data service" means a 5487  
telecommunications service in which computer processing 5488  
applications are used to act on the form, content, code, or 5489  
protocol of the information or data primarily for a purpose 5490  
other than transmission, conveyance, or routing. 5491

(7) "Coin-operated telephone service" means a 5492  
telecommunications service paid for by inserting money into a 5493  
telephone accepting direct deposits of money to operate. 5494

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

(BB) "Laundry and dry cleaning services" means removing soil or dirt from towels, linens, articles of clothing, or other fabric items that belong to others and supplying towels, linens, 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. 5525

(EE) "Private investigation and security service" means 5526  
the performance of any activity for which the provider of such 5527  
service is required to be licensed pursuant to Chapter 4749. of 5528  
the Revised Code, or would be required to be so licensed in 5529  
performing such services in this state, and also includes the 5530  
services of conducting polygraph examinations and of monitoring 5531  
or overseeing the activities on or in, or the condition of, the 5532  
consumer's home, business, or other facility by means of 5533  
electronic or similar monitoring devices. "Private investigation 5534  
and security service" does not include special duty services 5535  
provided by off-duty police officers, deputy sheriffs, and other 5536  
peace officers regularly employed by the state or a political 5537  
subdivision. 5538

(FF) "Information services" means providing conversation, 5539  
giving consultation or advice, playing or making a voice or 5540  
other recording, making or keeping a record of the number of 5541  
callers, and any other service provided to a consumer by means 5542  
of a nine hundred telephone call, except when the nine hundred 5543  
telephone call is the means by which the consumer makes a 5544  
contribution to a recognized charity. 5545

(GG) "Research and development" means designing, creating, 5546  
or formulating new or enhanced products, equipment, or 5547  
manufacturing processes, and also means conducting scientific or 5548  
technological inquiry and experimentation in the physical 5549  
sciences with the goal of increasing scientific knowledge which 5550  
may reveal the bases for new or enhanced products, equipment, or 5551  
manufacturing processes. 5552

(HH) "Qualified research and development equipment" means 5553  
either of the following: 5554

(1) Capitalized tangible personal property, and leased 5555  
personal property that would be capitalized if purchased, used 5556  
by a person primarily to perform research and development; 5557

(2) Any tangible personal property used by a megaproject 5558  
operator primarily to perform research and development at the 5559  
site of a megaproject that satisfies the criteria described in 5560  
division (A) (11) (a) (ii) of section 122.17 of the Revised Code 5561  
during the period that the megaproject operator has an agreement 5562  
for such megaproject with the tax credit authority under 5563  
division (D) of that section that remains in effect and has not 5564  
expired or been terminated. 5565

"Qualified research and development equipment" does not 5566  
include tangible personal property primarily used in testing, as 5567  
defined in division (A) (4) of section 5739.011 of the Revised 5568  
Code, or used for recording or storing test results, unless such 5569  
property is primarily used by the consumer in testing the 5570  
product, equipment, or manufacturing process being created, 5571  
designed, or formulated by the consumer in the research and 5572  
development activity or in recording or storing such test 5573  
results. 5574

(II) "Building maintenance and janitorial service" means 5575  
cleaning the interior or exterior of a building and any tangible 5576  
personal property located therein or thereon, including any 5577  
services incidental to such cleaning for which no separate 5578  
charge is made. However, "building maintenance and janitorial 5579  
service" does not include the providing of such service by a 5580  
person who has less than five thousand dollars in sales of such 5581  
service during the calendar year. As used in this division, 5582  
"cleaning" does not include sanitation services necessary for an 5583  
establishment described in 21 U.S.C. 608 to comply with rules 5584

and regulations adopted pursuant to that section. 5585

(JJ) "Exterminating service" means eradicating or 5586  
attempting to eradicate vermin infestations from a building or 5587  
structure, or the area surrounding a building or structure, and 5588  
includes activities to inspect, detect, or prevent vermin 5589  
infestation of a building or structure. 5590

(KK) "Physical fitness facility service" means all 5591  
transactions by which a membership is granted, maintained, or 5592  
renewed, including initiation fees, membership dues, renewal 5593  
fees, monthly minimum fees, and other similar fees and dues, by 5594  
a physical fitness facility such as an athletic club, health 5595  
spa, or gymnasium, which entitles the member to use the facility 5596  
for physical exercise. 5597

(LL) "Recreation and sports club service" means all 5598  
transactions by which a membership is granted, maintained, or 5599  
renewed, including initiation fees, membership dues, renewal 5600  
fees, monthly minimum fees, and other similar fees and dues, by 5601  
a recreation and sports club, which entitles the member to use 5602  
the facilities of the organization. "Recreation and sports club" 5603  
means an organization that has ownership of, or controls or 5604  
leases on a continuing, long-term basis, the facilities used by 5605  
its members and includes an aviation club, gun or shooting club, 5606  
yacht club, card club, swimming club, tennis club, golf club, 5607  
country club, riding club, amateur sports club, or similar 5608  
organization. 5609

(MM) "Livestock" means farm animals commonly raised for 5610  
food, food production, or other agricultural purposes, 5611  
including, but not limited to, cattle, sheep, goats, swine, 5612  
poultry, and captive deer. "Livestock" does not include 5613  
invertebrates, amphibians, reptiles, domestic pets, animals for 5614



use in laboratories or for exhibition, or other animals not 5615  
commonly raised for food or food production. 5616

(NN) "Livestock structure" means a building or structure 5617  
used exclusively for the housing, raising, feeding, or 5618  
sheltering of livestock, and includes feed storage or handling 5619  
structures and structures for livestock waste handling. 5620

(OO) "Horticulture" means the growing, cultivation, and 5621  
production of flowers, fruits, herbs, vegetables, sod, 5622  
mushrooms, and nursery stock. As used in this division, "nursery 5623  
stock" has the same meaning as in section 927.51 of the Revised 5624  
Code. 5625

(PP) "Horticulture structure" means a building or 5626  
structure used exclusively for the commercial growing, raising, 5627  
or overwintering of horticultural products, and includes the 5628  
area used for stocking, storing, and packing horticultural 5629  
products when done in conjunction with the production of those 5630  
products. 5631

(QQ) "Newspaper" means an unbound publication bearing a 5632  
title or name that is regularly published, at least as 5633  
frequently as biweekly, and distributed from a fixed place of 5634  
business to the public in a specific geographic area, and that 5635  
contains a substantial amount of news matter of international, 5636  
national, or local events of interest to the general public. 5637

(RR) (1) "Feminine hygiene products" means tampons, panty 5638  
liners, menstrual cups, sanitary napkins, and other similar 5639  
tangible personal property designed for feminine hygiene in 5640  
connection with the human menstrual cycle, but does not include 5641  
grooming and hygiene products. 5642

(2) "Grooming and hygiene products" means soaps and 5643

cleaning solutions, shampoo, toothpaste, mouthwash, 5644  
antiperspirants, and sun tan lotions and screens, regardless of 5645  
whether any of these products are over-the-counter drugs. 5646

(3) "Over-the-counter drugs" means a drug that contains a 5647  
label that identifies the product as a drug as required by 21 5648  
C.F.R. 201.66, which label includes a drug facts panel or a 5649  
statement of the active ingredients with a list of those 5650  
ingredients contained in the compound, substance, or 5651  
preparation. 5652

(SS) (1) "Lease" or "rental" means any transfer of the 5653  
possession or control of tangible personal property for a fixed 5654  
or indefinite term, for consideration. "Lease" or "rental" 5655  
includes future options to purchase or extend, and agreements 5656  
described in 26 U.S.C. 7701(h) (1) covering motor vehicles and 5657  
trailers where the amount of consideration may be increased or 5658  
decreased by reference to the amount realized upon the sale or 5659  
disposition of the property. "Lease" or "rental" does not 5660  
include: 5661

(a) A transfer of possession or control of tangible 5662  
personal property under a security agreement or a deferred 5663  
payment plan that requires the transfer of title upon completion 5664  
of the required payments; 5665

(b) A transfer of possession or control of tangible 5666  
personal property under an agreement that requires the transfer 5667  
of title upon completion of required payments and payment of an 5668  
option price that does not exceed the greater of one hundred 5669  
dollars or one per cent of the total required payments; 5670

(c) Providing tangible personal property along with an 5671  
operator for a fixed or indefinite period of time, if the 5672

operator is necessary for the property to perform as designed. 5673  
For purposes of this division, the operator must do more than 5674  
maintain, inspect, or set up the tangible personal property. 5675

(2) "Lease" and "rental," as defined in division (SS) of 5676  
this section, shall not apply to leases or rentals that exist 5677  
before June 26, 2003. 5678

(3) "Lease" and "rental" have the same meaning as in 5679  
division (SS) (1) of this section regardless of whether a 5680  
transaction is characterized as a lease or rental under 5681  
generally accepted accounting principles, the Internal Revenue 5682  
Code, Title XIII of the Revised Code, or other federal, state, 5683  
or local laws. 5684

(TT) "Mobile telecommunications service" has the same 5685  
meaning as in the "Mobile Telecommunications Sourcing Act," Pub. 5686  
L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as 5687  
amended, and, on and after August 1, 2003, includes related fees 5688  
and ancillary services, including universal service fees, 5689  
detailed billing service, directory assistance, service 5690  
initiation, voice mail service, and vertical services, such as 5691  
caller ID and three-way calling. 5692

(UU) "Certified service provider" has the same meaning as 5693  
in section 5740.01 of the Revised Code. 5694

(VV) "Satellite broadcasting service" means the 5695  
distribution or broadcasting of programming or services by 5696  
satellite directly to the subscriber's receiving equipment 5697  
without the use of ground receiving or distribution equipment, 5698  
except the subscriber's receiving equipment or equipment used in 5699  
the uplink process to the satellite, and includes all service 5700  
and rental charges, premium channels or other special services, 5701

installation and repair service charges, and any other charges 5702  
having any connection with the provision of the satellite 5703  
broadcasting service. 5704

(WW) "Tangible personal property" means personal property 5705  
that can be seen, weighed, measured, felt, or touched, or that 5706  
is in any other manner perceptible to the senses. For purposes 5707  
of this chapter and Chapter 5741. of the Revised Code, "tangible 5708  
personal property" includes motor vehicles, electricity, water, 5709  
gas, steam, and prewritten computer software. 5710

(XX) "Municipal gas utility" means a municipal corporation 5711  
that owns or operates a system for the distribution of natural 5712  
gas. 5713

(YY) "Computer" means an electronic device that accepts 5714  
information in digital or similar form and manipulates it for a 5715  
result based on a sequence of instructions. 5716

(ZZ) "Computer software" means a set of coded instructions 5717  
designed to cause a computer or automatic data processing 5718  
equipment to perform a task. 5719

(AAA) "Delivered electronically" means delivery of 5720  
computer software from the seller to the purchaser by means 5721  
other than tangible storage media. 5722

(BBB) "Prewritten computer software" means computer 5723  
software, including prewritten upgrades, that is not designed 5724  
and developed by the author or other creator to the 5725  
specifications of a specific purchaser. The combining of two or 5726  
more prewritten computer software programs or prewritten 5727  
portions thereof does not cause the combination to be other than 5728  
prewritten computer software. "Prewritten computer software" 5729  
includes software designed and developed by the author or other 5730

creator to the specifications of a specific purchaser when it is 5731  
sold to a person other than the purchaser. If a person modifies 5732  
or enhances computer software of which the person is not the 5733  
author or creator, the person shall be deemed to be the author 5734  
or creator only of such person's modifications or enhancements. 5735  
Prewritten computer software or a prewritten portion thereof 5736  
that is modified or enhanced to any degree, where such 5737  
modification or enhancement is designed and developed to the 5738  
specifications of a specific purchaser, remains prewritten 5739  
computer software; provided, however, that where there is a 5740  
reasonable, separately stated charge or an invoice or other 5741  
statement of the price given to the purchaser for the 5742  
modification or enhancement, the modification or enhancement 5743  
shall not constitute prewritten computer software. 5744

(CCC) (1) "Food" means substances, whether in liquid, 5745  
concentrated, solid, frozen, dried, or dehydrated form, that are 5746  
sold for ingestion or chewing by humans and are consumed for 5747  
their taste or nutritional value. "Food" does not include 5748  
alcoholic beverages, dietary supplements, soft drinks, or 5749  
tobacco. 5750

(2) As used in division (CCC) (1) of this section: 5751

(a) "Dietary supplements" means any product, other than 5752  
tobacco, that is intended to supplement the diet and that is 5753  
intended for ingestion in tablet, capsule, powder, softgel, 5754  
gelcap, or liquid form, or, if not intended for ingestion in 5755  
such a form, is not represented as conventional food for use as 5756  
a sole item of a meal or of the diet; that is required to be 5757  
labeled as a dietary supplement, identifiable by the "supplement 5758  
facts" box found on the label, as required by 21 C.F.R. 101.36; 5759  
and that contains one or more of the following dietary 5760

ingredients:	5761
(i) A vitamin;	5762
(ii) A mineral;	5763
(iii) An herb or other botanical;	5764
(iv) An amino acid;	5765
(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake;	5766 5767
(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (CCC) (2) (a) (i) to (v) of this section.	5768 5769 5770
(b) "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.	5771 5772 5773 5774 5775
(c) <u>"Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one per cent or more of alcohol by volume.</u>	5776 5777 5778
(d) <u>"Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.</u>	5779 5780
(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,	5781 5782 5783 5784 5785 5786 5787

or prevention of disease; or is intended to affect the structure 5788  
or any function of the body. 5789

(EEE) "Prescription" means an order, formula, or recipe 5790  
issued in any form of oral, written, electronic, or other means 5791  
of transmission by a duly licensed practitioner authorized by 5792  
the laws of this state to issue a prescription. 5793

(FFF) "Durable medical equipment" means equipment, 5794  
including repair and replacement parts for such equipment, that 5795  
can withstand repeated use, is primarily and customarily used to 5796  
serve a medical purpose, generally is not useful to a person in 5797  
the absence of illness or injury, and is not worn in or on the 5798  
body. "Durable medical equipment" does not include mobility 5799  
enhancing equipment. 5800

(GGG) "Mobility enhancing equipment" means equipment, 5801  
including repair and replacement parts for such equipment, that 5802  
is primarily and customarily used to provide or increase the 5803  
ability to move from one place to another and is appropriate for 5804  
use either in a home or a motor vehicle, that is not generally 5805  
used by persons with normal mobility, and that does not include 5806  
any motor vehicle or equipment on a motor vehicle normally 5807  
provided by a motor vehicle manufacturer. "Mobility enhancing 5808  
equipment" does not include durable medical equipment. 5809

(HHH) "Prosthetic device" means a replacement, corrective, 5810  
or supportive device, including repair and replacement parts for 5811  
the device, worn on or in the human body to artificially replace 5812  
a missing portion of the body, prevent or correct physical 5813  
deformity or malfunction, or support a weak or deformed portion 5814  
of the body. As used in this division, before July 1, 2019, 5815  
"prosthetic device" does not include corrective eyeglasses, 5816  
contact lenses, or dental prosthesis. On or after July 1, 2019, 5817

"prosthetic device" does not include dental prosthesis but does include corrective eyeglasses or contact lenses. 5818  
5819

(III) (1) "Fractional aircraft ownership program" means a program in which persons within an affiliated group sell and manage fractional ownership program aircraft, provided that at least one hundred airworthy aircraft are operated in the program and the program meets all of the following criteria: 5820  
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(a) Management services are provided by at least one program manager within an affiliated group on behalf of the fractional owners. 5825  
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(b) Each program aircraft is owned or possessed by at least one fractional owner. 5828  
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(c) Each fractional owner owns or possesses at least a one-sixteenth interest in at least one fixed-wing program aircraft. 5830  
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(d) A dry-lease aircraft interchange arrangement is in effect among all of the fractional owners. 5833  
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(e) Multi-year program agreements are in effect regarding the fractional ownership, management services, and dry-lease aircraft interchange arrangement aspects of the program. 5835  
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(2) As used in division (III) (1) of this section: 5838

(a) "Affiliated group" has the same meaning as in division (B) (3) (e) of this section. 5839  
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(b) "Fractional owner" means a person that owns or possesses at least a one-sixteenth interest in a program aircraft and has entered into the agreements described in division (III) (1) (e) of this section. 5841  
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(c) "Fractional ownership program aircraft" or "program aircraft" means a turbojet aircraft that is owned or possessed by a fractional owner and that has been included in a dry-lease aircraft interchange arrangement and agreement under divisions (III) (1) (d) and (e) of this section, or an aircraft a program manager owns or possesses primarily for use in a fractional aircraft ownership program.

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

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

(JJJ) "Electronic publishing" means providing access to one or more of the following primarily for business customers, including the federal government or a state government or a political subdivision thereof, to conduct research: news; business, financial, legal, consumer, or credit materials;

editorials, columns, reader commentary, or features; photos or 5875  
images; archival or research material; legal notices, identity 5876  
verification, or public records; scientific, educational, 5877  
instructional, technical, professional, trade, or other literary 5878  
materials; or other similar information which has been gathered 5879  
and made available by the provider to the consumer in an 5880  
electronic format. Providing electronic publishing includes the 5881  
functions necessary for the acquisition, formatting, editing, 5882  
storage, and dissemination of data or information that is the 5883  
subject of a sale. 5884

(KKK) "Medicaid health insuring corporation" means a 5885  
health insuring corporation that holds a certificate of 5886  
authority under Chapter 1751. of the Revised Code and is under 5887  
contract with the department of medicaid pursuant to section 5888  
5167.10 of the Revised Code. 5889

(LLL) "Managed care premium" means any premium, 5890  
capitation, or other payment a medicaid health insuring 5891  
corporation receives for providing or arranging for the 5892  
provision of health care services to its members or enrollees 5893  
residing in this state. 5894

(MMM) "Captive deer" means deer and other cervidae that 5895  
have been legally acquired, or their offspring, that are 5896  
privately owned for agricultural or farming purposes. 5897

(NNN) "Gift card" means a document, card, certificate, or 5898  
other record, whether tangible or intangible, that may be 5899  
redeemed by a consumer for a dollar value when making a purchase 5900  
of tangible personal property or services. 5901

(OOO) "Specified digital product" means an electronically 5902  
transferred digital audiovisual work, digital audio work, or 5903

digital book.	5904
As used in division (000) of this section:	5905
(1) "Digital audiovisual work" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.	5906 5907 5908
(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.	5909 5910 5911 5912 5913
(3) "Digital book" means a work that is generally recognized in the ordinary and usual sense as a book.	5914 5915
(4) "Electronically transferred" means obtained by the purchaser by means other than tangible storage media.	5916 5917
(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.	5918 5919 5920 5921 5922 5923 5924
(QQQ) "Peer-to-peer car sharing program" has the same meaning as in section 4516.01 of the Revised Code.	5925 5926
(RRR) "Megaproject" and "megaproject operator" have the same meanings as in section 122.17 of the Revised Code.	5927 5928
(SSS) (1) "Diaper" means an absorbent garment worn by humans who are incapable of, or have difficulty, controlling their bladder or bowel movements.	5929 5930 5931

(2) "Children's diaper" means a diaper marketed to be worn by children. 5932  
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(3) "Adult diaper" means a diaper other than a children's diaper. 5934  
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~~(TTT) "Sales tax holiday" means three or more dates on which sales of all eligible tangible personal property are exempt from the taxes levied under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code.~~ 5936  
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"Short-term rental platform" means a business platform that uses any online-enabled application, software, web site, or system to connect owners of short-term rental properties to transient guests to enable the lodging of guests for consideration. 5940  
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~~(UUU) "Eligible tangible personal property" means any item of tangible personal property that meets both of the following requirements:~~ 5945  
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~~(1) The price of the item does not exceed five hundred dollars;~~ 5948  
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~~(2) The item is not a watercraft or outboard motor required to be titled pursuant to Chapter 1548. of the Revised Code, a motor vehicle, an alcoholic beverage, tobacco, a vapor product as defined in section 5743.01 of the Revised Code, or an item that contains marijuana as defined in section 3796.01 of the Revised Code.~~ 5950  
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~~(VVV) "Alcoholic beverages" means beverages that are suitable for human consumption and contain one half of one percent or more of alcohol by volume.~~ 5956  
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~~(WWW) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.~~ 5959  
"Short-term 5960

rental property" means an establishment kept, used, maintained, 5961  
advertised, or held out to the public to be a place where 5962  
sleeping accommodations are offered to guests, in which four or 5963  
fewer rooms are used for the accommodation of such guests, 5964  
whether the rooms are in one or several structures. 5965

**Sec. 5739.02.** For the purpose of providing revenue with 5966  
which to meet the needs of the state, for the use of the general 5967  
revenue fund of the state, for the purpose of securing a 5968  
thorough and efficient system of common schools throughout the 5969  
state, for the purpose of affording revenues, in addition to 5970  
those from general property taxes, permitted under 5971  
constitutional limitations, and from other sources, for the 5972  
support of local governmental functions, and for the purpose of 5973  
reimbursing the state for the expense of administering this 5974  
chapter, an excise tax is hereby levied on each retail sale made 5975  
in this state. 5976

(A) (1) The tax shall be collected as provided in section 5977  
5739.025 of the Revised Code. The rate of the tax shall be five 5978  
and three-fourths per cent. The tax applies and is collectible 5979  
when the sale is made, regardless of the time when the price is 5980  
paid or delivered. 5981

(2) In the case of the lease or rental, with a fixed term 5982  
of more than thirty days or an indefinite term with a minimum 5983  
period of more than thirty days, of any motor vehicles designed 5984  
by the manufacturer to carry a load of not more than one ton, 5985  
watercraft, outboard motor, or aircraft, or of any tangible 5986  
personal property, other than motor vehicles designed by the 5987  
manufacturer to carry a load of more than one ton, to be used by 5988  
the lessee or renter primarily for business purposes, the tax 5989  
shall be collected by the vendor at the time the lease or rental 5990

is consummated and shall be calculated by the vendor on the 5991  
basis of the total amount to be paid by the lessee or renter 5992  
under the lease agreement. If the total amount of the 5993  
consideration for the lease or rental includes amounts that are 5994  
not calculated at the time the lease or rental is executed, the 5995  
tax shall be calculated and collected by the vendor at the time 5996  
such amounts are billed to the lessee or renter. In the case of 5997  
an open-end lease or rental, the tax shall be calculated by the 5998  
vendor on the basis of the total amount to be paid during the 5999  
initial fixed term of the lease or rental, and for each 6000  
subsequent renewal period as it comes due. As used in this 6001  
division, "motor vehicle" has the same meaning as in section 6002  
4501.01 of the Revised Code, and "watercraft" includes an 6003  
outride unit attached to the watercraft. 6004

A lease with a renewal clause and a termination penalty or 6005  
similar provision that applies if the renewal clause is not 6006  
exercised is presumed to be a sham transaction. In such a case, 6007  
the tax shall be calculated and paid on the basis of the entire 6008  
length of the lease period, including any renewal periods, until 6009  
the termination penalty or similar provision no longer applies. 6010  
The taxpayer shall bear the burden, by a preponderance of the 6011  
evidence, that the transaction or series of transactions is not 6012  
a sham transaction. 6013

(3) Except as provided in division (A) (2) of this section, 6014  
in the case of a sale, the price of which consists in whole or 6015  
in part of the lease or rental of tangible personal property, 6016  
the tax shall be measured by the installments of that lease or 6017  
rental. 6018

(4) In the case of a sale of a physical fitness facility 6019  
service or recreation and sports club service, the price of 6020

which consists in whole or in part of a membership for the 6021  
receipt of the benefit of the service, the tax applicable to the 6022  
sale shall be measured by the installments thereof. 6023

(B) The tax does not apply to the following: 6024

(1) Sales to the state or any of its political 6025  
subdivisions, or to any other state or its political 6026  
subdivisions if the laws of that state exempt from taxation 6027  
sales made to this state and its political subdivisions 6028  
including either of the following: 6029

(a) Sales or rentals of tangible personal property by 6030  
construction contractors or subcontractors to provide temporary 6031  
traffic control or temporary structures, including material and 6032  
equipment used to comply with the Ohio manual of uniform traffic 6033  
control devices adopted pursuant to section 4511.09 of the 6034  
Revised Code, whereby the state or any of its political 6035  
subdivisions take title to, or permanent or temporary possession 6036  
of, such tangible personal property for use by the state or any 6037  
of its political subdivisions, including for use by the general 6038  
public thereof; 6039

(b) Sales of services by construction contractors or 6040  
subcontractors to provide temporary traffic control or 6041  
structures, including labor used to comply with the Ohio manual 6042  
of uniform traffic control devices adopted pursuant to section 6043  
4511.09 of the Revised Code, whereby the state or any of its 6044  
political subdivisions, including the general public thereof, 6045  
receive the benefit of such services. 6046

As used in divisions (B) (1) (a) and (b) of this section, 6047  
"temporary structures" include temporary roads, bridges, drains, 6048  
and pavement. 6049

(2) Sales of food for human consumption off the premises	6050
where sold;	6051
(3) Sales of food sold to students only in a cafeteria,	6052
dormitory, fraternity, or sorority maintained in a private,	6053
public, or parochial school, college, or university;	6054
(4) Sales of newspapers and sales or transfers of	6055
magazines distributed as controlled circulation publications;	6056
(5) The furnishing, preparing, or serving of meals without	6057
charge by an employer to an employee provided the employer	6058
records the meals as part compensation for services performed or	6059
work done;	6060
(6) (a) Sales of motor fuel upon receipt, use,	6061
distribution, or sale of which in this state a tax is imposed by	6062
the law of this state, but this exemption shall not apply to the	6063
sale of motor fuel on which a refund of the tax is allowable	6064
under division (A) of section 5735.14 of the Revised Code; and	6065
the tax commissioner may deduct the amount of tax levied by this	6066
section applicable to the price of motor fuel when granting a	6067
refund of motor fuel tax pursuant to division (A) of section	6068
5735.14 of the Revised Code and shall cause the amount deducted	6069
to be paid into the general revenue fund of this state;	6070
(b) Sales of motor fuel other than that described in	6071
division (B) (6) (a) of this section and used for powering a	6072
refrigeration unit on a vehicle other than one used primarily to	6073
provide comfort to the operator or occupants of the vehicle.	6074
(7) Sales of natural gas by a natural gas company or	6075
municipal gas utility, of water by a water-works company, or of	6076
steam by a heating company, if in each case the thing sold is	6077
delivered to consumers through pipes or conduits, and all sales	6078



of communications services by a telegraph company, all terms as 6079  
defined in section 5727.01 of the Revised Code, and sales of 6080  
electricity delivered through wires; 6081

(8) Casual sales by a person, or auctioneer employed 6082  
directly by the person to conduct such sales, except as to such 6083  
sales of motor vehicles, watercraft or outboard motors required 6084  
to be titled under section 1548.06 of the Revised Code, 6085  
watercraft documented with the United States coast guard, 6086  
snowmobiles, and all-purpose vehicles as defined in section 6087  
4519.01 of the Revised Code; 6088

(9) (a) Sales of services or tangible personal property, 6089  
other than motor vehicles, mobile homes, and manufactured homes, 6090  
by churches, organizations exempt from taxation under section 6091  
501(c) (3) of the Internal Revenue Code of 1986, or nonprofit 6092  
organizations operated exclusively for charitable purposes as 6093  
defined in division (B) (12) of this section, provided that the 6094  
number of days on which such tangible personal property or 6095  
services, other than items never subject to the tax, are sold 6096  
does not exceed six in any calendar year, except as otherwise 6097  
provided in division (B) (9) (b) of this section. If the number of 6098  
days on which such sales are made exceeds six in any calendar 6099  
year, the church or organization shall be considered to be 6100  
engaged in business and all subsequent sales by it shall be 6101  
subject to the tax. In counting the number of days, all sales by 6102  
groups within a church or within an organization shall be 6103  
considered to be sales of that church or organization. 6104

(b) The limitation on the number of days on which tax- 6105  
exempt sales may be made by a church or organization under 6106  
division (B) (9) (a) of this section does not apply to sales made 6107  
by student clubs and other groups of students of a primary or 6108

secondary school, or a parent-teacher association, booster 6109  
group, or similar organization that raises money to support or 6110  
fund curricular or extracurricular activities of a primary or 6111  
secondary school. 6112

(c) Divisions (B) (9) (a) and (b) of this section do not 6113  
apply to sales by a noncommercial educational radio or 6114  
television broadcasting station. 6115

(10) Sales not within the taxing power of this state under 6116  
the Constitution or laws of the United States or the 6117  
Constitution of this state including either of the following: 6118

(a) Sales or rentals of tangible personal property by 6119  
construction contractors or subcontractors to provide temporary 6120  
traffic control or temporary structures, including material and 6121  
equipment used to comply with the Ohio manual of uniform traffic 6122  
control devices adopted pursuant to section 4511.09 of the 6123  
Revised Code, whereby the United States takes title to, or 6124  
permanent or temporary possession of, such tangible personal 6125  
property for use by the United States including for use by the 6126  
general public thereof; 6127

(b) Sales of services by construction contractors or 6128  
subcontractors to provide temporary traffic control or 6129  
structures, including labor used to comply with the Ohio manual 6130  
of uniform traffic control devices adopted pursuant to section 6131  
4511.09 of the Revised Code, whereby the United States, 6132  
including the general public thereof, receives the benefit of 6133  
such services. 6134

As used in divisions (B) (10) (a) and (b) of this section, 6135  
"temporary structures" include temporary roads, bridges, drains, 6136  
and pavement. 6137

(11) Except for transactions that are sales under division 6138  
(B) (3) (p) of section 5739.01 of the Revised Code, the 6139  
transportation of persons or property, unless the transportation 6140  
is by a private investigation and security service; 6141

(12) Sales of tangible personal property or services to 6142  
churches, to organizations exempt from taxation under section 6143  
501(c) (3) of the Internal Revenue Code of 1986, and to any other 6144  
nonprofit organizations operated exclusively for charitable 6145  
purposes in this state, no part of the net income of which 6146  
inures to the benefit of any private shareholder or individual, 6147  
and no substantial part of the activities of which consists of 6148  
carrying on propaganda or otherwise attempting to influence 6149  
legislation; sales to offices administering one or more homes 6150  
for the aged or one or more hospital facilities exempt under 6151  
section 140.08 of the Revised Code; and sales to organizations 6152  
described in division (D) of section 5709.12 of the Revised 6153  
Code. 6154

"Charitable purposes" means the relief of poverty; the 6155  
improvement of health through the alleviation of illness, 6156  
disease, or injury; the operation of an organization exclusively 6157  
for the provision of professional, laundry, printing, and 6158  
purchasing services to hospitals or charitable institutions; the 6159  
operation of a home for the aged, as defined in section 5701.13 6160  
of the Revised Code; the operation of a radio or television 6161  
broadcasting station that is licensed by the federal 6162  
communications commission as a noncommercial educational radio 6163  
or television station; the operation of a nonprofit animal 6164  
adoption service or a county humane society; the promotion of 6165  
education by an institution of learning that maintains a faculty 6166  
of qualified instructors, teaches regular continuous courses of 6167  
study, and confers a recognized diploma upon completion of a 6168

specific curriculum; the operation of a parent-teacher 6169  
association, booster group, or similar organization primarily 6170  
engaged in the promotion and support of the curricular or 6171  
extracurricular activities of a primary or secondary school; the 6172  
operation of a community or area center in which presentations 6173  
in music, dramatics, the arts, and related fields are made in 6174  
order to foster public interest and education therein; the 6175  
production of performances in music, dramatics, and the arts; or 6176  
the promotion of education by an organization engaged in 6177  
carrying on research in, or the dissemination of, scientific and 6178  
technological knowledge and information primarily for the 6179  
public. 6180

Nothing in this division shall be deemed to exempt sales 6181  
to any organization for use in the operation or carrying on of a 6182  
trade or business, or sales to a home for the aged for use in 6183  
the operation of independent living facilities as defined in 6184  
division (A) of section 5709.12 of the Revised Code. 6185

(13) Building and construction materials and services sold 6186  
to construction contractors for incorporation into a structure 6187  
or improvement to real property under a construction contract 6188  
with this state or a political subdivision of this state, or 6189  
with the United States government or any of its agencies; 6190  
building and construction materials and services sold to 6191  
construction contractors for incorporation into a structure or 6192  
improvement to real property that are accepted for ownership by 6193  
this state or any of its political subdivisions, or by the 6194  
United States government or any of its agencies at the time of 6195  
completion of the structures or improvements; building and 6196  
construction materials sold to construction contractors for 6197  
incorporation into a horticulture structure or livestock 6198  
structure for a person engaged in the business of horticulture 6199

or producing livestock; building materials and services sold to 6200  
a construction contractor for incorporation into a house of 6201  
public worship or religious education, or a building used 6202  
exclusively for charitable purposes under a construction 6203  
contract with an organization whose purpose is as described in 6204  
division (B) (12) of this section; building materials and 6205  
services sold to a construction contractor for incorporation 6206  
into a building under a construction contract with an 6207  
organization exempt from taxation under section 501(c) (3) of the 6208  
Internal Revenue Code of 1986 when the building is to be used 6209  
exclusively for the organization's exempt purposes; building and 6210  
construction materials sold for incorporation into the original 6211  
construction of a sports facility under section 307.696 of the 6212  
Revised Code; building and construction materials and services 6213  
sold to a construction contractor for incorporation into real 6214  
property outside this state if such materials and services, when 6215  
sold to a construction contractor in the state in which the real 6216  
property is located for incorporation into real property in that 6217  
state, would be exempt from a tax on sales levied by that state; 6218  
building and construction materials for incorporation into a 6219  
transportation facility pursuant to a public-private agreement 6220  
entered into under sections 5501.70 to 5501.83 of the Revised 6221  
Code; until one calendar year after the construction of a 6222  
convention center that qualifies for property tax exemption 6223  
under section 5709.084 of the Revised Code is completed, 6224  
building and construction materials and services sold to a 6225  
construction contractor for incorporation into the real property 6226  
comprising that convention center; and building and construction 6227  
materials sold for incorporation into a structure or improvement 6228  
to real property that is used primarily as, or primarily in 6229  
support of, a manufacturing facility or research and development 6230  
facility and that is to be owned by a megaproject operator upon 6231

completion and located at the site of a megaproject that 6232  
satisfies the criteria described in division (A) (11) (a) (ii) of 6233  
section 122.17 of the Revised Code, provided that the sale 6234  
occurs during the period that the megaproject operator has an 6235  
agreement for such megaproject with the tax credit authority 6236  
under division (D) of section 122.17 of the Revised Code that 6237  
remains in effect and has not expired or been terminated. 6238

(14) Sales of ships or vessels or rail rolling stock used 6239  
or to be used principally in interstate or foreign commerce, and 6240  
repairs, alterations, fuel, and lubricants for such ships or 6241  
vessels or rail rolling stock; 6242

(15) Sales to persons primarily engaged in any of the 6243  
activities mentioned in division (B) (42) (a), (g), or (h) of this 6244  
section, to persons engaged in making retail sales, or to 6245  
persons who purchase for sale from a manufacturer tangible 6246  
personal property that was produced by the manufacturer in 6247  
accordance with specific designs provided by the purchaser, of 6248  
packages, including material, labels, and parts for packages, 6249  
and of machinery, equipment, and material for use primarily in 6250  
packaging tangible personal property produced for sale, 6251  
including any machinery, equipment, and supplies used to make 6252  
labels or packages, to prepare packages or products for 6253  
labeling, or to label packages or products, by or on the order 6254  
of the person doing the packaging, or sold at retail. "Packages" 6255  
includes bags, baskets, cartons, crates, boxes, cans, bottles, 6256  
bindings, wrappings, and other similar devices and containers, 6257  
but does not include motor vehicles or bulk tanks, trailers, or 6258  
similar devices attached to motor vehicles. "Packaging" means 6259  
placing in a package. Division (B) (15) of this section does not 6260  
apply to persons engaged in highway transportation for hire. 6261

(16) Sales of food to persons using supplemental nutrition 6262  
assistance program benefits to purchase the food. As used in 6263  
this division, "food" has the same meaning as in 7 U.S.C. 2012 6264  
and federal regulations adopted pursuant to the Food and 6265  
Nutrition Act of 2008. 6266

(17) Sales to persons engaged in farming, agriculture, 6267  
horticulture, or floriculture, of tangible personal property for 6268  
use or consumption primarily in the production by farming, 6269  
agriculture, horticulture, or floriculture of other tangible 6270  
personal property for use or consumption primarily in the 6271  
production of tangible personal property for sale by farming, 6272  
agriculture, horticulture, or floriculture; or material and 6273  
parts for incorporation into any such tangible personal property 6274  
for use or consumption in production; and of tangible personal 6275  
property for such use or consumption in the conditioning or 6276  
holding of products produced by and for such use, consumption, 6277  
or sale by persons engaged in farming, agriculture, 6278  
horticulture, or floriculture, except where such property is 6279  
incorporated into real property; 6280

(18) Sales of drugs for a human being that may be 6281  
dispensed only pursuant to a prescription; insulin as recognized 6282  
in the official United States pharmacopoeia; urine and blood 6283  
testing materials when used by diabetics or persons with 6284  
hypoglycemia to test for glucose or acetone; hypodermic syringes 6285  
and needles when used by diabetics for insulin injections; 6286  
epoetin alfa when purchased for use in the treatment of persons 6287  
with medical disease; hospital beds when purchased by hospitals, 6288  
nursing homes, or other medical facilities; and medical oxygen 6289  
and medical oxygen-dispensing equipment when purchased by 6290  
hospitals, nursing homes, or other medical facilities; 6291

(19) Sales of prosthetic devices, durable medical	6292
equipment for home use, or mobility enhancing equipment, when	6293
made pursuant to a prescription and when such devices or	6294
equipment are for use by a human being.	6295
(20) Sales of emergency and fire protection vehicles and	6296
equipment to nonprofit organizations for use solely in providing	6297
fire protection and emergency services, including trauma care	6298
and emergency medical services, for political subdivisions of	6299
the state;	6300
(21) Sales of tangible personal property manufactured in	6301
this state, if sold by the manufacturer in this state to a	6302
retailer for use in the retail business of the retailer outside	6303
of this state and if possession is taken from the manufacturer	6304
by the purchaser within this state for the sole purpose of	6305
immediately removing the same from this state in a vehicle owned	6306
by the purchaser;	6307
(22) Sales of services provided by the state or any of its	6308
political subdivisions, agencies, instrumentalities,	6309
institutions, or authorities, or by governmental entities of the	6310
state or any of its political subdivisions, agencies,	6311
instrumentalities, institutions, or authorities;	6312
(23) Sales of motor vehicles to nonresidents of this state	6313
under the circumstances described in division (B) of section	6314
5739.029 of the Revised Code;	6315
(24) Sales to persons engaged in the preparation of eggs	6316
for sale of tangible personal property used or consumed directly	6317
in such preparation, including such tangible personal property	6318
used for cleaning, sanitizing, preserving, grading, sorting, and	6319
classifying by size; packages, including material and parts for	6320



packages, and machinery, equipment, and material for use in 6321  
packaging eggs for sale; and handling and transportation 6322  
equipment and parts therefor, except motor vehicles licensed to 6323  
operate on public highways, used in intraplant or interplant 6324  
transfers or shipment of eggs in the process of preparation for 6325  
sale, when the plant or plants within or between which such 6326  
transfers or shipments occur are operated by the same person. 6327  
"Packages" includes containers, cases, baskets, flats, fillers, 6328  
filler flats, cartons, closure materials, labels, and labeling 6329  
materials, and "packaging" means placing therein. 6330

(25) (a) Sales of water to a consumer for residential use; 6331

(b) Sales of water by a nonprofit corporation engaged 6332  
exclusively in the treatment, distribution, and sale of water to 6333  
consumers, if such water is delivered to consumers through pipes 6334  
or tubing. 6335

(26) Fees charged for inspection or reinspection of motor 6336  
vehicles under section 3704.14 of the Revised Code; 6337

(27) Sales to persons licensed to conduct a food service 6338  
operation pursuant to section 3717.43 of the Revised Code, of 6339  
tangible personal property primarily used directly for the 6340  
following: 6341

(a) To prepare food for human consumption for sale; 6342

(b) To preserve food that has been or will be prepared for 6343  
human consumption for sale by the food service operator, not 6344  
including tangible personal property used to display food for 6345  
selection by the consumer; 6346

(c) To clean tangible personal property used to prepare or 6347  
serve food for human consumption for sale. 6348

(28) Sales of animals by nonprofit animal adoption	6349
services or county humane societies;	6350
(29) Sales of services to a corporation described in	6351
division (A) of section 5709.72 of the Revised Code, and sales	6352
of tangible personal property that qualifies for exemption from	6353
taxation under section 5709.72 of the Revised Code;	6354
(30) Sales and installation of agricultural land tile, as	6355
defined in division (B) (5) (a) of section 5739.01 of the Revised	6356
Code;	6357
(31) Sales and erection or installation of portable grain	6358
bins, as defined in division (B) (5) (b) of section 5739.01 of the	6359
Revised Code;	6360
(32) The sale, lease, repair, and maintenance of, parts	6361
for, or items attached to or incorporated in, motor vehicles	6362
that are primarily used for transporting tangible personal	6363
property belonging to others by a person engaged in highway	6364
transportation for hire, except for packages and packaging used	6365
for the transportation of tangible personal property;	6366
(33) Sales to the state headquarters of any veterans'	6367
organization in this state that is either incorporated and	6368
issued a charter by the congress of the United States or is	6369
recognized by the United States veterans administration, for use	6370
by the headquarters;	6371
(34) Sales to a telecommunications service vendor, mobile	6372
telecommunications service vendor, or satellite broadcasting	6373
service vendor of tangible personal property and services used	6374
directly and primarily in transmitting, receiving, switching, or	6375
recording any interactive, one- or two-way electromagnetic	6376
communications, including voice, image, data, and information,	6377

through the use of any medium, including, but not limited to, 6378  
poles, wires, cables, switching equipment, computers, and record 6379  
storage devices and media, and component parts for the tangible 6380  
personal property. The exemption provided in this division shall 6381  
be in lieu of all other exemptions under division (B) (42) (a) or 6382  
(n) of this section to which the vendor may otherwise be 6383  
entitled, based upon the use of the thing purchased in providing 6384  
the telecommunications, mobile telecommunications, or satellite 6385  
broadcasting service. 6386

(35) (a) Sales where the purpose of the consumer is to use 6387  
or consume the things transferred in making retail sales and 6388  
consisting of newspaper inserts, catalogues, coupons, flyers, 6389  
gift certificates, or other advertising material that prices and 6390  
describes tangible personal property offered for retail sale. 6391

(b) Sales to direct marketing vendors of preliminary 6392  
materials such as photographs, artwork, and typesetting that 6393  
will be used in printing advertising material; and of printed 6394  
matter that offers free merchandise or chances to win sweepstake 6395  
prizes and that is mailed to potential customers with 6396  
advertising material described in division (B) (35) (a) of this 6397  
section; 6398

(c) Sales of equipment such as telephones, computers, 6399  
facsimile machines, and similar tangible personal property 6400  
primarily used to accept orders for direct marketing retail 6401  
sales. 6402

(d) Sales of automatic food vending machines that preserve 6403  
food with a shelf life of forty-five days or less by 6404  
refrigeration and dispense it to the consumer. 6405

For purposes of division (B) (35) of this section, "direct 6406

marketing" means the method of selling where consumers order 6407  
tangible personal property by United States mail, delivery 6408  
service, or telecommunication and the vendor delivers or ships 6409  
the tangible personal property sold to the consumer from a 6410  
warehouse, catalogue distribution center, or similar fulfillment 6411  
facility by means of the United States mail, delivery service, 6412  
or common carrier. 6413

(36) Sales to a person engaged in the business of 6414  
horticulture or producing livestock of materials to be 6415  
incorporated into a horticulture structure or livestock 6416  
structure; 6417

(37) Sales of personal computers, computer monitors, 6418  
computer keyboards, modems, and other peripheral computer 6419  
equipment to an individual who is licensed or certified to teach 6420  
in an elementary or a secondary school in this state for use by 6421  
that individual in preparation for teaching elementary or 6422  
secondary school students; 6423

(38) Sales of tangible personal property that is not 6424  
required to be registered or licensed under the laws of this 6425  
state to a citizen of a foreign nation that is not a citizen of 6426  
the United States, provided the property is delivered to a 6427  
person in this state that is not a related member of the 6428  
purchaser, is physically present in this state for the sole 6429  
purpose of temporary storage and package consolidation, and is 6430  
subsequently delivered to the purchaser at a delivery address in 6431  
a foreign nation. As used in division (B)(38) of this section, 6432  
"related member" has the same meaning as in section 5733.042 of 6433  
the Revised Code, and "temporary storage" means the storage of 6434  
tangible personal property for a period of not more than sixty 6435  
days. 6436

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

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

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

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

(a) To incorporate the thing transferred as a material or  
a part into tangible personal property to be produced for sale

by manufacturing, assembling, processing, or refining; or to use 6467  
or consume the thing transferred directly in producing tangible 6468  
personal property for sale by mining, including, without 6469  
limitation, the extraction from the earth of all substances that 6470  
are classed geologically as minerals, or directly in the 6471  
rendition of a public utility service, except that the sales tax 6472  
levied by this section shall be collected upon all meals, 6473  
drinks, and food for human consumption sold when transporting 6474  
persons. This paragraph does not exempt from "retail sale" or 6475  
"sales at retail" the sale of tangible personal property that is 6476  
to be incorporated into a structure or improvement to real 6477  
property. 6478

(b) To hold the thing transferred as security for the 6479  
performance of an obligation of the vendor; 6480

(c) To resell, hold, use, or consume the thing transferred 6481  
as evidence of a contract of insurance; 6482

(d) To use or consume the thing directly in commercial 6483  
fishing; 6484

(e) To incorporate the thing transferred as a material or 6485  
a part into, or to use or consume the thing transferred directly 6486  
in the production of, magazines distributed as controlled 6487  
circulation publications; 6488

(f) To use or consume the thing transferred in the 6489  
production and preparation in suitable condition for market and 6490  
sale of printed, imprinted, overprinted, lithographic, 6491  
multilithic, blueprinted, photostatic, or other productions or 6492  
reproductions of written or graphic matter; 6493

(g) To use the thing transferred, as described in section 6494  
5739.011 of the Revised Code, primarily in a manufacturing 6495

operation to produce tangible personal property for sale; 6496

(h) To use the benefit of a warranty, maintenance or 6497  
service contract, or similar agreement, as described in division 6498  
(B) (7) of section 5739.01 of the Revised Code, to repair or 6499  
maintain tangible personal property, if all of the property that 6500  
is the subject of the warranty, contract, or agreement would not 6501  
be subject to the tax imposed by this section; 6502

(i) To use the thing transferred as qualified research and 6503  
development equipment; 6504

(j) To use or consume the thing transferred primarily in 6505  
storing, transporting, mailing, or otherwise handling purchased 6506  
sales inventory in a warehouse, distribution center, or similar 6507  
facility when the inventory is primarily distributed outside 6508  
this state to retail stores of the person who owns or controls 6509  
the warehouse, distribution center, or similar facility, to 6510  
retail stores of an affiliated group of which that person is a 6511  
member, or by means of direct marketing. This division does not 6512  
apply to motor vehicles registered for operation on the public 6513  
highways. As used in this division, "affiliated group" has the 6514  
same meaning as in division (B) (3) (e) of section 5739.01 of the 6515  
Revised Code and "direct marketing" has the same meaning as in 6516  
division (B) (35) of this section. 6517

(k) To use or consume the thing transferred to fulfill a 6518  
contractual obligation incurred by a warrantor pursuant to a 6519  
warranty provided as a part of the price of the tangible 6520  
personal property sold or by a vendor of a warranty, maintenance 6521  
or service contract, or similar agreement the provision of which 6522  
is defined as a sale under division (B) (7) of section 5739.01 of 6523  
the Revised Code; 6524

- (l) To use or consume the thing transferred in the 6525  
production of a newspaper for distribution to the public; 6526
- (m) To use tangible personal property to perform a service 6527  
listed in division (B)(3) of section 5739.01 of the Revised 6528  
Code, if the property is or is to be permanently transferred to 6529  
the consumer of the service as an integral part of the 6530  
performance of the service; 6531
- (n) To use or consume the thing transferred primarily in 6532  
producing tangible personal property for sale by farming, 6533  
agriculture, horticulture, or floriculture. Persons engaged in 6534  
rendering farming, agriculture, horticulture, or floriculture 6535  
services for others are deemed engaged primarily in farming, 6536  
agriculture, horticulture, or floriculture. This paragraph does 6537  
not exempt from "retail sale" or "sales at retail" the sale of 6538  
tangible personal property that is to be incorporated into a 6539  
structure or improvement to real property. 6540
- (o) To use or consume the thing transferred in acquiring, 6541  
formatting, editing, storing, and disseminating data or 6542  
information by electronic publishing; 6543
- (p) To provide the thing transferred to the owner or 6544  
lessee of a motor vehicle that is being repaired or serviced, if 6545  
the thing transferred is a rented motor vehicle and the 6546  
purchaser is reimbursed for the cost of the rented motor vehicle 6547  
by a manufacturer, warrantor, or provider of a maintenance, 6548  
service, or other similar contract or agreement, with respect to 6549  
the motor vehicle that is being repaired or serviced; 6550
- (q) To use or consume the thing transferred directly in 6551  
production of crude oil and natural gas for sale. Persons 6552  
engaged in rendering production services for others are deemed 6553



engaged in production. 6554

As used in division (B) (42) (q) of this section, 6555  
"production" means operations and tangible personal property 6556  
directly used to expose and evaluate an underground reservoir 6557  
that may contain hydrocarbon resources, prepare the wellbore for 6558  
production, and lift and control all substances yielded by the 6559  
reservoir to the surface of the earth. 6560

(i) For the purposes of division (B) (42) (q) of this 6561  
section, the "thing transferred" includes, but is not limited 6562  
to, any of the following: 6563

(I) Services provided in the construction of permanent 6564  
access roads, services provided in the construction of the well 6565  
site, and services provided in the construction of temporary 6566  
impoundments; 6567

(II) Equipment and rigging used for the specific purpose 6568  
of creating with integrity a wellbore pathway to underground 6569  
reservoirs; 6570

(III) Drilling and workover services used to work within a 6571  
subsurface wellbore, and tangible personal property directly 6572  
used in providing such services; 6573

(IV) Casing, tubulars, and float and centralizing 6574  
equipment; 6575

(V) Trailers to which production equipment is attached; 6576

(VI) Well completion services, including cementing of 6577  
casing, and tangible personal property directly used in 6578  
providing such services; 6579

(VII) Wireline evaluation, mud logging, and perforation 6580  
services, and tangible personal property directly used in 6581

providing such services;	6582
(VIII) Reservoir stimulation, hydraulic fracturing, and acidizing services, and tangible personal property directly used in providing such services, including all material pumped downhole;	6583 6584 6585 6586
(IX) Pressure pumping equipment;	6587
(X) Artificial lift systems equipment;	6588
(XI) Wellhead equipment and well site equipment used to separate, stabilize, and control hydrocarbon phases and produced water;	6589 6590 6591
(XII) Tangible personal property directly used to control production equipment.	6592 6593
(ii) For the purposes of division (B) (42) (q) of this section, the "thing transferred" does not include any of the following:	6594 6595 6596
(I) Tangible personal property used primarily in the exploration and production of any mineral resource regulated under Chapter 1509. of the Revised Code other than oil or gas;	6597 6598 6599
(II) Tangible personal property used primarily in storing, holding, or delivering solutions or chemicals used in well stimulation as defined in section 1509.01 of the Revised Code;	6600 6601 6602
(III) Tangible personal property used primarily in preparing, installing, or reclaiming foundations for drilling or pumping equipment or well stimulation material tanks;	6603 6604 6605
(IV) Tangible personal property used primarily in transporting, delivering, or removing equipment to or from the well site or storing such equipment before its use at the well	6606 6607 6608

site;	6609
(V) Tangible personal property used primarily in gathering operations occurring off the well site, including gathering pipelines transporting hydrocarbon gas or liquids away from a crude oil or natural gas production facility;	6610 6611 6612 6613
(VI) Tangible personal property that is to be incorporated into a structure or improvement to real property;	6614 6615
(VII) Well site fencing, lighting, or security systems;	6616
(VIII) Communication devices or services;	6617
(IX) Office supplies;	6618
(X) Trailers used as offices or lodging;	6619
(XI) Motor vehicles of any kind;	6620
(XII) Tangible personal property used primarily for the storage of drilling byproducts and fuel not used for production;	6621 6622
(XIII) Tangible personal property used primarily as a safety device;	6623 6624
(XIV) Data collection or monitoring devices;	6625
(XV) Access ladders, stairs, or platforms attached to storage tanks.	6626 6627
The enumeration of tangible personal property in division (B) (42) (q) (ii) of this section is not intended to be exhaustive, and any tangible personal property not so enumerated shall not necessarily be construed to be a "thing transferred" for the purposes of division (B) (42) (q) of this section.	6628 6629 6630 6631 6632
The commissioner shall adopt and promulgate rules under sections 119.01 to 119.13 of the Revised Code that the	6633 6634

commissioner deems necessary to administer division (B) (42) (q) 6635  
of this section. 6636

As used in division (B) (42) of this section, "thing" 6637  
includes all transactions included in divisions (B) (3) (a), (b), 6638  
and (e) of section 5739.01 of the Revised Code. 6639

(43) Sales conducted through a coin operated device that 6640  
activates vacuum equipment or equipment that dispenses water, 6641  
whether or not in combination with soap or other cleaning agents 6642  
or wax, to the consumer for the consumer's use on the premises 6643  
in washing, cleaning, or waxing a motor vehicle, provided no 6644  
other personal property or personal service is provided as part 6645  
of the transaction. 6646

(44) Sales of replacement and modification parts for 6647  
engines, airframes, instruments, and interiors in, and paint 6648  
for, aircraft used primarily in a fractional aircraft ownership 6649  
program, and sales of services for the repair, modification, and 6650  
maintenance of such aircraft, and machinery, equipment, and 6651  
supplies primarily used to provide those services. 6652

(45) Sales of telecommunications service that is used 6653  
directly and primarily to perform the functions of a call 6654  
center. As used in this division, "call center" means any 6655  
physical location where telephone calls are placed or received 6656  
in high volume for the purpose of making sales, marketing, 6657  
customer service, technical support, or other specialized 6658  
business activity, and that employs at least fifty individuals 6659  
that engage in call center activities on a full-time basis, or 6660  
sufficient individuals to fill fifty full-time equivalent 6661  
positions. 6662

(46) Sales by a telecommunications service vendor of 900 6663

service to a subscriber. This division does not apply to 6664  
information services. 6665

(47) Sales of value-added non-voice data service. This 6666  
division does not apply to any similar service that is not 6667  
otherwise a telecommunications service. 6668

(48) Sales of feminine hygiene products. 6669

(49) Sales of materials, parts, equipment, or engines used 6670  
in the repair or maintenance of aircraft or avionics systems of 6671  
such aircraft, and sales of repair, remodeling, replacement, or 6672  
maintenance services in this state performed on aircraft or on 6673  
an aircraft's avionics, engine, or component materials or parts. 6674  
As used in division (B) (49) of this section, "aircraft" means 6675  
aircraft of more than six thousand pounds maximum certified 6676  
takeoff weight or used exclusively in general aviation. 6677

(50) Sales of full flight simulators that are used for 6678  
pilot or flight-crew training, sales of repair or replacement 6679  
parts or components, and sales of repair or maintenance services 6680  
for such full flight simulators. "Full flight simulator" means a 6681  
replica of a specific type, or make, model, and series of 6682  
aircraft cockpit. It includes the assemblage of equipment and 6683  
computer programs necessary to represent aircraft operations in 6684  
ground and flight conditions, a visual system providing an out- 6685  
of-the-cockpit view, and a system that provides cues at least 6686  
equivalent to those of a three-degree-of-freedom motion system, 6687  
and has the full range of capabilities of the systems installed 6688  
in the device as described in appendices A and B of part 60 of 6689  
chapter 1 of title 14 of the Code of Federal Regulations. 6690

(51) Any transfer or lease of tangible personal property 6691  
between the state and JobsOhio in accordance with section 6692

4313.02 of the Revised Code.	6693
(52) (a) Sales to a qualifying corporation.	6694
(b) As used in division (B) (52) of this section:	6695
(i) "Qualifying corporation" means a nonprofit corporation	6696
organized in this state that leases from an eligible county	6697
land, buildings, structures, fixtures, and improvements to the	6698
land that are part of or used in a public recreational facility	6699
used by a major league professional athletic team or a class A	6700
to class AAA minor league affiliate of a major league	6701
professional athletic team for a significant portion of the	6702
team's home schedule, provided the following apply:	6703
(I) The facility is leased from the eligible county	6704
pursuant to a lease that requires substantially all of the	6705
revenue from the operation of the business or activity conducted	6706
by the nonprofit corporation at the facility in excess of	6707
operating costs, capital expenditures, and reserves to be paid	6708
to the eligible county at least once per calendar year.	6709
(II) Upon dissolution and liquidation of the nonprofit	6710
corporation, all of its net assets are distributable to the	6711
board of commissioners of the eligible county from which the	6712
corporation leases the facility.	6713
(ii) "Eligible county" has the same meaning as in section	6714
307.695 of the Revised Code.	6715
(53) Sales to or by a cable service provider, video	6716
service provider, or radio or television broadcast station	6717
regulated by the federal government of cable service or	6718
programming, video service or programming, audio service or	6719
programming, or electronically transferred digital audiovisual	6720
or audio work. As used in division (B) (53) of this section,	6721

"cable service" and "cable service provider" have the same 6722  
meanings as in section 1332.01 of the Revised Code, and "video 6723  
service," "video service provider," and "video programming" have 6724  
the same meanings as in section 1332.21 of the Revised Code. 6725

(54) Sales of a digital audio work electronically 6726  
transferred for delivery through use of a machine, such as a 6727  
juke box, that does all of the following: 6728

(a) Accepts direct payments to operate; 6729

(b) Automatically plays a selected digital audio work for 6730  
a single play upon receipt of a payment described in division 6731  
(B) (54) (a) of this section; 6732

(c) Operates exclusively for the purpose of playing 6733  
digital audio works in a commercial establishment. 6734

~~(55) (a) Sales of the following occurring on the first 6735  
Friday of August and the following Saturday and Sunday of any 6736  
year, except in 2024 or any subsequent year in which a sales tax- 6737  
holiday is held pursuant to section 5739.41 of the Revised Code: 6738~~

~~(i) An item of clothing, the price of which is seventy- 6739  
five dollars or less; 6740~~

~~(ii) An item of school supplies, the price of which is 6741  
twenty dollars or less; 6742~~

~~(iii) An item of school instructional material, the price- 6743  
of which is twenty dollars or less. 6744~~

~~(b) As used in division (B) (55) of this section: 6745~~

~~(i) "Clothing" means all human wearing apparel suitable- 6746  
for general use. "Clothing" includes, but is not limited to, 6747  
aprons, household and shop, athletic supporters, baby receiving- 6748~~

~~blankets; bathing suits and caps; beach capes and coats; belts and suspenders; boots; coats and jackets; costumes; diapers, children and adult, including disposable diapers; earmuffs; footlets; formal wear; garters and garter belts; girdles; gloves and mittens for general use; hats and caps; hosiery; insoles for shoes; lab coats; neckties; overshoes; pantyhose; rainwear; rubber pants; sandals; scarves; shoes and shoe laces; slippers; sneakers; socks and stockings; steel toed shoes; underwear; uniforms, athletic and nonathletic; and wedding apparel.~~ 6749  
~~"Clothing" does not include items purchased for use in a trade or business; clothing accessories or equipment; protective equipment; sports or recreational equipment; belt buckles sold separately; costume masks sold separately; patches and emblems sold separately; sewing equipment and supplies including, but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and sewing materials that become part of "clothing" including, but not limited to, buttons, fabric, lace, thread, yarn, and zippers.~~ 6750  
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~~purchased for use in a trade or business.~~ 6780

~~(iii) "School instructional material" means written 6781  
material commonly used by a student in a course of study as a 6782  
reference and to learn the subject being taught. "School 6783  
instructional material" includes only the following items: 6784  
reference books, reference maps and globes, textbooks, and 6785  
workbooks. "School instructional material" does not include any 6786  
material purchased for use in a trade or business. (55) The fee 6787  
imposed by section 3743.22 of the Revised Code, if it is 6788  
separately stated on the invoice, bill of sale, or similar 6789  
document given by the vendor to the consumer for a retail sale 6790  
made in this state. 6791~~

(56) (a) Sales of adult diapers or incontinence underpads 6792  
sold pursuant to a prescription, for the benefit of a medicaid 6793  
recipient with a diagnosis of incontinence, and by a medicaid 6794  
provider that maintains a valid provider agreement under section 6795  
5164.30 of the Revised Code with the department of medicaid, 6796  
provided that the medicaid program covers diapers or 6797  
incontinence underpads as an incontinence garment. 6798

(b) As used in division (B) (56) (a) of this section, 6799  
"incontinence underpad" means an absorbent product, not worn on 6800  
the body, designed to protect furniture or other tangible 6801  
personal property from soiling or damage due to human 6802  
incontinence. 6803

(57) Sales of investment metal bullion and investment 6804  
coins. "Investment metal bullion" means any bullion described in 6805  
section 408(m) (3) (B) of the Internal Revenue Code, regardless of 6806  
whether that bullion is in the physical possession of a trustee. 6807  
"Investment coin" means any coin composed primarily of gold, 6808  
silver, platinum, or palladium. 6809

(58) Sales of tangible personal property used primarily 6810  
for any of the following purposes by a megaproject operator at 6811  
the site of a megaproject that satisfies the criteria described 6812  
in division (A) (11) (a) (ii) of section 122.17 of the Revised 6813  
Code, provided that the sale occurs during the period that the 6814  
megaproject operator has an agreement for such megaproject with 6815  
the tax credit authority under division (D) of section 122.17 of 6816  
the Revised Code that remains in effect and has not expired or 6817  
been terminated: 6818

(a) To store, transmit, convey, distribute, recycle, 6819  
circulate, or clean water, steam, or other gases used in or 6820  
produced as a result of manufacturing activity, including items 6821  
that support or aid in the operation of such property; 6822

(b) To clean or prepare inventory, at any stage of storage 6823  
or production, or equipment used in a manufacturing activity, 6824  
including chemicals, solvents, catalysts, soaps, and other items 6825  
that support or aid in the operation of property; 6826

(c) To regulate, treat, filter, condition, improve, clean, 6827  
maintain, or monitor environmental conditions within areas where 6828  
manufacturing activities take place; 6829

(d) To handle, transport, or convey inventory during 6830  
production or manufacturing. 6831

(59) Documentary services charges imposed pursuant to 6832  
section 4517.261 or 4781.24 of the Revised Code. 6833

(60) Sales of children's diapers. 6834

(61) Sales of therapeutic or preventative creams and wipes 6835  
marketed primarily for use on the skin of children. 6836

(62) Sales of a child restraint device or booster seat 6837

that meets the national highway traffic safety administration 6838  
standard for child restraint systems under 49 C.F.R. 571.213. 6839

(63) Sales of cribs intended to provide sleeping 6840  
accommodations for children that comply with the United States 6841  
consumer product safety commission's safety standard for full- 6842  
size baby cribs under 16 C.F.R. 1219 or the commission's safety 6843  
standard for non-full-size baby cribs under 16 C.F.R. 1220. 6844

(64) Sales of strollers meant for transporting children 6845  
from infancy to about thirty-six months of age that meet the 6846  
United States consumer product safety commission safety standard 6847  
for carriages and strollers under 16 C.F.R. 1227.2. 6848

~~(65) The fee imposed by section 3743.22 of the Revised 6849  
Code, if it is separately stated on the invoice, bill of sale, 6850  
or similar document given by the vendor to the consumer for a 6851  
retail sale made in this state. 6852~~

~~(66) Sales of eligible tangible personal property 6853  
occurring during the period of a sales tax holiday held pursuant 6854  
to section 5739.41 of the Revised Code. 6855~~

(C) For the purpose of the proper administration of this 6856  
chapter, and to prevent the evasion of the tax, it is presumed 6857  
that all sales made in this state are subject to the tax until 6858  
the contrary is established. 6859

(D) The tax collected by the vendor from the consumer 6860  
under this chapter is not part of the price, but is a tax 6861  
collection for the benefit of the state, and of counties levying 6862  
an additional sales tax pursuant to section 5739.021 or 5739.026 6863  
of the Revised Code and of transit authorities levying an 6864  
additional sales tax pursuant to section 5739.023 of the Revised 6865  
Code. Except for the discount authorized under section 5739.12 6866

of the Revised Code and the effects of any rounding pursuant to 6867  
section 5703.055 of the Revised Code, no person other than the 6868  
state or such a county or transit authority shall derive any 6869  
benefit from the collection or payment of the tax levied by this 6870  
section or section 5739.021, 5739.023, or 5739.026 of the 6871  
Revised Code. 6872

**Sec. 5739.03.** (A) Except as provided in section 5739.05 or 6873  
section 5739.051 of the Revised Code, the tax imposed by or 6874  
pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of 6875  
the Revised Code shall be paid by the consumer to the vendor, 6876  
and each vendor shall collect from the consumer, as a trustee 6877  
for the state of Ohio, the full and exact amount of the tax 6878  
payable on each taxable sale, in the manner and at the times 6879  
provided as follows: 6880

(1) If the price is, at or prior to the provision of the 6881  
service or the delivery of possession of the thing sold to the 6882  
consumer, paid in currency passed from hand to hand by the 6883  
consumer or the consumer's agent to the vendor or the vendor's 6884  
agent, the vendor or the vendor's agent shall collect the tax 6885  
with and at the same time as the price; 6886

(2) If the price is otherwise paid or to be paid, the 6887  
vendor or the vendor's agent shall, at or prior to the provision 6888  
of the service or the delivery of possession of the thing sold 6889  
to the consumer, charge the tax imposed by or pursuant to 6890  
section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised 6891  
Code to the account of the consumer, which amount shall be 6892  
collected by the vendor from the consumer in addition to the 6893  
price. Such sale shall be reported on and the amount of the tax 6894  
applicable thereto shall be remitted with the return for the 6895  
period in which the sale is made, and the amount of the tax 6896

shall become a legal charge in favor of the vendor and against 6897  
the consumer. 6898

(B) (1) (a) If any sale is claimed to be exempt under 6899  
division (E) of section 5739.01 of the Revised Code or under 6900  
section 5739.02 of the Revised Code, with the exception of 6901  
divisions (B) (1) to (11), (28), (48), ~~(55), or~~ (59), ~~or~~ (66) of 6902  
section 5739.02 of the Revised Code, the consumer must provide 6903  
to the vendor, and the vendor must obtain from the consumer, a 6904  
certificate specifying the reason that the sale is not legally 6905  
subject to the tax. The certificate shall be in such form, and 6906  
shall be provided either in a hard copy form or electronic form, 6907  
as the tax commissioner prescribes. 6908

(b) A vendor that obtains a fully completed exemption 6909  
certificate from a consumer is relieved of liability for 6910  
collecting and remitting tax on any sale covered by that 6911  
certificate. If it is determined the exemption was improperly 6912  
claimed, the consumer shall be liable for any tax due on that 6913  
sale under section 5739.02, 5739.021, 5739.023, or 5739.026 or 6914  
Chapter 5741. of the Revised Code. Relief under this division 6915  
from liability does not apply to any of the following: 6916

(i) A vendor that fraudulently fails to collect tax; 6917

(ii) A vendor that solicits consumers to participate in 6918  
the unlawful claim of an exemption; 6919

(iii) A vendor that accepts an exemption certificate from 6920  
a consumer that claims an exemption based on who purchases or 6921  
who sells property or a service, when the subject of the 6922  
transaction sought to be covered by the exemption certificate is 6923  
actually received by the consumer at a location operated by the 6924  
vendor in this state, and this state has posted to its web site 6925

an exemption certificate form that clearly and affirmatively 6926  
indicates that the claimed exemption is not available in this 6927  
state; 6928

(iv) A vendor that accepts an exemption certificate from a 6929  
consumer who claims a multiple points of use exemption under 6930  
division (D) of section 5739.033 of the Revised Code, if the 6931  
item purchased is tangible personal property, other than 6932  
prewritten computer software. 6933

(2) The vendor shall maintain records, including exemption 6934  
certificates, of all sales on which a consumer has claimed an 6935  
exemption, and provide them to the tax commissioner on request. 6936

(3) The tax commissioner may establish an identification 6937  
system whereby the commissioner issues an identification number 6938  
to a consumer that is exempt from payment of the tax. The 6939  
consumer must present the number to the vendor, if any sale is 6940  
claimed to be exempt as provided in this section. 6941

(4) If no certificate is provided or obtained within 6942  
ninety days after the date on which such sale is consummated, it 6943  
shall be presumed that the tax applies. Failure to have so 6944  
provided or obtained a certificate shall not preclude a vendor, 6945  
within one hundred twenty days after the tax commissioner gives 6946  
written notice of intent to levy an assessment, from either 6947  
establishing that the sale is not subject to the tax, or 6948  
obtaining, in good faith, a fully completed exemption 6949  
certificate. 6950

(5) Certificates need not be obtained nor provided where 6951  
the identity of the consumer is such that the transaction is 6952  
never subject to the tax imposed or where the item of tangible 6953  
personal property sold or the service provided is never subject 6954

to the tax imposed, regardless of use, or when the sale is in interstate commerce.

(6) 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 vendor. 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.

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

Any contractor or vendor may request from any contractee a certification of what portion of the property to be transferred under such contract or agreement is to be incorporated into the realty and what portion will retain its status as tangible personal property after installation is completed. The contractor or vendor shall request the certification by certified mail delivered to the contractee, return receipt requested. Upon receipt of such request and prior to entering into the contract or agreement, the contractee shall provide to the contractor or vendor a certification sufficiently detailed to enable the contractor or vendor to ascertain the resulting classification of all materials purchased or fabricated by the

contractor or vendor and transferred to the contractee. This 6985  
requirement applies to a contractee regardless of whether the 6986  
contractee holds a direct payment permit under section 5739.031 6987  
of the Revised Code or provides to the contractor or vendor an 6988  
exemption certificate as provided under this section. 6989

For the purposes of the taxes levied by this chapter and 6990  
Chapter 5741. of the Revised Code, the contractor or vendor may 6991  
in good faith rely on the contractee's certification. 6992  
Notwithstanding division (B) of section 5739.01 of the Revised 6993  
Code, if the tax commissioner determines that certain property 6994  
certified by the contractee as tangible personal property 6995  
pursuant to this division is, in fact, real property, the 6996  
contractee shall be considered to be the consumer of all 6997  
materials so incorporated into that real property and shall be 6998  
liable for the applicable tax, and the contractor or vendor 6999  
shall be excused from any liability on those materials. 7000

If a contractee fails to provide such certification upon 7001  
the request of the contractor or vendor, the contractor or 7002  
vendor shall comply with the provisions of this chapter and 7003  
Chapter 5741. of the Revised Code without the certification. If 7004  
the tax commissioner determines that such compliance has been 7005  
performed in good faith and that certain property treated as 7006  
tangible personal property by the contractor or vendor is, in 7007  
fact, real property, the contractee shall be considered to be 7008  
the consumer of all materials so incorporated into that real 7009  
property and shall be liable for the applicable tax, and the 7010  
construction contractor or vendor shall be excused from any 7011  
liability on those materials. 7012

This division does not apply to any contract or agreement 7013  
where the tax commissioner determines as a fact that a 7014



certification under this division was made solely on the 7015  
decision or advice of the contractor or vendor. 7016

(D) Notwithstanding division (B) of section 5739.01 of the 7017  
Revised Code, whenever the total rate of tax imposed under this 7018  
chapter is increased after the date after a construction 7019  
contract is entered into, the contractee shall reimburse the 7020  
construction contractor for any additional tax paid on tangible 7021  
property consumed or services received pursuant to the contract. 7022

(E) A vendor who files a petition for reassessment 7023  
contesting the assessment of tax on sales for which the vendor 7024  
obtained no valid exemption certificates and for which the 7025  
vendor failed to establish that the sales were properly not 7026  
subject to the tax during the one-hundred-twenty-day period 7027  
allowed under division (B) of this section, may present to the 7028  
tax commissioner additional evidence to prove that the sales 7029  
were properly subject to a claim of exception or exemption. The 7030  
vendor shall file such evidence within ninety days of the 7031  
receipt by the vendor of the notice of assessment, except that, 7032  
upon application and for reasonable cause, the period for 7033  
submitting such evidence shall be extended thirty days. 7034

The commissioner shall consider such additional evidence 7035  
in reaching the final determination on the assessment and 7036  
petition for reassessment. 7037

(F) Whenever a vendor refunds the price, minus any 7038  
separately stated delivery charge, of an item of tangible 7039  
personal property on which the tax imposed under this chapter 7040  
has been paid, the vendor shall also refund the amount of tax 7041  
paid, minus the amount of tax attributable to the delivery 7042  
charge. 7043

**Sec. 5739.05.** ~~(A)(1)~~ (A) The tax commissioner shall enforce 7044  
and administer sections 5739.01 to 5739.31 of the Revised Code, 7045  
which are hereby declared to be sections which the commissioner 7046  
is required to administer within the meaning of sections 5703.17 7047  
to 5703.37, 5703.39, 5703.41, and 5703.45 of the Revised Code. 7048  
The commissioner may adopt and promulgate, in accordance with 7049  
sections 119.01 to 119.13 of the Revised Code, such rules as the 7050  
commissioner deems necessary to administer sections 5739.01 to 7051  
5739.31 of the Revised Code. 7052

~~(2) On or before the first day of May of each year, the 7053  
commissioner shall make available to vendors a notice explaining 7054  
the three-day exemption period required under division (B) (55) 7055  
of section 5739.02 of the Revised Code. 7056~~

(B) Upon application, the commissioner may authorize a 7057  
vendor to pay on a predetermined basis the tax levied by or 7058  
pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of 7059  
the Revised Code upon sales of things produced or distributed or 7060  
services provided by such vendor, and the commissioner may waive 7061  
the collection of the tax from the consumer. The commissioner 7062  
shall not grant such authority unless the commissioner finds 7063  
that the granting of the authority would improve compliance and 7064  
increase the efficiency of the administration of the tax. The 7065  
person to whom such authority is granted shall post a notice, if 7066  
required by the commissioner, at the location where the product 7067  
is offered for sale that the tax is included in the selling 7068  
price. The commissioner may adopt rules to administer this 7069  
division. 7070

(C) Upon application, the commissioner may authorize a 7071  
vendor to remit, on the basis of a prearranged agreement under 7072  
this division, the tax levied by section 5739.02 or pursuant to 7073

section 5739.021, 5739.023, or 5739.026 of the Revised Code. The 7074  
proportions and ratios in a prearranged agreement shall be 7075  
determined either by a test check conducted by the commissioner 7076  
under terms and conditions agreed to by the commissioner and the 7077  
vendor or by any other method agreed upon by the vendor and the 7078  
commissioner. If the parties are unable to agree to the terms 7079  
and conditions of the test check or other method, the 7080  
application shall be denied. 7081

If used, the test check shall determine the proportion 7082  
that taxable retail sales bear to all of the vendor's retail 7083  
sales and the ratio which the tax required to be collected under 7084  
sections 5739.02, 5739.021, 5739.023, and 5739.026 of the 7085  
Revised Code bears to the receipts from the vendor's taxable 7086  
retail sales. 7087

The vendor's liability for remitting the tax shall be 7088  
based solely upon the proportions and ratios established in the 7089  
agreement until such time that the vendor or the commissioner 7090  
believes that the nature of the vendor's business has so changed 7091  
as to make the agreement no longer representative. The 7092  
commissioner may give notice to the vendor at any time that the 7093  
authorization is revoked or the vendor may notify the 7094  
commissioner that the vendor no longer elects to report under 7095  
the authorization. Such notice shall be delivered to the other 7096  
party in the manner provided in section 5703.37 of the Revised 7097  
Code. The revocation or cancellation is effective the last day 7098  
of the month in which the vendor or the commissioner receives 7099  
the notice. 7100

**Sec. 5739.08.** (A) A municipal corporation or township may 7101  
levy an excise tax for any lawful purpose not to exceed three 7102  
per cent on transactions by which lodging by a hotel or short- 7103

term rental property is or is to be furnished to transient 7104  
guests in addition to the tax levied by section 5739.02 of the 7105  
Revised Code. If a municipal corporation or township repeals a 7106  
tax imposed under division (A) of this section, and a county in 7107  
which the municipal corporation or township has territory has a 7108  
tax imposed under division (M) of section 5739.09 of the Revised 7109  
Code in effect, the municipal corporation or township may not 7110  
reimpose its tax as long as that county tax remains in effect. A 7111  
municipal corporation or township in which a tax is levied under 7112  
division (B) (2) of section 351.021 of the Revised Code may not 7113  
increase the rate of its tax levied under division (A) of this 7114  
section to any rate that would cause the total taxes levied 7115  
under both of those divisions to exceed three per cent on any 7116  
lodging transaction within the municipal corporation or 7117  
township. 7118

(B) The legislative authority of a municipal corporation 7119  
or the board of trustees of a township that is not wholly or 7120  
partly located in a county that has in effect a resolution 7121  
levying an excise tax pursuant to division (A) of section 7122  
5739.09 of the Revised Code may, by ordinance or resolution, 7123  
levy an additional excise tax not to exceed three per cent on 7124  
transactions by which lodging by a hotel or short-term rental 7125  
property is or is to be furnished to transient guests. The 7126  
legislative authority of the municipal corporation or the board 7127  
of trustees of the township shall deposit at least fifty per 7128  
cent of the revenue from the tax levied pursuant to this 7129  
division into a separate fund, which shall be spent solely to 7130  
make contributions to convention and visitors' bureaus operating 7131  
within the county in which the municipal corporation or township 7132  
is wholly or partly located, and the balance of that revenue 7133  
shall be deposited in the general fund. The municipal 7134

corporation or township shall establish all regulations 7135  
necessary to provide for the administration and allocation of 7136  
the tax. The regulations may prescribe the time for payment of 7137  
the tax, and may provide for the imposition of a penalty or 7138  
interest, or both, for late payments, provided that the penalty 7139  
does not exceed ten per cent of the amount of tax due, and the 7140  
rate at which interest accrues does not exceed the rate per 7141  
annum prescribed pursuant to section 5703.47 of the Revised 7142  
Code. The levy of a tax under this division is in addition to 7143  
any tax imposed on the same transaction by a municipal 7144  
corporation or a township under division (A) of this section. 7145

(C) (1) As used in division (C) of this section, "cost" has 7146  
the same meaning as in section 351.01 of the Revised Code, and 7147  
"convention center" has the same meaning as in section 307.695 7148  
of the Revised Code. 7149

(2) The legislative authority of the most populous 7150  
municipal corporation located wholly or partly in a county in 7151  
which the board of county commissioners has levied a tax under 7152  
division (D) of section 5739.09 of the Revised Code may amend, 7153  
on or before September 30, 2002, that municipal corporation's 7154  
ordinance or resolution that levies an excise tax on 7155  
transactions by which lodging by a hotel or short-term rental 7156  
property is or is to be furnished to transient guests, to 7157  
provide for all of the following: 7158

(a) That the rate of the tax shall be increased by not 7159  
more than an additional one per cent on each transaction; 7160

(b) That all of the revenue from the increase in rate 7161  
shall be pledged and contributed to a convention facilities 7162  
authority established by the board of county commissioners under 7163  
Chapter 351. of the Revised Code on or before May 15, 2002, and 7164

be used to pay costs of constructing, expanding, maintaining, 7165  
operating, or promoting a convention center in the county, 7166  
including paying bonds, or notes issued in anticipation of 7167  
bonds, as provided by that chapter; 7168

(c) That the increase in rate shall not be subject to 7169  
diminution by initiative or referendum or by law while any 7170  
bonds, or notes in anticipation of bonds, issued by the 7171  
authority under Chapter 351. of the Revised Code to which the 7172  
revenue is pledged, remain outstanding in accordance with their 7173  
terms, unless provision is made by law, by the board of county 7174  
commissioners, or by the legislative authority, for an adequate 7175  
substitute therefor that is satisfactory to the trustee if a 7176  
trust agreement secures the bonds. 7177

(3) The legislative authority of a municipal corporation 7178  
that, pursuant to division (C) (2) of this section, has amended 7179  
its ordinance or resolution to increase the rate of the tax 7180  
authorized by division (B) of this section may further amend the 7181  
ordinance or resolution to provide that the revenue referred to 7182  
in division (C) (2) (b) of this section shall be pledged and 7183  
contributed both to a convention facilities authority to pay the 7184  
costs of constructing, expanding, maintaining, or operating one 7185  
or more convention centers in the county, including paying 7186  
bonds, or notes issued in anticipation of bonds, as provided in 7187  
Chapter 351. of the Revised Code, and to a convention and 7188  
visitors' bureau to pay the costs of promoting one or more 7189  
convention centers in the county. 7190

(D) As used in division (D) of this section, "eligible 7191  
municipal corporation" means a municipal corporation that, on 7192  
September 29, 2017, levied a tax under division (B) of this 7193  
section at a rate of three per cent and that is located in a 7194

county that, on that date, levied a tax under division (A) of 7195  
section 5739.09 of the Revised Code at a rate of three per cent 7196  
and that has, according to the most recent federal decennial 7197  
census, a population exceeding three hundred thousand but not 7198  
greater than three hundred fifty thousand. 7199

The legislative authority of an eligible municipal 7200  
corporation may amend, on or before December 31, 2017, that 7201  
municipal corporation's ordinance or resolution that levies an 7202  
excise tax on transactions by which lodging by a hotel or short- 7203  
term rental property is or is to be furnished to transient 7204  
guests, to provide for the following: 7205

(1) That the rate of the tax shall be increased by not 7206  
more than an additional three per cent on each transaction; 7207

(2) That all of the revenue from the increase in rate 7208  
shall be used by the municipal corporation for economic 7209  
development and tourism-related purposes. 7210

(E) (1) As used in division (E) of this section, "cost" and 7211  
"facility" have the same meanings as in section 351.01 of the 7212  
Revised Code, except that "facility" does not include a "sports 7213  
facility," as that term is defined in that section, other than a 7214  
facility intended to house a major league soccer team. 7215

(2) The legislative authority of a municipal corporation 7216  
that has a population exceeding three hundred thousand but less 7217  
than three hundred fifty thousand and that has adopted a 7218  
resolution or ordinance levying a tax authorized by division (A) 7219  
of this section may amend the resolution or ordinance to provide 7220  
that all or a portion of the revenue referred to in division (A) 7221  
of this section may be pledged and contributed to a convention 7222  
facilities authority or a port authority to pay the costs of 7223

acquiring, constructing, renovating, expanding, maintaining, or 7224  
operating one or more facilities in the county, including paying 7225  
bonds, or notes issued in anticipation of bonds, or paying the 7226  
expenses of maintaining, operating, or promoting one or more 7227  
facilities. 7228

(3) The legislative authority of any municipal corporation 7229  
that, pursuant to division (C)(2) of this section, has amended a 7230  
resolution or ordinance levying the tax authorized by division 7231  
(D) of section 5739.09 of the Revised Code may further amend the 7232  
resolution or ordinance to provide that all or a portion of the 7233  
revenue referred to in division (C)(2)(b) of this section may be 7234  
pledged and contributed to an issuing authority, as defined in 7235  
section 5739.093 of the Revised Code, to pay the costs of 7236  
acquiring, constructing, renovating, expanding, maintaining, or 7237  
operating one or more facilities in the county, including paying 7238  
bonds, or notes issued in anticipation of bonds, or paying the 7239  
expenses of maintaining, operating, or promoting one or more 7240  
facilities. 7241

**Sec. 5739.09.** (A) (1) A board of county commissioners may, 7242  
by resolution adopted by a majority of the members of the board, 7243  
levy an excise tax not to exceed three per cent on transactions 7244  
by which lodging by a hotel or short-term rental property is or 7245  
is to be furnished to transient guests. The board shall 7246  
establish all regulations necessary to provide for the 7247  
administration and allocation of the tax. The regulations may 7248  
prescribe the time for payment of the tax, and may provide for 7249  
the imposition of a penalty or interest, or both, for late 7250  
payments, provided that the penalty does not exceed ten per cent 7251  
of the amount of tax due, and the rate at which interest accrues 7252  
does not exceed the rate per annum prescribed pursuant to 7253  
section 5703.47 of the Revised Code. Except as otherwise 7254



provided in this section, the regulations shall provide, after 7255  
deducting the real and actual costs of administering the tax, 7256  
for the return to each municipal corporation or township that 7257  
does not levy an excise tax on the transactions, a uniform 7258  
percentage of the tax collected in the municipal corporation or 7259  
in the unincorporated portion of the township from each 7260  
transaction, not to exceed thirty-three and one-third per cent. 7261  
Except as provided in this section, the remainder of the revenue 7262  
arising from the tax shall be deposited in a separate fund and 7263  
shall be spent either (a) to make contributions to the 7264  
convention and visitors' bureau operating within the county, 7265  
including a pledge and contribution of any portion of the 7266  
remainder pursuant to an agreement authorized by section 307.678 7267  
or 307.695 of the Revised Code or (b) to pay, if authorized in 7268  
the regulations, for public safety services in a resort area 7269  
designated under section 5739.101 of the Revised Code. 7270

(2) If the board of county commissioners of an eligible 7271  
county as defined in section 307.678 or 307.695 of the Revised 7272  
Code adopts a resolution amending a resolution levying a tax 7273  
under division (A) of this section to provide that revenue from 7274  
the tax shall be used by the board as described in either 7275  
division (D) of section 307.678 or division (H) of section 7276  
307.695 of the Revised Code, the remainder of the revenue shall 7277  
be used as described in the resolution making that amendment. 7278

(3) Except as provided in division (B), (C), (D), (E), 7279  
(F), (G), (H), (I), (J), (K), or (Q) of this section, on and 7280  
after May 10, 1994, a board of county commissioners may not levy 7281  
an excise tax pursuant to division (A) of this section in any 7282  
municipal corporation or township located wholly or partly 7283  
within the county that has in effect an ordinance or resolution 7284  
levying an excise tax pursuant to division (B) of section 7285

5739.08 of the Revised Code. 7286

(4) The board of a county that has levied a tax under 7287  
division (M) of this section may, by resolution adopted within 7288  
ninety days after July 15, 1985, by a majority of the members of 7289  
the board, amend the resolution levying a tax under division (A) 7290  
of this section to provide for a portion of that tax to be 7291  
pledged and contributed in accordance with an agreement entered 7292  
into under section 307.695 of the Revised Code. A tax, any 7293  
revenue from which is pledged pursuant to such an agreement, 7294  
shall remain in effect at the rate at which it is imposed for 7295  
the duration of the period for which the revenue from the tax 7296  
has been so pledged. 7297

(5) The board of county commissioners of an eligible 7298  
county as defined in section 307.695 of the Revised Code may, by 7299  
resolution adopted by a majority of the members of the board, 7300  
amend a resolution levying a tax under division (A) of this 7301  
section to provide that the revenue from the tax shall be used 7302  
by the board as described in division (H) of section 307.695 of 7303  
the Revised Code, in which case the tax shall remain in effect 7304  
at the rate at which it was imposed for the duration of any 7305  
agreement entered into by the board under section 307.695 of the 7306  
Revised Code, the duration during which any securities issued by 7307  
the board under that section are outstanding, or the duration of 7308  
the period during which the board owns a project as defined in 7309  
section 307.695 of the Revised Code, whichever duration is 7310  
longest. 7311

(6) The board of county commissioners of an eligible 7312  
county as defined in section 307.678 of the Revised Code may, by 7313  
resolution, amend a resolution levying a tax under division (A) 7314  
of this section to provide that revenue from the tax, not to 7315

exceed five hundred thousand dollars each year, may be used as 7316  
described in division (E) of section 307.678 of the Revised 7317  
Code. 7318

(7) Notwithstanding division (A) of this section, the 7319  
board of county commissioners of a county described in division 7320  
(H) (1) of this section may, by resolution, amend a resolution 7321  
levying a tax under division (A) of this section to provide that 7322  
all or a portion of the revenue from the tax, including any 7323  
revenue otherwise required to be returned to townships or 7324  
municipal corporations under that division, may be used or 7325  
pledged for the payment of debt service on securities issued to 7326  
pay the costs of constructing, operating, and maintaining sports 7327  
facilities described in division (H) (2) of this section. 7328

(8) The board of county commissioners of a county 7329  
described in division (I) of this section may, by resolution, 7330  
amend a resolution levying a tax under division (A) of this 7331  
section to provide that all or a portion of the revenue from the 7332  
tax may be used for the purposes described in section 307.679 of 7333  
the Revised Code. 7334

(B) A board of county commissioners that levies an excise 7335  
tax under division (A) of this section on June 30, 1997, at a 7336  
rate of three per cent, and that has pledged revenue from the 7337  
tax to an agreement entered into under section 307.695 of the 7338  
Revised Code or, in the case of the board of county 7339  
commissioners of an eligible county as defined in section 7340  
307.695 of the Revised Code, has amended a resolution levying a 7341  
tax under division (M) of this section to provide that proceeds 7342  
from the tax shall be used by the board as described in division 7343  
(H) of section 307.695 of the Revised Code, may, at any time by 7344  
a resolution adopted by a majority of the members of the board, 7345

amend the resolution levying a tax under division (A) of this 7346  
section to provide for an increase in the rate of that tax up to 7347  
seven per cent on each transaction; to provide that revenue from 7348  
the increase in the rate shall be used as described in division 7349  
(H) of section 307.695 of the Revised Code or be spent solely to 7350  
make contributions to the convention and visitors' bureau 7351  
operating within the county to be used specifically for 7352  
promotion, advertising, and marketing of the region in which the 7353  
county is located; and to provide that the rate in excess of the 7354  
three per cent levied under division (A) of this section shall 7355  
remain in effect at the rate at which it is imposed for the 7356  
duration of the period during which any agreement is in effect 7357  
that was entered into under section 307.695 of the Revised Code 7358  
by the board of county commissioners levying a tax under 7359  
division (A) of this section, the duration of the period during 7360  
which any securities issued by the board under division (I) of 7361  
section 307.695 of the Revised Code are outstanding, or the 7362  
duration of the period during which the board owns a project as 7363  
defined in section 307.695 of the Revised Code, whichever 7364  
duration is longest. The amendment also shall provide that no 7365  
portion of that revenue need be returned to townships or 7366  
municipal corporations as would otherwise be required under 7367  
division (A) of this section. 7368

(C) (1) As used in division (C) of this section, "cost" and 7369  
"facility" have the same meanings as in section 351.01 of the 7370  
Revised Code, and "convention center" has the same meaning as in 7371  
section 307.695 of the Revised Code. 7372

(2) A board of county commissioners that levies a tax 7373  
under division (A) of this section on March 18, 1999, at a rate 7374  
of three per cent may, by resolution adopted not later than 7375  
forty-five days after March 18, 1999, amend the resolution 7376

levying the tax to provide for all of the following: 7377

(a) That the rate of the tax shall be increased by not 7378  
more than an additional four per cent on each transaction; 7379

(b) That all of the revenue from the increase in the rate 7380  
shall be pledged and contributed to a convention facilities 7381  
authority established by the board of county commissioners under 7382  
Chapter 351. of the Revised Code on or before November 15, 1998, 7383  
and used to pay costs of constructing, maintaining, operating, 7384  
and promoting a facility in the county, including paying bonds, 7385  
or notes issued in anticipation of bonds, as provided by that 7386  
chapter; 7387

(c) That no portion of the revenue arising from the 7388  
increase in rate need be returned to municipal corporations or 7389  
townships as otherwise required under division (A) of this 7390  
section; 7391

(d) That the increase in rate shall not be subject to 7392  
diminution by initiative or referendum or by law while any 7393  
bonds, or notes in anticipation of bonds, issued by the 7394  
authority under Chapter 351. of the Revised Code to which the 7395  
revenue is pledged, remain outstanding in accordance with their 7396  
terms, unless provision is made by law or by the board of county 7397  
commissioners for an adequate substitute therefor that is 7398  
satisfactory to the trustee if a trust agreement secures the 7399  
bonds. 7400

(3) Division (C) of this section does not apply to the 7401  
board of county commissioners of any county in which a 7402  
convention center or facility exists or is being constructed on 7403  
November 15, 1998, or of any county in which a convention 7404  
facilities authority levies a tax pursuant to section 351.021 of 7405

the Revised Code on that date. 7406

(D) (1) As used in division (D) of this section, "cost" has 7407  
the same meaning as in section 351.01 of the Revised Code, and 7408  
"convention center" has the same meaning as in section 307.695 7409  
of the Revised Code. 7410

(2) A board of county commissioners that levies a tax 7411  
under division (A) of this section on June 30, 2002, at a rate 7412  
of three per cent may, by resolution adopted not later than 7413  
September 30, 2002, amend the resolution levying the tax to 7414  
provide for all of the following: 7415

(a) That the rate of the tax shall be increased by not 7416  
more than an additional three and one-half per cent on each 7417  
transaction; 7418

(b) That all of the revenue from the increase in rate 7419  
shall be pledged and contributed to a convention facilities 7420  
authority established by the board of county commissioners under 7421  
Chapter 351. of the Revised Code on or before May 15, 2002, and 7422  
be used to pay costs of constructing, expanding, maintaining, 7423  
operating, or promoting a convention center in the county, 7424  
including paying bonds, or notes issued in anticipation of 7425  
bonds, as provided by that chapter; 7426

(c) That no portion of the revenue arising from the 7427  
increase in rate need be returned to municipal corporations or 7428  
townships as otherwise required under division (A) of this 7429  
section; 7430

(d) That the increase in rate shall not be subject to 7431  
diminution by initiative or referendum or by law while any 7432  
bonds, or notes in anticipation of bonds, issued by the 7433  
authority under Chapter 351. of the Revised Code to which the 7434

revenue is pledged, remain outstanding in accordance with their 7435  
terms, unless provision is made by law or by the board of county 7436  
commissioners for an adequate substitute therefor that is 7437  
satisfactory to the trustee if a trust agreement secures the 7438  
bonds. 7439

(3) Any board of county commissioners that, pursuant to 7440  
division (D)(2) of this section, has amended a resolution 7441  
levying the tax authorized by division (A) of this section may 7442  
further amend the resolution to provide that the revenue 7443  
referred to in division (D)(2)(b) of this section shall be 7444  
pledged and contributed both to a convention facilities 7445  
authority to pay the costs of constructing, expanding, 7446  
maintaining, or operating one or more convention centers in the 7447  
county, including paying bonds, or notes issued in anticipation 7448  
of bonds, as provided in Chapter 351. of the Revised Code, and 7449  
to a convention and visitors' bureau to pay the costs of 7450  
promoting one or more convention centers in the county. 7451

(E)(1) As used in division (E) of this section: 7452

(a) "Port authority" means a port authority created under 7453  
Chapter 4582. of the Revised Code. 7454

(b) "Port authority military-use facility" means port 7455  
authority facilities on which or adjacent to which is located an 7456  
installation of the armed forces of the United States, a reserve 7457  
component thereof, or the national guard and at least part of 7458  
which is made available for use, for consideration, by the armed 7459  
forces of the United States, a reserve component thereof, or the 7460  
national guard. 7461

(2) For the purpose of contributing revenue to pay 7462  
operating expenses of a port authority that operates a port 7463

authority military-use facility, the board of county 7464  
commissioners of a county that created, participated in the 7465  
creation of, or has joined such a port authority may do one or 7466  
both of the following: 7467

(a) Amend a resolution previously adopted under division 7468  
(A) of this section to designate some or all of the revenue from 7469  
the tax levied under the resolution to be used for that purpose, 7470  
notwithstanding that division; 7471

(b) Amend a resolution previously adopted under division 7472  
(A) of this section to increase the rate of the tax by not more 7473  
than an additional two per cent and use the revenue from the 7474  
increase exclusively for that purpose. 7475

(3) If a board of county commissioners amends a resolution 7476  
to increase the rate of a tax as authorized in division (E) (2) 7477  
(b) of this section, the board also may amend the resolution to 7478  
specify that the increase in rate of the tax does not apply to 7479  
"hotels," as otherwise defined in section 5739.01 of the Revised 7480  
Code, having fewer rooms used for the accommodation of guests 7481  
than a number of rooms specified by the board. This limitation 7482  
on the hotels to which the tax applies does not apply on and 7483  
after the first day of the first month starting thirty or more 7484  
days after the effective date of this amendment. 7485

(F) (1) A board of county commissioners of a county 7486  
organized under a county charter adopted pursuant to Article X, 7487  
Section 3, Ohio Constitution, and that levies an excise tax 7488  
under division (A) of this section at a rate of three per cent 7489  
and levies an additional excise tax under division (O) of this 7490  
section at a rate of one and one-half per cent may, by 7491  
resolution adopted not later than January 1, 2008, by a majority 7492  
of the members of the board, amend the resolution levying a tax 7493



under division (A) of this section to provide for an increase in 7494  
the rate of that tax by not more than an additional one per cent 7495  
on transactions by which lodging by a hotel or short-term rental 7496  
property is or is to be furnished to transient guests. 7497

Notwithstanding divisions (A) and (O) of this section, the 7498  
resolution shall provide that all of the revenue from the 7499  
increase in rate, after deducting the real and actual costs of 7500  
administering the tax, shall be used to pay the costs of 7501  
improving, expanding, equipping, financing, or operating a 7502  
convention center by a convention and visitors' bureau in the 7503  
county. 7504

(2) The increase in rate shall remain in effect for the 7505  
period specified in the resolution, not to exceed ten years, and 7506  
may be extended for an additional period of time not to exceed 7507  
ten years thereafter by a resolution adopted by a majority of 7508  
the members of the board. 7509

(3) The increase in rate shall be subject to the 7510  
regulations adopted under division (A) of this section, except 7511  
that the resolution may provide that no portion of the revenue 7512  
from the increase in the rate shall be returned to townships or 7513  
municipal corporations as would otherwise be required under that 7514  
division. 7515

(G) (1) Division (G) of this section applies only to a 7516  
county with a population greater than sixty-five thousand and 7517  
less than seventy thousand according to the most recent federal 7518  
decennial census and in which, on December 31, 2006, an excise 7519  
tax is levied under division (A) of this section at a rate not 7520  
less than and not greater than three per cent, and in which the 7521  
most recent increase in the rate of that tax was enacted or took 7522  
effect in November 1984. 7523

(2) The board of county commissioners of a county to which 7524  
division (G) of this section applies, by resolution adopted by a 7525  
majority of the members of the board, may increase the rate of 7526  
the tax by not more than one per cent on transactions by which 7527  
lodging by a hotel or short-term rental property is or is to be 7528  
furnished to transient guests. The increase in rate shall be for 7529  
the purpose of paying expenses deemed necessary by the 7530  
convention and visitors' bureau operating in the county to 7531  
promote travel and tourism. 7532

(3) The increase in rate shall remain in effect for the 7533  
period specified in the resolution, not to exceed twenty years, 7534  
provided that the increase in rate may not continue beyond the 7535  
time when the purpose for which the increase is levied ceases to 7536  
exist. If revenue from the increase in rate is pledged to the 7537  
payment of debt charges on securities, the increase in rate is 7538  
not subject to diminution by initiative or referendum or by law 7539  
for so long as the securities are outstanding, unless provision 7540  
is made by law or by the board of county commissioners for an 7541  
adequate substitute for that revenue that is satisfactory to the 7542  
trustee if a trust agreement secures payment of the debt 7543  
charges. 7544

(4) The increase in rate shall be subject to the 7545  
regulations adopted under division (A) of this section, except 7546  
that the resolution may provide that no portion of the revenue 7547  
from the increase in the rate shall be returned to townships or 7548  
municipal corporations as would otherwise be required under 7549  
division (A) of this section. 7550

(5) A resolution adopted under division (G) of this 7551  
section is subject to referendum under sections 305.31 to 305.99 7552  
of the Revised Code. 7553

(H) (1) Division (H) of this section applies only to a 7554  
county satisfying all of the following: 7555

(a) The population of the county is greater than one 7556  
hundred seventy-five thousand and less than two hundred twenty- 7557  
five thousand according to the most recent federal decennial 7558  
census. 7559

(b) An amusement park with an average yearly attendance in 7560  
excess of two million guests is located in the county. 7561

(c) On December 31, 2014, an excise tax was levied in the 7562  
county under division (A) of this section at a rate of three per 7563  
cent. 7564

(2) The board of county commissioners of a county to which 7565  
division (H) of this section applies, by resolution adopted by a 7566  
majority of the members of the board, may increase the rate of 7567  
the tax by not more than one per cent on transactions by which 7568  
lodging by a hotel or short-term rental property is or is to be 7569  
furnished to transient guests. The increase in rate shall be 7570  
used to pay the costs of constructing and maintaining facilities 7571  
owned by the county or by a port authority created under Chapter 7572  
4582. of the Revised Code, and designed to host sporting events 7573  
and expenses deemed necessary by the convention and visitors' 7574  
bureau operating in the county to promote travel and tourism 7575  
with reference to the sports facilities, and to pay or pledge to 7576  
the payment of debt service on securities issued to pay the 7577  
costs of constructing, operating, and maintaining the sports 7578  
facilities. 7579

(3) The increase in rate shall remain in effect for the 7580  
period specified in the resolution. If revenue from the increase 7581  
in rate is pledged to the payment of debt charges on securities, 7582

the increase in rate is not subject to diminution by initiative 7583  
or referendum or by law for so long as the securities are 7584  
outstanding, unless provision is made by law or by the board of 7585  
county commissioners for an adequate substitute for that revenue 7586  
that is satisfactory to the trustee if a trust agreement secures 7587  
payment of the debt charges. 7588

(4) The increase in rate shall be subject to the 7589  
regulations adopted under division (A) of this section, except 7590  
that the resolution may provide that no portion of the revenue 7591  
from the increase in the rate shall be returned to townships or 7592  
municipal corporations as would otherwise be required under 7593  
division (A) of this section. 7594

(I) (1) The board of county commissioners of a county with 7595  
a population greater than seventy-five thousand and less than 7596  
seventy-eight thousand, by resolution adopted by a majority of 7597  
the members of the board not later than October 15, 2015, may 7598  
increase the rate of the tax by not more than one per cent on 7599  
transactions by which lodging by a hotel or short-term rental 7600  
property is or is to be furnished to transient guests. The 7601  
increase in rate shall be for the purposes described in section 7602  
307.679 of the Revised Code or for the promotion of travel and 7603  
tourism in the county, including travel and tourism to sports 7604  
facilities. 7605

(2) The increase in rate shall remain in effect for the 7606  
period specified in the resolution and as necessary to fulfill 7607  
the county's obligations under a cooperative agreement entered 7608  
into under section 307.679 of the Revised Code. If the 7609  
resolution is adopted by the board before September 29, 2015, 7610  
but after that enactment becomes law, the increase in rate shall 7611  
become effective beginning on September 29, 2015. If revenue 7612

from the increase in rate is pledged to the payment of debt 7613  
charges on securities, or to substitute for other revenues 7614  
pledged to the payment of such debt, the increase in rate is not 7615  
subject to diminution by initiative or referendum or by law for 7616  
so long as the securities are outstanding, unless provision is 7617  
made by law or by the board of county commissioners for an 7618  
adequate substitute for that revenue that is satisfactory to the 7619  
trustee if a trust agreement secures payment of the debt 7620  
charges. 7621

(3) The increase in rate shall be subject to the 7622  
regulations adopted under division (A) of this section, except 7623  
that no portion of the revenue from the increase in the rate 7624  
shall be returned to townships or municipal corporations as 7625  
would otherwise be required under division (A) of this section. 7626

(J) (1) Division (J) of this section applies only to 7627  
counties satisfying either of the following: 7628

(a) A county that, on July 1, 2015, does not levy an 7629  
excise tax under division (A) of this section and that has a 7630  
population of at least thirty-nine thousand but not more than 7631  
forty thousand according to the 2010 federal decennial census; 7632

(b) A county that, on July 1, 2015, levies an excise tax 7633  
under division (A) of this section at a rate of three per cent 7634  
and that has a population of at least seventy-one thousand but 7635  
not more than seventy-five thousand according to 2010 federal 7636  
decennial census. 7637

(2) The board of county commissioners of a county to which 7638  
division (J) of this section applies, by resolution adopted by a 7639  
majority of the members of the board, may levy an excise tax at 7640  
a rate not to exceed three per cent on transactions by which 7641

lodging by a hotel or short-term rental property is or is to be 7642  
furnished to transient guests for the purpose of acquiring, 7643  
constructing, equipping, or repairing permanent improvements, as 7644  
defined in section 133.01 of the Revised Code. 7645

(3) If the board does not levy a tax under division (A) of 7646  
this section, the board shall establish regulations necessary to 7647  
provide for the administration of the tax, which may prescribe 7648  
the time for payment of the tax and the imposition of penalty or 7649  
interest subject to the limitations on penalty and interest 7650  
provided in division (A) of this section. No portion of the 7651  
revenue shall be returned to townships or municipal corporations 7652  
in the county unless otherwise provided by resolution of the 7653  
board. 7654

(4) The tax shall apply throughout the territory of the 7655  
county, including in any township or municipal corporation 7656  
levying an excise tax under division (A) or (B) of section 7657  
5739.08 of the Revised Code. The levy of the tax is subject to 7658  
referendum as provided under section 305.31 of the Revised Code. 7659

(5) The tax shall remain in effect for the period 7660  
specified in the resolution. If revenue from the increase in 7661  
rate is pledged to the payment of debt charges on securities, 7662  
the increase in rate is not subject to diminution by initiative 7663  
or referendum or by law for so long as the securities are 7664  
outstanding unless provision is made by law or by the board for 7665  
an adequate substitute for that revenue that is satisfactory to 7666  
the trustee if a trust agreement secures payment of the debt 7667  
charges. 7668

(K) (1) The board of county commissioners of an eligible 7669  
county, as defined in section 307.678 of the Revised Code, that 7670  
levies an excise tax under division (A) of this section on July 7671

1, 2017, at a rate of three per cent may, by resolution adopted 7672  
by a majority of the members of the board, amend the resolution 7673  
levying the tax to increase the rate of the tax by not more than 7674  
an additional three per cent on each transaction. 7675

(2) No portion of the revenue shall be returned to 7676  
townships or municipal corporations in the county unless 7677  
otherwise provided by resolution of the board. Otherwise, the 7678  
revenue from the increase in the rate shall be distributed and 7679  
used in the same manner described under division (A) of this 7680  
section or distributed or used to provide credit enhancement 7681  
facilities as authorized under section 307.678 of the Revised 7682  
Code. 7683

(3) The increase in rate shall remain in effect for the 7684  
period specified in the resolution. If revenue from the increase 7685  
in rate is pledged to the payment of debt charges on securities, 7686  
the increase in rate is not subject to diminution by initiative 7687  
or referendum or by law for so long as the securities are 7688  
outstanding unless provision is made by law or by the board for 7689  
an adequate substitute for that revenue that is satisfactory to 7690  
the trustee if a trust agreement secures payment of the debt 7691  
charges. 7692

(L) (1) As used in division (L) of this section: 7693

(a) "Eligible county" means a county that has a population 7694  
greater than one hundred ninety thousand and less than two 7695  
hundred thousand according to the 2010 federal decennial census 7696  
and that levies an excise tax under division (A) of this section 7697  
at a rate of three per cent. 7698

(b) "Professional sports facility" means a sports facility 7699  
that is intended to house major or minor league professional 7700

athletic teams, including a stadium, together with all parking 7701  
facilities, walkways, and other auxiliary facilities, real and 7702  
personal property, property rights, easements, and interests 7703  
that may be appropriate for, or used in connection with, the 7704  
operation of the facility. 7705

(2) Subject to division (L)(3) of this section, the board 7706  
of county commissioners of an eligible county, by resolution 7707  
adopted by a majority of the members of the board, may increase 7708  
the rate of the tax by not more than one per cent on 7709  
transactions by which lodging by a hotel or short-term rental 7710  
property is or is to be furnished to transient guests. Revenue 7711  
from the increase in rate shall be used for the purposes of 7712  
paying the costs of constructing, improving, and maintaining a 7713  
professional sports facility in the county and paying expenses 7714  
considered necessary by the convention and visitors' bureau 7715  
operating in the county to promote travel and tourism with 7716  
respect to that professional sports facility. The tax shall take 7717  
effect only after the convention and visitors' bureau enters 7718  
into a contract for the construction, improvement, or 7719  
maintenance of a professional sports facility that is or will be 7720  
located on property acquired, in whole or in part, with revenue 7721  
from the increased rate, and thereafter shall remain in effect 7722  
for the period specified in the resolution. If revenue from the 7723  
increase in rate is pledged to the payment of debt charges on 7724  
securities, the increase in rate is not subject to diminution by 7725  
initiative or referendum or by law for so long as the securities 7726  
are outstanding, unless a provision is made by law or by the 7727  
board of county commissioners for an adequate substitute for 7728  
that revenue that is satisfactory to the trustee if a trust 7729  
agreement secures payment of the debt charges. The increase in 7730  
rate shall be subject to the regulations adopted under division 7731



(A) of this section, except that the resolution may provide that 7732  
no portion of the revenue from the increase in the rate shall be 7733  
returned to townships or municipal corporations as would 7734  
otherwise be required under division (A) of this section. 7735

(3) If, on December 31, 2019, the convention and visitors' 7736  
bureau has not entered into a contract for the construction, 7737  
improvement, or maintenance of a professional sports facility 7738  
that is or will be located on property acquired, in whole or in 7739  
part, with revenue from the increased rate, the authority to 7740  
levy the tax under division (L) (2) of this section is hereby 7741  
repealed on that date. 7742

(M) (1) For the purposes described in section 307.695 of 7743  
the Revised Code and to cover the costs of administering the 7744  
tax, a board of county commissioners of a county where a tax 7745  
imposed under division (A) of this section is in effect may, by 7746  
resolution adopted within ninety days after July 15, 1985, by a 7747  
majority of the members of the board, levy an additional excise 7748  
tax not to exceed three per cent on transactions by which 7749  
lodging by a hotel or short-term rental property is or is to be 7750  
furnished to transient guests. The tax authorized by division 7751  
(M) of this section shall be in addition to any tax that is 7752  
levied pursuant to divisions (A) to (L) of this section, but it 7753  
shall not apply to transactions subject to a tax levied by a 7754  
municipal corporation or township pursuant to section 5739.08 of 7755  
the Revised Code. 7756

(2) The board shall establish all regulations necessary to 7757  
provide for the administration and allocation of the tax. The 7758  
regulations may prescribe the time for payment of the tax, and 7759  
may provide for the imposition of a penalty or interest, or 7760  
both, for late payments, provided that the penalty does not 7761

exceed ten per cent of the amount of tax due, and the rate at 7762  
which interest accrues does not exceed the rate per annum 7763  
prescribed pursuant to section 5703.47 of the Revised Code. 7764

(3) All revenues arising from the tax shall be expended in 7765  
accordance with section 307.695 of the Revised Code. The board 7766  
of county commissioners of an eligible county as defined in 7767  
section 307.695 of the Revised Code may, by resolution adopted 7768  
by a majority of the members of the board, amend the resolution 7769  
levying a tax under this division to provide that the revenue 7770  
from the tax shall be used by the board as described in division 7771  
(H) of section 307.695 of the Revised Code. 7772

(4) A tax imposed under this division shall remain in 7773  
effect at the rate at which it is imposed for the duration of 7774  
the period during which any agreement entered into by the board 7775  
under section 307.695 of the Revised Code is in effect, the 7776  
duration of the period during which any securities issued by the 7777  
board under division (I) of section 307.695 of the Revised Code 7778  
are outstanding, or the duration of the period during which the 7779  
board owns a project as defined in section 307.695 of the 7780  
Revised Code, whichever duration is longest. 7781

(N) (1) For the purpose of providing contributions under 7782  
division (B) (1) of section 307.671 of the Revised Code to enable 7783  
the acquisition, construction, and equipping of a port authority 7784  
educational and cultural facility in the county and, to the 7785  
extent provided for in the cooperative agreement authorized by 7786  
that section, for the purpose of paying debt service charges on 7787  
bonds, or notes in anticipation of bonds, described in division 7788  
(B) (1) (b) of that section, a board of county commissioners, by 7789  
resolution adopted within ninety days after December 22, 1992, 7790  
by a majority of the members of the board, may levy an 7791

additional excise tax not to exceed one and one-half per cent on 7792  
transactions by which lodging by a hotel or short-term rental 7793  
property is or is to be furnished to transient guests. The 7794  
excise tax authorized by division (N) of this section shall be 7795  
in addition to any tax that is levied pursuant to divisions (A) 7796  
to (M) of this section, to any excise tax levied pursuant to 7797  
section 5739.08 of the Revised Code, and to any excise tax 7798  
levied pursuant to section 351.021 of the Revised Code. 7799

(2) The board of county commissioners shall establish all 7800  
regulations necessary to provide for the administration and 7801  
allocation of the tax that are not inconsistent with this 7802  
section or section 307.671 of the Revised Code. The regulations 7803  
may prescribe the time for payment of the tax, and may provide 7804  
for the imposition of a penalty or interest, or both, for late 7805  
payments, provided that the penalty does not exceed ten per cent 7806  
of the amount of tax due, and the rate at which interest accrues 7807  
does not exceed the rate per annum prescribed pursuant to 7808  
section 5703.47 of the Revised Code. 7809

(3) All revenues arising from the tax shall be expended in 7810  
accordance with section 307.671 of the Revised Code and division 7811  
(N) of this section. The levy of a tax imposed under division 7812  
(N) of this section may not commence prior to the first day of 7813  
the month next following the execution of the cooperative 7814  
agreement authorized by section 307.671 of the Revised Code by 7815  
all parties to that agreement. 7816

(4) The tax shall remain in effect at the rate at which it 7817  
is imposed for the period of time described in division (C) of 7818  
section 307.671 of the Revised Code for which the revenue from 7819  
the tax has been pledged by the county to the corporation 7820  
pursuant to that section, but, to any extent provided for in the 7821

cooperative agreement, for no lesser period than the period of 7822  
time required for payment of the debt service charges on bonds, 7823  
or notes in anticipation of bonds, described in division (B) (1) 7824  
(b) of that section. 7825

(O) (1) For the purpose of paying the costs of acquiring, 7826  
constructing, equipping, and improving a municipal educational 7827  
and cultural facility, including debt service charges on bonds 7828  
provided for in division (B) of section 307.672 of the Revised 7829  
Code, and for any additional purposes determined by the county 7830  
in the resolution levying the tax or amendments to the 7831  
resolution, including subsequent amendments providing for paying 7832  
costs of acquiring, constructing, renovating, rehabilitating, 7833  
equipping, and improving a port authority educational and 7834  
cultural performing arts facility, as defined in section 307.674 7835  
of the Revised Code, and including debt service charges on bonds 7836  
provided for in division (B) of section 307.674 of the Revised 7837  
Code, the legislative authority of a county, by resolution 7838  
adopted within ninety days after June 30, 1993, by a majority of 7839  
the members of the legislative authority, may levy an additional 7840  
excise tax not to exceed one and one-half per cent on 7841  
transactions by which lodging by a hotel or short-term rental 7842  
property is or is to be furnished to transient guests. The 7843  
excise tax authorized by division (O) of this section shall be 7844  
in addition to any tax that is levied pursuant to divisions (A) 7845  
to (N) of this section, to any excise tax levied pursuant to 7846  
section 5739.08 of the Revised Code, and to any excise tax 7847  
levied pursuant to section 351.021 of the Revised Code. 7848

(2) The legislative authority of the county shall 7849  
establish all regulations necessary to provide for the 7850  
administration and allocation of the tax. The regulations may 7851  
prescribe the time for payment of the tax, and may provide for 7852

the imposition of a penalty or interest, or both, for late 7853  
payments, provided that the penalty does not exceed ten per cent 7854  
of the amount of tax due, and the rate at which interest accrues 7855  
does not exceed the rate per annum prescribed pursuant to 7856  
section 5703.47 of the Revised Code. 7857

(3) All revenues arising from the tax shall be expended in 7858  
accordance with section 307.672 of the Revised Code and this 7859  
division. The levy of a tax imposed under this division shall 7860  
not commence prior to the first day of the month next following 7861  
the execution of the cooperative agreement authorized by section 7862  
307.672 of the Revised Code by all parties to that agreement. 7863  
The tax shall remain in effect at the rate at which it is 7864  
imposed for the period of time determined by the legislative 7865  
authority of the county. That period of time shall not exceed 7866  
fifteen years, except that the legislative authority of a county 7867  
with a population of less than two hundred fifty thousand 7868  
according to the most recent federal decennial census, by 7869  
resolution adopted by a majority of its members before the 7870  
original tax expires, may extend the duration of the tax for an 7871  
additional period of time. The additional period of time by 7872  
which a legislative authority extends a tax levied under 7873  
division (O) of this section shall not exceed fifteen years. 7874

(P) (1) The legislative authority of a county that has 7875  
levied a tax under division (O) of this section may, by 7876  
resolution adopted within one hundred eighty days after January 7877  
4, 2001, by a majority of the members of the legislative 7878  
authority, amend the resolution levying a tax under that 7879  
division to provide for the use of the proceeds of that tax, to 7880  
the extent that it is no longer needed for its original purpose 7881  
as determined by the parties to a cooperative agreement 7882  
amendment pursuant to division (D) of section 307.672 of the 7883

Revised Code, to pay costs of acquiring, constructing, 7884  
renovating, rehabilitating, equipping, and improving a port 7885  
authority educational and cultural performing arts facility, 7886  
including debt service charges on bonds provided for in division 7887  
(B) of section 307.674 of the Revised Code, and to pay all 7888  
obligations under any guaranty agreements, reimbursement 7889  
agreements, or other credit enhancement agreements described in 7890  
division (C) of section 307.674 of the Revised Code. 7891

(2) The resolution may also provide for the extension of 7892  
the tax at the same rate for the longer of the period of time 7893  
determined by the legislative authority of the county, but not 7894  
to exceed an additional twenty-five years, or the period of time 7895  
required to pay all debt service charges on bonds provided for 7896  
in division (B) of section 307.672 of the Revised Code and on 7897  
port authority revenue bonds provided for in division (B) of 7898  
section 307.674 of the Revised Code. 7899

(3) All revenues arising from the amendment and extension 7900  
of the tax shall be expended in accordance with section 307.674 7901  
of the Revised Code and divisions (O) and (P) of this section. 7902

(Q) (1) As used in division (Q) of this section: 7903

(a) "Convention facilities authority" has the same meaning 7904  
as in section 351.01 of the Revised Code. 7905

(b) "Convention center" has the same meaning as in section 7906  
307.695 of the Revised Code. 7907

(2) Notwithstanding any contrary provision of division (N) 7908  
of this section, the legislative authority of a county with a 7909  
population of one million or more according to the most recent 7910  
federal decennial census that has levied a tax under division 7911  
(N) of this section may, by resolution adopted by a majority of 7912

the members of the legislative authority, provide for the 7913  
extension of such levy and may provide that the proceeds of that 7914  
tax, to the extent that they are no longer needed for their 7915  
original purpose as defined by a cooperative agreement entered 7916  
into under section 307.671 of the Revised Code, shall be 7917  
deposited into the county general revenue fund. The resolution 7918  
shall provide for the extension of the tax at a rate not to 7919  
exceed the rate specified in division (N) of this section for a 7920  
period of time determined by the legislative authority of the 7921  
county, but not to exceed an additional forty years. 7922

(3) The legislative authority of a county with a 7923  
population of one million or more that has levied a tax under 7924  
division (A) of this section may, by resolution adopted by a 7925  
majority of the members of the legislative authority, increase 7926  
the rate of the tax levied by such county under division (A) of 7927  
this section to a rate not to exceed five per cent on 7928  
transactions by which lodging by a hotel or short-term rental 7929  
property is or is to be furnished to transient guests. 7930  
Notwithstanding any contrary provision of division (A) of this 7931  
section, the resolution may provide that all collections 7932  
resulting from the rate levied in excess of three per cent, 7933  
after deducting the real and actual costs of administering the 7934  
tax, shall be deposited in the county general fund. 7935

(4) The legislative authority of a county with a 7936  
population of one million or more that has levied a tax under 7937  
division (A) of this section may, by resolution adopted on or 7938  
before August 30, 2004, by a majority of the members of the 7939  
legislative authority, provide that all or a portion of the 7940  
proceeds of the tax levied under division (A) of this section, 7941  
after deducting the real and actual costs of administering the 7942  
tax and the amounts required to be returned to townships and 7943

municipal corporations with respect to the first three per cent 7944  
levied under division (A) of this section, shall be deposited in 7945  
the county general fund, provided that such proceeds shall be 7946  
used to satisfy any pledges made in connection with an agreement 7947  
entered into under section 307.695 of the Revised Code. 7948

(5) No amount collected from a tax levied, extended, or 7949  
required to be deposited in the county general fund under 7950  
division (Q) of this section shall be contributed to a 7951  
convention facilities authority, corporation, or other entity 7952  
created after July 1, 2003, for the principal purpose of 7953  
constructing, improving, expanding, equipping, financing, or 7954  
operating a convention center unless the mayor of the municipal 7955  
corporation in which the convention center is to be operated by 7956  
that convention facilities authority, corporation, or other 7957  
entity has consented to the creation of that convention 7958  
facilities authority, corporation, or entity. Notwithstanding 7959  
any contrary provision of section 351.04 of the Revised Code, if 7960  
a tax is levied by a county under division (Q) of this section, 7961  
the board of county commissioners of that county may determine 7962  
the manner of selection, the qualifications, the number, and 7963  
terms of office of the members of the board of directors of any 7964  
convention facilities authority, corporation, or other entity 7965  
described in division (Q) (5) of this section. 7966

(6) (a) No amount collected from a tax levied, extended, or 7967  
required to be deposited in the county general fund under 7968  
division (Q) of this section may be used for any purpose other 7969  
than paying the direct and indirect costs of constructing, 7970  
improving, expanding, equipping, financing, or operating a 7971  
convention center and for the real and actual costs of 7972  
administering the tax, unless, prior to the adoption of the 7973  
resolution of the legislative authority of the county 7974



authorizing the levy, extension, increase, or deposit, the 7975  
county and the mayor of the most populous municipal corporation 7976  
in that county have entered into an agreement as to the use of 7977  
such amounts, provided that such agreement has been approved by 7978  
a majority of the mayors of the other municipal corporations in 7979  
that county. The agreement shall provide that the amounts to be 7980  
used for purposes other than paying the convention center or 7981  
administrative costs described in division (Q) (6) (a) of this 7982  
section be used only for the direct and indirect costs of 7983  
capital improvements, including the financing of capital 7984  
improvements, except that the agreement may subsequently be 7985  
amended by the parties that have entered into that agreement to 7986  
authorize such amounts to instead be used for any costs related 7987  
to the promotion or support of tourism or tourism-related 7988  
programs. 7989

(b) If the county in which the tax is levied has an 7990  
association of mayors and city managers, the approval of that 7991  
association of an agreement described in division (Q) (6) (a) of 7992  
this section shall be considered to be the approval of the 7993  
majority of the mayors of the other municipal corporations for 7994  
purposes of that division. 7995

(7) Each year, the auditor of state shall conduct an audit 7996  
of the uses of any amounts collected from taxes levied, 7997  
extended, or deposited under division (Q) of this section and 7998  
shall prepare a report of the auditor of state's findings. The 7999  
auditor of state shall submit the report to the legislative 8000  
authority of the county that has levied, extended, or deposited 8001  
the tax, the speaker of the house of representatives, the 8002  
president of the senate, and the leaders of the minority parties 8003  
of the house of representatives and the senate. 8004

(R) (1) As used in division (R) of this section: 8005

(a) "Convention facilities authority" has the same meaning 8006  
as in section 351.01 of the Revised Code. 8007

(b) "Convention center" has the same meaning as in section 8008  
307.695 of the Revised Code. 8009

(2) Notwithstanding any contrary provision of division (N) 8010  
of this section, the legislative authority of a county with a 8011  
population of one million two hundred thousand or more according 8012  
to the most recent federal decennial census or the most recent 8013  
annual population estimate published or released by the United 8014  
States census bureau at the time the resolution is adopted 8015  
placing the levy on the ballot, that has levied a tax under 8016  
division (N) of this section may, by resolution adopted by a 8017  
majority of the members of the legislative authority, provide 8018  
for the extension of such levy and may provide that the proceeds 8019  
of that tax, to the extent that the proceeds are no longer 8020  
needed for their original purpose as defined by a cooperative 8021  
agreement entered into under section 307.671 of the Revised Code 8022  
and after deducting the real and actual costs of administering 8023  
the tax, shall be used for paying the direct and indirect costs 8024  
of constructing, improving, expanding, equipping, financing, or 8025  
operating a convention center. The resolution shall provide for 8026  
the extension of the tax at a rate not to exceed the rate 8027  
specified in division (N) of this section for a period of time 8028  
determined by the legislative authority of the county, but not 8029  
to exceed an additional forty years. 8030

(3) The legislative authority of a county with a 8031  
population of one million two hundred thousand or more that has 8032  
levied a tax under division (A) of this section may, by 8033  
resolution adopted by a majority of the members of the 8034

legislative authority, increase the rate of the tax levied by 8035  
such county under division (A) of this section to a rate not to 8036  
exceed five per cent on transactions by which lodging by a hotel 8037  
or short-term rental property is or is to be furnished to 8038  
transient guests. Notwithstanding any contrary provision of 8039  
division (A) of this section, the resolution shall provide that 8040  
all collections resulting from the rate levied in excess of 8041  
three per cent, after deducting the real and actual costs of 8042  
administering the tax, shall be used for paying the direct and 8043  
indirect costs of constructing, improving, expanding, equipping, 8044  
financing, or operating a convention center. 8045

(4) The legislative authority of a county with a 8046  
population of one million two hundred thousand or more that has 8047  
levied a tax under division (A) of this section may, by 8048  
resolution adopted on or before July 1, 2008, by a majority of 8049  
the members of the legislative authority, provide that all or a 8050  
portion of the proceeds of the tax levied under division (A) of 8051  
this section, after deducting the real and actual costs of 8052  
administering the tax and the amounts required to be returned to 8053  
townships and municipal corporations with respect to the first 8054  
three per cent levied under division (A) of this section, shall 8055  
be used to satisfy any pledges made in connection with an 8056  
agreement entered into under section 307.695 of the Revised Code 8057  
or shall otherwise be used for paying the direct and indirect 8058  
costs of constructing, improving, expanding, equipping, 8059  
financing, or operating a convention center. 8060

(5) Any amount collected from a tax levied or extended 8061  
under division (R) of this section may be contributed to a 8062  
convention facilities authority created before July 1, 2005, but 8063  
no amount collected from a tax levied or extended under division 8064  
(R) of this section may be contributed to a convention 8065

facilities authority, corporation, or other entity created after 8066  
July 1, 2005, unless the mayor of the municipal corporation in 8067  
which the convention center is to be operated by that convention 8068  
facilities authority, corporation, or other entity has consented 8069  
to the creation of that convention facilities authority, 8070  
corporation, or entity. 8071

(S) As used in division (S) of this section, "soldiers' 8072  
memorial" means a memorial constructed and funded under Chapter 8073  
345. of the Revised Code. 8074

The board of county commissioners of a county with a 8075  
population between one hundred three thousand and one hundred 8076  
seven thousand according to the most recent federal decennial 8077  
census, by resolution adopted by a majority of the members of 8078  
the board within six months after September 15, 2014, may levy a 8079  
tax not to exceed three per cent on transactions by which a 8080  
hotel or short-term rental property is or is to be furnished to 8081  
transient guests. The purpose of the tax shall be to pay the 8082  
costs of expanding, maintaining, or operating a soldiers' 8083  
memorial and the costs of administering the tax. All revenue 8084  
arising from the tax shall be credited to one or more special 8085  
funds in the county treasury and shall be spent solely for the 8086  
purposes of paying those costs. 8087

The board of county commissioners shall adopt all rules 8088  
necessary to provide for the administration of the tax subject 8089  
to the same limitations on imposing penalty or interest under 8090  
division (A) of this section. 8091

(T) As used in division (T) of this section: 8092

(1) "Eligible county" means a county in which a county 8093  
agricultural society or independent agricultural society is 8094

organized under section 1711.01 or 1711.02 of the Revised Code, 8095  
provided the agricultural society owns a facility or site in the 8096  
county at which an annual harness horse race is conducted where 8097  
one-day attendance equals at least forty thousand attendees. 8098

(2) "Permanent improvements," "debt charges," and 8099  
"financing costs" have the same meanings as in section 133.01 of 8100  
the Revised Code. 8101

(3) "Costs of permanent improvements" include all costs 8102  
allowed in section 133.15 of the Revised Code. 8103

A board of county commissioners of an eligible county, by 8104  
resolution adopted by a majority of the members of the board, 8105  
may levy an excise tax at the rate of up to three per cent on 8106  
transactions by which lodging by a hotel or short-term rental 8107  
property is or is to be furnished to transient guests for the 8108  
purpose of paying the costs of permanent improvements at sites 8109  
at which one or more agricultural societies conduct fairs or 8110  
exhibits, including paying financing costs and debt charges on 8111  
bonds, or notes in anticipation of bonds, paying the costs of 8112  
maintaining or operating such permanent improvements, and paying 8113  
the costs of administering the tax. 8114

A resolution adopted under division (T) of this section, 8115  
other than a resolution that only extends the period of time for 8116  
which the tax is levied, shall direct the board of elections to 8117  
submit the question of the proposed lodging tax to the electors 8118  
of the county at a special election held on the date specified 8119  
by the board in the resolution, provided that the election 8120  
occurs not less than ninety days after a certified copy of the 8121  
resolution is transmitted to the board of elections. A 8122  
resolution submitted to the electors under division (T) of this 8123  
section shall not go into effect unless it is approved by a 8124

majority of those voting upon it. The resolution takes effect on 8125  
the date the board of county commissioners receives notification 8126  
from the board of elections of an affirmative vote. 8127

The tax shall remain in effect for the period specified in 8128  
the resolution, not to exceed five years, and may be extended 8129  
for an additional period of years that is at least the number of 8130  
years required for payment of the debt charges on bonds or notes 8131  
in anticipation of bonds authorized under this division but not 8132  
in excess of fifteen years thereafter by a resolution adopted by 8133  
a majority of the members of the board. A resolution extending 8134  
the period of time for which the tax is in effect is not subject 8135  
to approval of the electors of the county, but is subject to 8136  
referendum under sections 305.31 to 305.99 of the Revised Code. 8137  
All revenue arising from the tax shall be credited to one or 8138  
more special funds in the county treasury and shall be spent 8139  
solely for the purposes of paying the costs of such permanent 8140  
improvements, including paying financing costs and debt charges 8141  
on bonds, or notes in anticipation of bonds, and maintaining or 8142  
operating the improvements. Revenue allocated for the use of a 8143  
county agricultural society may be credited to the county 8144  
agricultural society fund created in section 1711.16 of the 8145  
Revised Code upon appropriation by the board. If revenue is 8146  
credited to that fund, it shall be expended only as provided in 8147  
that section. 8148

The board of county commissioners shall adopt all rules 8149  
necessary to provide for the administration of the tax. The 8150  
rules may prescribe the time for payment of the tax, and may 8151  
provide for the imposition or penalty or interest, or both, for 8152  
late payments, provided that the penalty does not exceed ten per 8153  
cent of the amount of tax due, and the rate at which interest 8154  
accrues does not exceed the rate per annum prescribed in section 8155

5703.47 of the Revised Code. 8156

The board of county commissioners may issue bonds, or 8157  
notes in anticipation thereof, pursuant to Chapter 133. of the 8158  
Revised Code, for the purpose of paying the costs of permanent 8159  
improvements as authorized in this division and pledge the 8160  
revenue arising from the tax for that purpose. The board of 8161  
county commissioners may pledge or contribute the revenue 8162  
arising from the tax levied under this division to a port 8163  
authority created under Chapter 4582. of the Revised Code, and 8164  
the port authority may issue bonds, or notes in anticipation 8165  
thereof, pursuant to that chapter, for the purpose of paying the 8166  
costs of permanent improvements as authorized in this division. 8167

(U) As used in division (U) of this section, "eligible 8168  
county" means a county in which a tax is levied under division 8169  
(A) of this section at a rate of three per cent and whose 8170  
territory includes a part of Lake Erie the shoreline of which 8171  
represents at least fifty per cent of the linear length of the 8172  
county's border with other counties of this state. 8173

The board of county commissioners of an eligible county 8174  
that has entered into an agreement with a port authority in the 8175  
county under section 4582.56 of the Revised Code may levy an 8176  
additional lodging tax on transactions by which lodging by a 8177  
hotel or short-term rental property is or is to be furnished to 8178  
transient guests for the purpose of financing lakeshore 8179  
improvement projects constructed or financed by the port 8180  
authority under that section. The resolution levying the tax 8181  
shall specify the purpose of the tax, the rate of the tax, which 8182  
shall not exceed two per cent, and the number of years the tax 8183  
will be levied or that it will be levied for a continuing period 8184  
of time. The tax shall be administered pursuant to the 8185

regulations adopted by the board under division (A) of this 8186  
section, except that all the proceeds of the tax levied under 8187  
this division shall be pledged to the payment of the costs, 8188  
including debt charges, of lakeshore improvements undertaken by 8189  
a port authority pursuant to the agreement under section 4582.56 8190  
of the Revised Code. No revenue from the tax may be used to pay 8191  
the current expenses of the port authority. 8192

A resolution levying a tax under division (U) of this 8193  
section is subject to referendum under sections 305.31 to 305.41 8194  
and 305.99 of the Revised Code. 8195

(V) (1) As used in division (V) of this section: 8196

(a) "Tourism development district" means a district 8197  
designated by a municipal corporation under section 715.014 of 8198  
the Revised Code or by a township under section 503.56 of the 8199  
Revised Code. 8200

(b) "Lodging tax" means a tax levied pursuant to this 8201  
section or section 5739.08 of the Revised Code. 8202

(c) "Tourism development district lodging tax proceeds" 8203  
means all proceeds of a lodging tax derived from transactions by 8204  
which lodging by a hotel or short-term rental property located 8205  
in a tourism development district is or is to be provided to 8206  
transient guests. 8207

(d) "Eligible county" has the same meaning as in section 8208  
307.678 of the Revised Code. 8209

(2) (a) Notwithstanding division (A) of this section, the 8210  
board of county commissioners, board of township trustees, or 8211  
legislative authority of any county, township, or municipal 8212  
corporation that levies a lodging tax on September 29, 2017, and 8213  
in which any part of a tourism development district is located 8214



on or after that date shall amend the ordinance or resolution 8215  
levying the tax to require either of the following: 8216

(i) In the case of a tax levied by a county, that all 8217  
tourism development district lodging tax proceeds from that tax 8218  
be used exclusively to foster and develop tourism in the tourism 8219  
development district; 8220

(ii) In the case of a tax levied by a township or 8221  
municipal corporation, that all tourism development district 8222  
lodging tax proceeds from that tax be used exclusively to foster 8223  
and develop tourism in the tourism development district. 8224

(b) Notwithstanding division (A) of this section, any 8225  
ordinance or resolution levying a lodging tax adopted on or 8226  
after September 29, 2017, by a county, township, or municipal 8227  
corporation in which any part of a tourism development district 8228  
is located on or after that date shall require that all tourism 8229  
development district lodging tax proceeds from that tax be used 8230  
exclusively to foster and develop tourism in the tourism 8231  
development district. 8232

(c) A county shall not use any of the proceeds described 8233  
in division (V) (2) (a) (i) or (V) (2) (b) of this section unless the 8234  
convention and visitors' bureau operating within the county 8235  
approves the manner in which such proceeds are used to foster 8236  
and develop tourism in the tourism development district. Upon 8237  
obtaining such approval, the county may pay such proceeds to the 8238  
bureau to use for the agreed-upon purpose. 8239

A municipal corporation or township shall not use any of 8240  
the proceeds described in division (V) (2) (a) (ii) or (V) (2) (b) of 8241  
this section unless the convention and visitors' bureau 8242  
operating within the municipal corporation or township approves 8243

the manner in which such proceeds are used to foster and develop 8244  
tourism in the tourism development district. Upon obtaining such 8245  
approval, the municipal corporation or township may pay such 8246  
proceeds to the bureau to use for the agreed-upon purpose. 8247

(3) (a) Notwithstanding division (A) of this section, the 8248  
board of county commissioners of an eligible county that levies 8249  
a lodging tax on March 23, 2018, may amend the resolution 8250  
levying that tax to require that all or a portion of the 8251  
proceeds of that tax otherwise required to be spent solely to 8252  
make contributions to the convention and visitors' bureau 8253  
operating within the county shall be used to foster and develop 8254  
tourism in a tourism development district. 8255

(b) Notwithstanding division (A) of this section, the 8256  
board of county commissioners of an eligible county that adopts 8257  
a resolution levying a lodging tax on or after March 23, 2018, 8258  
may require that all or a portion of the proceeds of that tax 8259  
otherwise required to be spent solely to make contributions to 8260  
the convention and visitors' bureau operating within the county 8261  
pursuant to division (A) of this section shall be used to foster 8262  
and develop tourism in a tourism development district. 8263

(c) A county shall not use any of the proceeds in the 8264  
manner described in division (V) (3) (a) or (b) of this section 8265  
unless the convention and visitors' bureau operating within the 8266  
county approves the manner in which such proceeds are used to 8267  
foster and develop tourism in the tourism development district. 8268  
Upon obtaining such approval, the county may pay such proceeds 8269  
to the bureau to use for the agreed upon purpose. 8270

(W) (1) As used in division (W) of this section: 8271

(a) "Eligible county" means a county with a population 8272

greater than three hundred thousand and less than three hundred 8273  
fifty thousand that levies a tax under division (A) of this 8274  
section at a rate of three per cent; 8275

(b) "Cost" and "facility" have the same meanings as in 8276  
section 351.01 of the Revised Code. 8277

(2) A board of county commissioners of an eligible county, 8278  
by resolution adopted by a majority of the members of the board, 8279  
may levy an excise tax at the rate of up to three per cent on 8280  
transactions by which lodging by a hotel or short-term rental 8281  
property is or is to be furnished to transient guests. All of 8282  
the revenue from the tax shall be used to pay the costs of 8283  
administering the tax or pledged and contributed to a convention 8284  
facilities authority established by the board of county 8285  
commissioners under Chapter 351. of the Revised Code and used by 8286  
the authority to pay the cost of constructing a facility in the 8287  
county, including paying bonds, or notes issued in anticipation 8288  
of bonds, as provided by that chapter, or paying the expenses of 8289  
maintaining, operating, or promoting such a facility. No portion 8290  
of the revenue arising from the tax need be returned to 8291  
municipal corporations or townships as required for taxes levied 8292  
under division (A) of this section. 8293

(3) A resolution adopted under division (W) of this 8294  
section shall direct the board of elections to submit the 8295  
question of the proposed lodging tax to the electors of the 8296  
county at a special election held on the date specified by the 8297  
board in the resolution, provided that the election occurs not 8298  
less than ninety days after a certified copy of the resolution 8299  
is transmitted to the board of elections. A resolution submitted 8300  
to the electors under division (W) of this section shall not go 8301  
into effect unless it is approved by a majority of those voting 8302

upon it. The resolution takes effect on the date the board of 8303  
county commissioners receives notification from the board of 8304  
elections of an affirmative vote. 8305

(4) Once the tax is approved by the electors of the county 8306  
pursuant to division (W) (3) of this section, it shall not be 8307  
subject to diminution by initiative or referendum or by law 8308  
while any bonds, or notes in anticipation of bonds, issued by 8309  
the authority under Chapter 351. of the Revised Code to which 8310  
the revenue is pledged, remain outstanding in accordance with 8311  
their terms, unless provision is made by law or by the board of 8312  
county commissioners for an adequate substitute therefore that 8313  
is satisfactory to the trustee if a trust agreement secures the 8314  
bonds. 8315

(5) The tax authorized by division (W) of this section 8316  
shall be in addition to any other tax that is levied pursuant to 8317  
this section. 8318

(X) (1) As used in division (X) of this section: 8319

(a) "Convention facilities authority," "cost," and 8320  
"facility" have the same meanings as in section 351.01 of the 8321  
Revised Code, except that "facility" does not include a "sports 8322  
facility," as that term is defined in that section, other than a 8323  
facility intended to house a major league soccer team. 8324

(b) "Eligible county" means a county with a population 8325  
greater than eight hundred thousand but less than one million 8326  
that levies a tax under division (A) of this section. 8327

(c) "Port authority" means a port authority created under 8328  
Chapter 4582. of the Revised Code. 8329

(2) A board of county commissioners or the legislative 8330  
authority of an eligible county may, by resolution adopted by a 8331

majority of the members of the board or legislative authority, 8332  
levy an excise tax at a rate not to exceed one per cent on 8333  
transactions by which lodging by a hotel or short-term rental 8334  
property is or is to be furnished to transient guests. All 8335  
revenue arising from the tax shall be used to pay the costs of 8336  
administering the tax or pledged and contributed to the 8337  
convention and visitors' bureau operating within the applicable 8338  
eligible county, a convention facilities authority within the 8339  
applicable eligible county, or a port authority and used by the 8340  
convention and visitors' bureau, the convention facilities 8341  
authority, or the port authority to pay the cost of acquiring, 8342  
constructing, renovating, expanding, maintaining, or operating 8343  
one or more facilities in the county, including paying bonds, or 8344  
notes issued in anticipation of bonds, or paying the expenses of 8345  
maintaining, operating, or promoting one or more facilities. No 8346  
portion of the revenue arising from the tax need be returned to 8347  
municipal corporations or townships as required for taxes levied 8348  
under division (A) of this section. 8349

(3) The tax authorized by division (X) of this section 8350  
shall be in addition to any other tax that is levied pursuant to 8351  
this section. 8352

(4) Any board of county commissioners of an eligible 8353  
county that, pursuant to division (D) (2) of this section, has 8354  
amended a resolution levying the tax authorized by division (A) 8355  
of this section may further amend the resolution to provide that 8356  
all or a portion of the revenue referred to in division (D) (2) 8357  
(b) of this section and division (A) of this section may be 8358  
pledged and contributed to pay the costs of acquiring, 8359  
constructing, renovating, expanding, maintaining, or operating 8360  
one or more facilities in the county, including paying bonds, or 8361  
notes issued in anticipation of bonds, or paying the expenses of 8362

maintaining, operating, or promoting one or more facilities. 8363

**Sec. 5739.091.** (A) ~~For the purposes of a tax levied by a~~ 8364  
~~county, township, or municipal corporation under section 5739.08~~ 8365  
~~or 5739.09 of the Revised Code, a~~ As used in this section: 8366

(1) "Legislative authority" means a board of county 8367  
~~commissioners, board of township trustees, or the legislative~~ 8368  
~~authority of a municipal corporation may adopt a resolution or~~ 8369  
~~ordinance at any time specifying that "hotel," as otherwise~~ 8370  
~~defined in section 5739.01 of the Revised Code, includes the~~ 8371  
~~following:~~ 8372

~~(1) Establishments in which fewer than five rooms are used~~ 8373  
~~for the accommodation of guests;~~ 8374

~~(2) Establishments at which rooms are used for the~~ 8375  
~~accommodation of guests regardless of whether each room is~~ 8376  
~~accessible through its own keyed entry or several rooms are~~ 8377  
~~accessible through the same keyed entry; and, in determining the~~ 8378  
~~number of rooms, all rooms are included regardless of the number~~ 8379  
~~of structures in which the rooms are situated or the number of~~ 8380  
~~parcels of land on which the structures are located if the~~ 8381  
~~structures are under the same ownership and the structures are~~ 8382  
~~not identified in advertisements of the accommodations as~~ 8383  
~~distinct establishments. For the purposes of division (A)(2) of~~ 8384  
~~this section, two or more structures are under the same~~ 8385  
~~ownership if they are owned by the same person, or if they are~~ 8386  
~~owned by two or more persons the majority of the ownership~~ 8387  
~~interests of which are owned by the same person.~~ 8388

~~(B) The resolution or ordinance may apply to a tax imposed~~ 8389  
~~pursuant to section 5739.08 or 5739.09 of the Revised Code prior~~ 8390  
~~to the adoption of the resolution or ordinance if the resolution~~ 8391

~~or ordinance so states, but the tax shall not apply to~~ 8392  
~~transactions by which lodging by such an establishment is~~ 8393  
~~provided to transient guests prior to the adoption of the~~ 8394  
~~resolution or ordinance.~~, the board of directors of a convention 8395  
facilities authority, or the board of directors of a lake 8396  
facilities authority. 8397

(2) "Existing lodging tax" means a tax levied under 8398  
section 351.021, 353.06, 5739.08, or 5739.09 of the Revised Code 8399  
and in effect on the day before the first day of the first month 8400  
beginning thirty days after the effective date of this 8401  
amendment. 8402

(3) "Elector-approved lodging tax" means an existing 8403  
lodging tax levied under section 353.06 or division (T) or (W) 8404  
of section 5739.09 of the Revised Code. 8405

(B) Except as provided in division (D) of this section, a 8406  
legislative authority shall not levy an existing lodging tax on 8407  
or after the first day of the first month beginning thirty or 8408  
more days after the effective date of this amendment unless the 8409  
legislative authority amends the resolution or ordinance levying 8410  
the tax to comply with the enactment of division (C) of this 8411  
section and the amendment of sections 351.01, 351.021, 353.06, 8412  
5739.08, and 5739.09 of the Revised Code by this act. That 8413  
amendment to such a resolution or ordinance is not subject to a 8414  
referendum, as prescribed by sections 305.31 to 305.41 of the 8415  
Revised Code. 8416

(C) A legislative authority shall require the operator of 8417  
a short-term rental platform to collect and remit the tax levied 8418  
under section 351.021, 353.06, 5739.08, or 5739.09 of the 8419  
Revised Code on all transactions by which lodging by a hotel or 8420  
short-term rental property is or is to be furnished to transient 8421

guests through use of the platform. 8422

(D) A legislative authority that levies an elector- 8423  
approved lodging tax shall, after the effective date of this 8424  
amendment, continue to levy that tax for the remainder of the 8425  
period of time for which it was last approved. The legislative 8426  
authority shall not, on or after the first day of the first 8427  
month beginning thirty or more days after the effective date of 8428  
this amendment, adopt a resolution to renew or extend that 8429  
period of time or otherwise modify the tax unless that 8430  
resolution complies with the enactment of division (C) of this 8431  
section and the amendment of sections 351.01, 351.021, 353.06, 8432  
5739.08, and 5739.09 of the Revised Code by this act. 8433

**Sec. 5741.01.** As used in this chapter: 8434

(A) "Person" includes individuals, receivers, assignees, 8435  
trustees in bankruptcy, estates, firms, partnerships, 8436  
associations, joint-stock companies, joint ventures, clubs, 8437  
societies, corporations, business trusts, governments, and 8438  
combinations of individuals of any form. 8439

(B) "Storage" means and includes any keeping or retention 8440  
in this state for use or other consumption in this state. 8441

(C) "Use" means and includes the exercise of any right or 8442  
power incidental to the ownership of the thing used. A thing is 8443  
also "used" in this state if its consumer gives or otherwise 8444  
distributes it, without charge, to recipients in this state. 8445

(D) "Purchase" means acquired or received for a 8446  
consideration, whether such acquisition or receipt was effected 8447  
by a transfer of title, or of possession, or of both, or a 8448  
license to use or consume; whether such transfer was absolute or 8449  
conditional, and by whatever means the transfer was effected; 8450



and whether the consideration was money, credit, barter, or 8451  
exchange. Purchase includes production, even though the article 8452  
produced was used, stored, or consumed by the producer. The 8453  
transfer of copyrighted motion picture films for exhibition 8454  
purposes is not a purchase, except such films as are used solely 8455  
for advertising purposes. 8456

(E) "Seller" means the person from whom a purchase is 8457  
made, and includes every person engaged in this state or 8458  
elsewhere in the business of selling tangible personal property 8459  
or providing a service for storage, use, or other consumption or 8460  
benefit in this state; and when, in the opinion of the tax 8461  
commissioner, it is necessary for the efficient administration 8462  
of this chapter, to regard any salesperson, representative, 8463  
peddler, or canvasser as the agent of a dealer, distributor, 8464  
supervisor, or employer under whom the person operates, or from 8465  
whom the person obtains tangible personal property, sold by the 8466  
person for storage, use, or other consumption in this state, 8467  
irrespective of whether or not the person is making such sales 8468  
on the person's own behalf, or on behalf of such dealer, 8469  
distributor, supervisor, or employer, the commissioner may 8470  
regard the person as such agent, and may regard such dealer, 8471  
distributor, supervisor, or employer as the seller. A 8472  
marketplace facilitator shall be treated as the "seller" with 8473  
respect to all sales facilitated by the marketplace facilitator 8474  
on behalf of one or more marketplace sellers on and after the 8475  
first day of the first month that begins at least thirty days 8476  
after the marketplace facilitator first has substantial nexus 8477  
with this state. Otherwise, "seller" does not include any person 8478  
to the extent the person provides a communications medium, such 8479  
as, but not limited to, newspapers, magazines, radio, 8480  
television, or cable television, by means of which sellers 8481

solicit purchases of their goods or services. 8482

(F) "Consumer" means any person who has purchased tangible 8483  
personal property or has been provided a service for storage, 8484  
use, or other consumption or benefit in this state. "Consumer" 8485  
does not include a person who receives, without charge, tangible 8486  
personal property or a service. 8487

A person who performs a facility management or similar 8488  
service contract for a contractee is a consumer of all tangible 8489  
personal property and services purchased for use in connection 8490  
with the performance of such contract, regardless of whether 8491  
title to any such property vests in the contractee. The purchase 8492  
of such property and services is not subject to the exception 8493  
for resale under division (E) of section 5739.01 of the Revised 8494  
Code. 8495

(G) (1) "Price," except as provided in divisions (G) (2) to 8496  
(6) of this section, has the same meaning as in division (H) (1) 8497  
of section 5739.01 of the Revised Code. 8498

(2) In the case of watercraft, outboard motors, or new 8499  
motor vehicles, "price" has the same meaning as in divisions (H) 8500  
(2) and (3) of section 5739.01 of the Revised Code. 8501

(3) In the case of a nonresident business consumer that 8502  
purchases and uses tangible personal property outside this state 8503  
and subsequently temporarily stores, uses, or otherwise consumes 8504  
such tangible personal property in the conduct of business in 8505  
this state, the consumer or the tax commissioner may determine 8506  
the price based on the value of the temporary storage, use, or 8507  
other consumption, in lieu of determining the price pursuant to 8508  
division (G) (1) of this section. A price determination made by 8509  
the consumer is subject to review and redetermination by the 8510

commissioner. 8511

(4) In the case of tangible personal property held in this 8512  
state as inventory for sale or lease, and that is temporarily 8513  
stored, used, or otherwise consumed in a taxable manner, the 8514  
price is the value of the temporary use. A price determination 8515  
made by the consumer is subject to review and redetermination by 8516  
the commissioner. 8517

(5) In the case of tangible personal property originally 8518  
purchased and used by the consumer outside this state, and that 8519  
becomes permanently stored, used, or otherwise consumed in this 8520  
state more than six months after its acquisition by the 8521  
consumer, the consumer or the commissioner may determine the 8522  
price based on the current value of such tangible personal 8523  
property, in lieu of determining the price pursuant to division 8524  
(G) (1) of this section. A price determination made by the 8525  
consumer is subject to review and redetermination by the 8526  
commissioner. 8527

(6) If a consumer produces tangible personal property for 8528  
sale and removes that property from inventory for the consumer's 8529  
own use, the price is the produced cost of that tangible 8530  
personal property. 8531

(H) "Nexus with this state" means that the seller engages 8532  
in continuous and widespread solicitation of purchases from 8533  
residents of this state or otherwise purposefully directs its 8534  
business activities at residents of this state. 8535

(I) (1) "Substantial nexus with this state" means that the 8536  
seller has sufficient contact with this state, in accordance 8537  
with Section 8 of Article I of the Constitution of the United 8538  
States, to allow the state to require the seller to collect and 8539

remit use tax on sales of tangible personal property or services 8540  
made to consumers in this state. 8541

(2) "Substantial nexus with this state" is presumed to 8542  
exist when the seller does any of the following: 8543

(a) Uses an office, distribution facility, warehouse, 8544  
storage facility, or similar place of business within this 8545  
state, whether operated by the seller or any other person, other 8546  
than a common carrier acting in its capacity as a common 8547  
carrier. 8548

(b) Regularly uses employees, agents, representatives, 8549  
solicitors, installers, repairers, salespersons, or other 8550  
persons in this state for the purpose of conducting the business 8551  
of the seller or either to engage in a business with the same or 8552  
a similar industry classification as the seller selling a 8553  
similar product or line of products as the seller, or to use 8554  
trademarks, service marks, or trade names in this state that are 8555  
the same or substantially similar to those used by the seller. 8556

(c) Uses any person, other than a common carrier acting in 8557  
its capacity as a common carrier, in this state for any of the 8558  
following purposes: 8559

(i) Receiving or processing orders of the seller's goods 8560  
or services; 8561

(ii) Using that person's employees or facilities in this 8562  
state to advertise, promote, or facilitate sales by the seller 8563  
to customers; 8564

(iii) Delivering, installing, assembling, or performing 8565  
maintenance services for the seller's customers; 8566

(iv) Facilitating the seller's delivery of tangible 8567

personal property to customers in this state by allowing the 8568  
seller's customers to pick up property sold by the seller at an 8569  
office, distribution facility, warehouse, storage facility, or 8570  
similar place of business. 8571

(d) Makes regular deliveries of tangible personal property 8572  
into this state by means other than common carrier. 8573

(e) Has an affiliated person that has substantial nexus 8574  
with this state. 8575

(f) Owns tangible personal property that is rented or 8576  
leased to a consumer in this state, or offers tangible personal 8577  
property, on approval, to consumers in this state. 8578

(g) Has gross receipts in excess of one hundred thousand 8579  
dollars in the current or preceding calendar year from the sale 8580  
of tangible personal property for storage, use, or consumption 8581  
in this state or from providing services the benefit of which is 8582  
realized in this state. 8583

(h) Engages, in the current or preceding calendar year, in 8584  
two hundred or more separate transactions selling tangible 8585  
personal property for storage, use, or consumption in this state 8586  
or providing services the benefit of which is realized in this 8587  
state. 8588

(i) Is the operator of a short-term rental platform that 8589  
furnishes lodging in short-term rental properties located in 8590  
this state to transient guests. 8591

(3) A seller presumed to have substantial nexus with this 8592  
state under divisions (I) (2) (a) to (f), (g), and (h) of this 8593  
section may rebut that presumption by demonstrating that 8594  
activities described in any of those divisions that are 8595  
conducted by a person in this state on the seller's behalf are 8596

not significantly associated with the seller's ability to 8597  
establish or maintain a market in this state for the seller's 8598  
sales. 8599

(4) A marketplace facilitator is presumed to have 8600  
substantial nexus with this state if either of the following 8601  
apply in the current or preceding calendar year: 8602

(a) The aggregate gross receipts derived from sales of 8603  
tangible personal property for storage, use, or consumption in 8604  
this state or services the benefit of which is realized in this 8605  
state, including sales made by the marketplace facilitator on 8606  
its own behalf and sales facilitated by the marketplace 8607  
facilitator on behalf of one or more marketplace sellers, exceed 8608  
one hundred thousand dollars; 8609

(b) The marketplace facilitator engages in on its own 8610  
behalf, or facilitates on behalf of one or more marketplace 8611  
sellers, two hundred or more separate transactions selling 8612  
tangible personal property for storage, use, or consumption in 8613  
this state or services the benefit of which is realized in this 8614  
state. 8615

(5) A seller that does not have substantial nexus with 8616  
this state, and any affiliated person of the seller, before 8617  
selling or leasing tangible personal property or services to a 8618  
state agency, shall register with the tax commissioner in the 8619  
same manner as a seller described in division (A)(1) of section 8620  
5741.17 of the Revised Code. 8621

(6) As used in division (I) of this section: 8622

(a) "Affiliated person" means any person that is a member 8623  
of the same controlled group of corporations as the seller or 8624  
any other person that, notwithstanding the form of organization, 8625

bears the same ownership relationship to the seller as a 8626  
corporation that is a member of the same controlled group of 8627  
corporations. 8628

(b) "Controlled group of corporations" has the same 8629  
meaning as in section 1563(a) of the Internal Revenue Code. 8630

(c) "State agency" has the same meaning as in section 1.60 8631  
of the Revised Code. 8632

(J) "Fiscal officer" means, with respect to a regional 8633  
transit authority, the secretary-treasurer thereof, and with 8634  
respect to a county which is a transit authority, the fiscal 8635  
officer of the county transit board appointed pursuant to 8636  
section 306.03 of the Revised Code or, if the board of county 8637  
commissioners operates the county transit system, the county 8638  
auditor. 8639

(K) "Territory of the transit authority" means all of the 8640  
area included within the territorial boundaries of a transit 8641  
authority as they from time to time exist. Such territorial 8642  
boundaries must at all times include all the area of a single 8643  
county or all the area of the most populous county which is a 8644  
part of such transit authority. County population shall be 8645  
measured by the most recent census taken by the United States 8646  
census bureau. 8647

(L) "Transit authority" means a regional transit authority 8648  
created pursuant to section 306.31 of the Revised Code or a 8649  
county in which a county transit system is created pursuant to 8650  
section 306.01 of the Revised Code. For the purposes of this 8651  
chapter, a transit authority must extend to at least the entire 8652  
area of a single county. A transit authority which includes 8653  
territory in more than one county must include all the area of 8654

the most populous county which is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(M) "Providing a service" has the same meaning as in section 5739.01 of the Revised Code.

(N) "Other consumption" includes receiving the benefits of a service.

(O) "Lease" or "rental" has the same meaning as in section 5739.01 of the Revised Code.

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

(Q) "Marketplace facilitator" means a person that owns, operates, or controls a physical or electronic marketplace through which retail sales are facilitated on behalf of one or more marketplace sellers, or an affiliate of such a person. "Marketplace facilitator" does not include a person that provides advertising services, including tangible personal property or services listed for sale, if the advertising service platform or forum does not engage directly or indirectly through one or more affiliated persons in the activities described in division (T) (2) of this section.

(R) "Marketplace seller" means a person on behalf of which a marketplace facilitator facilitates the sale of tangible personal property for storage, use, or consumption in this state or services the benefit of which are realized in this state, regardless of whether or not the person has a substantial nexus with this state.

(S) "Electronic marketplace" includes digital distribution services, digital distribution platforms, online portals,



application stores, computer software applications, in-app 8684  
purchase mechanisms, or other digital products. 8685

(T) A sale is "facilitated" by a marketplace facilitator 8686  
on behalf of a marketplace seller if it satisfies divisions (T) 8687  
(1), (2), and (3) of this section: 8688

(1) The marketplace facilitator, directly or indirectly, 8689  
does any of the following: 8690

(a) Lists, makes available, or advertises the tangible 8691  
personal property or services that are the subject of the sale 8692  
in a physical or electronic marketplace owned, operated, or 8693  
controlled by the marketplace facilitator; 8694

(b) Transmits or otherwise communicates an offer or 8695  
acceptance of the sale between the marketplace seller and the 8696  
purchaser in a shop, store, booth, catalog, internet site, or 8697  
other similar forum; 8698

(c) Owns, rents, licenses, makes available, or operates 8699  
any electronic or physical infrastructure or any property, 8700  
process, method, copyright, trademark, or patent that connects 8701  
the marketplace seller to the purchaser for the purpose of 8702  
making sales; 8703

(d) Provides the marketplace in which the sale was made or 8704  
otherwise facilitates the sale regardless of ownership or 8705  
control of the tangible personal property or services that are 8706  
the subject of the sale; 8707

(e) Provides software development or research and 8708  
development services directly related to a physical or 8709  
electronic marketplace that is involved in one or more of the 8710  
activities described in division (T) (1) of this section; 8711

(f) Provides fulfillment or storage services for the marketplace seller that are related to the tangible personal property or services that are the subject of the sale;

(g) Sets the price of the sale on behalf of the marketplace seller;

(h) Provides or offers customer service to the marketplace seller or the marketplace seller's customers, or accepts or assists with taking orders, returns, or exchanges of the tangible personal property or services that are the subject of the sale;

(i) Brands or otherwise identifies the sale as a sale of the marketplace facilitator.

(2) The marketplace facilitator, directly or indirectly, does any of the following:

(a) Collects the price of the tangible personal property or services sold to the consumer;

(b) Provides payment processing services for the sale;

(c) Collects payment in connection with the sale from the consumer through terms and conditions, agreements, or arrangements with a third party, and transmits that payment to the marketplace seller, regardless of whether the person collecting and transmitting such payment receives compensation or other consideration in exchange for the service;

(d) Provides virtual currency that consumers are allowed or required to use to purchase the tangible personal property or services that are the subject of the sale.

(3) The subject of the sale is tangible personal property or services other than lodging by a hotel that is or is to be

furnished to transient guests. 8740

(U) "Short-term rental platform," "short-term rental 8741  
property," and "transient guest" have the same meanings as in 8742  
section 5739.01 of the Revised Code. 8743

**Sec. 5747.01.** Except as otherwise expressly provided or 8744  
clearly appearing from the context, any term used in this 8745  
chapter that is not otherwise defined in this section has the 8746  
same meaning as when used in a comparable context in the laws of 8747  
the United States relating to federal income taxes or if not 8748  
used in a comparable context in those laws, has the same meaning 8749  
as in section 5733.40 of the Revised Code. Any reference in this 8750  
chapter to the Internal Revenue Code includes other laws of the 8751  
United States relating to federal income taxes. 8752

As used in this chapter: 8753

(A) "Adjusted gross income" or "Ohio adjusted gross 8754  
income" means federal adjusted gross income, as defined and used 8755  
in the Internal Revenue Code, adjusted as provided in this 8756  
section: 8757

(1) Add interest or dividends on obligations or securities 8758  
of any state or of any political subdivision or authority of any 8759  
state, other than this state and its subdivisions and 8760  
authorities. 8761

(2) Add interest or dividends on obligations of any 8762  
authority, commission, instrumentality, territory, or possession 8763  
of the United States to the extent that the interest or 8764  
dividends are exempt from federal income taxes but not from 8765  
state income taxes. 8766

(3) Deduct interest or dividends on obligations of the 8767  
United States and its territories and possessions or of any 8768

authority, commission, or instrumentality of the United States 8769  
to the extent that the interest or dividends are included in 8770  
federal adjusted gross income but exempt from state income taxes 8771  
under the laws of the United States. 8772

(4) Deduct disability and survivor's benefits to the 8773  
extent included in federal adjusted gross income. 8774

(5) Deduct the following, to the extent not otherwise 8775  
deducted or excluded in computing federal or Ohio adjusted gross 8776  
income: 8777

(a) Benefits under Title II of the Social Security Act and 8778  
tier 1 railroad retirement; 8779

(b) Railroad retirement benefits, other than tier 1 8780  
railroad retirement benefits, to the extent such amounts are 8781  
exempt from state taxation under federal law. 8782

(6) Deduct the amount of wages and salaries, if any, not 8783  
otherwise allowable as a deduction but that would have been 8784  
allowable as a deduction in computing federal adjusted gross 8785  
income for the taxable year, had the work opportunity tax credit 8786  
allowed and determined under sections 38, 51, and 52 of the 8787  
Internal Revenue Code not been in effect. 8788

(7) Deduct any interest or interest equivalent on public 8789  
obligations and purchase obligations to the extent that the 8790  
interest or interest equivalent is included in federal adjusted 8791  
gross income. 8792

(8) Add any loss or deduct any gain resulting from the 8793  
sale, exchange, or other disposition of public obligations to 8794  
the extent that the loss has been deducted or the gain has been 8795  
included in computing federal adjusted gross income. 8796

(9) Deduct or add amounts, as provided under section 8797  
5747.70 of the Revised Code, related to contributions made to or 8798  
tuition units purchased under a qualified tuition program 8799  
established pursuant to section 529 of the Internal Revenue 8800  
Code. 8801

(10) (a) Deduct, to the extent not otherwise allowable as a 8802  
deduction or exclusion in computing federal or Ohio adjusted 8803  
gross income for the taxable year, the amount the taxpayer paid 8804  
during the taxable year for medical care insurance and qualified 8805  
long-term care insurance for the taxpayer, the taxpayer's 8806  
spouse, and dependents. No deduction for medical care insurance 8807  
under division (A) (10) (a) of this section shall be allowed 8808  
either to any taxpayer who is eligible to participate in any 8809  
subsidized health plan maintained by any employer of the 8810  
taxpayer or of the taxpayer's spouse, or to any taxpayer who is 8811  
entitled to, or on application would be entitled to, benefits 8812  
under part A of Title XVIII of the "Social Security Act," 49 8813  
Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of 8814  
division (A) (10) (a) of this section, "subsidized health plan" 8815  
means a health plan for which the employer pays any portion of 8816  
the plan's cost. The deduction allowed under division (A) (10) (a) 8817  
of this section shall be the net of any related premium refunds, 8818  
related premium reimbursements, or related insurance premium 8819  
dividends received during the taxable year. 8820

(b) Deduct, to the extent not otherwise deducted or 8821  
excluded in computing federal or Ohio adjusted gross income 8822  
during the taxable year, the amount the taxpayer paid during the 8823  
taxable year, not compensated for by any insurance or otherwise, 8824  
for medical care of the taxpayer, the taxpayer's spouse, and 8825  
dependents, to the extent the expenses exceed seven and one-half 8826  
per cent of the taxpayer's federal adjusted gross income. 8827

(c) For purposes of division (A)(10) of this section, 8828  
"medical care" has the meaning given in section 213 of the 8829  
Internal Revenue Code, subject to the special rules, 8830  
limitations, and exclusions set forth therein, and "qualified 8831  
long-term care" has the same meaning given in section 7702B(c) 8832  
of the Internal Revenue Code. Solely for purposes of division 8833  
(A)(10)(a) of this section, "dependent" includes a person who 8834  
otherwise would be a "qualifying relative" and thus a 8835  
"dependent" under section 152 of the Internal Revenue Code but 8836  
for the fact that the person fails to meet the income and 8837  
support limitations under section 152(d)(1)(B) and (C) of the 8838  
Internal Revenue Code. 8839

(11)(a) Deduct any amount included in federal adjusted 8840  
gross income solely because the amount represents a 8841  
reimbursement or refund of expenses that in any year the 8842  
taxpayer had deducted as an itemized deduction pursuant to 8843  
section 63 of the Internal Revenue Code and applicable United 8844  
States department of the treasury regulations. The deduction 8845  
otherwise allowed under division (A)(11)(a) of this section 8846  
shall be reduced to the extent the reimbursement is attributable 8847  
to an amount the taxpayer deducted under this section in any 8848  
taxable year. 8849

(b) Add any amount not otherwise included in Ohio adjusted 8850  
gross income for any taxable year to the extent that the amount 8851  
is attributable to the recovery during the taxable year of any 8852  
amount deducted or excluded in computing federal or Ohio 8853  
adjusted gross income in any taxable year. 8854

(12) Deduct any portion of the deduction described in 8855  
section 1341(a)(2) of the Internal Revenue Code, for repaying 8856  
previously reported income received under a claim of right, that 8857

meets both of the following requirements: 8858

(a) It is allowable for repayment of an item that was 8859  
included in the taxpayer's adjusted gross income for a prior 8860  
taxable year and did not qualify for a credit under division (A) 8861  
or (B) of section 5747.05 of the Revised Code for that year; 8862

(b) It does not otherwise reduce the taxpayer's adjusted 8863  
gross income for the current or any other taxable year. 8864

(13) Deduct an amount equal to the deposits made to, and 8865  
net investment earnings of, a medical savings account during the 8866  
taxable year, in accordance with section 3924.66 of the Revised 8867  
Code. The deduction allowed by division (A) (13) of this section 8868  
does not apply to medical savings account deposits and earnings 8869  
otherwise deducted or excluded for the current or any other 8870  
taxable year from the taxpayer's federal adjusted gross income. 8871

(14) (a) Add an amount equal to the funds withdrawn from a 8872  
medical savings account during the taxable year, and the net 8873  
investment earnings on those funds, when the funds withdrawn 8874  
were used for any purpose other than to reimburse an account 8875  
holder for, or to pay, eligible medical expenses, in accordance 8876  
with section 3924.66 of the Revised Code; 8877

(b) Add the amounts distributed from a medical savings 8878  
account under division (A) (2) of section 3924.68 of the Revised 8879  
Code during the taxable year. 8880

(15) Add any amount claimed as a credit under section 8881  
5747.059 of the Revised Code to the extent that such amount 8882  
satisfies either of the following: 8883

(a) The amount was deducted or excluded from the 8884  
computation of the taxpayer's federal adjusted gross income as 8885  
required to be reported for the taxpayer's taxable year under 8886

the Internal Revenue Code; 8887

(b) The amount resulted in a reduction of the taxpayer's 8888  
federal adjusted gross income as required to be reported for any 8889  
of the taxpayer's taxable years under the Internal Revenue Code. 8890

(16) Deduct the amount contributed by the taxpayer to an 8891  
individual development account program established by a county 8892  
department of job and family services pursuant to sections 8893  
329.11 to 329.14 of the Revised Code for the purpose of matching 8894  
funds deposited by program participants. On request of the tax 8895  
commissioner, the taxpayer shall provide any information that, 8896  
in the tax commissioner's opinion, is necessary to establish the 8897  
amount deducted under division (A)(16) of this section. 8898

(17) (a) (i) Subject to divisions (A)(17)(a)(iii), (iv), and 8899  
(v) of this section, add five-sixths of the amount of 8900  
depreciation expense allowed by subsection (k) of section 168 of 8901  
the Internal Revenue Code, including the taxpayer's 8902  
proportionate or distributive share of the amount of 8903  
depreciation expense allowed by that subsection to a pass- 8904  
through entity in which the taxpayer has a direct or indirect 8905  
ownership interest. 8906

(ii) Subject to divisions (A)(17)(a)(iii), (iv), and (v) 8907  
of this section, add five-sixths of the amount of qualifying 8908  
section 179 depreciation expense, including the taxpayer's 8909  
proportionate or distributive share of the amount of qualifying 8910  
section 179 depreciation expense allowed to any pass-through 8911  
entity in which the taxpayer has a direct or indirect ownership 8912  
interest. 8913

(iii) Subject to division (A)(17)(a)(v) of this section, 8914  
for taxable years beginning in 2012 or thereafter, if the 8915



increase in income taxes withheld by the taxpayer is equal to or 8916  
greater than ten per cent of income taxes withheld by the 8917  
taxpayer during the taxpayer's immediately preceding taxable 8918  
year, "two-thirds" shall be substituted for "five-sixths" for 8919  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 8920

(iv) Subject to division (A) (17) (a) (v) of this section, 8921  
for taxable years beginning in 2012 or thereafter, a taxpayer is 8922  
not required to add an amount under division (A) (17) of this 8923  
section if the increase in income taxes withheld by the taxpayer 8924  
and by any pass-through entity in which the taxpayer has a 8925  
direct or indirect ownership interest is equal to or greater 8926  
than the sum of (I) the amount of qualifying section 179 8927  
depreciation expense and (II) the amount of depreciation expense 8928  
allowed to the taxpayer by subsection (k) of section 168 of the 8929  
Internal Revenue Code, and including the taxpayer's 8930  
proportionate or distributive shares of such amounts allowed to 8931  
any such pass-through entities. 8932

(v) If a taxpayer directly or indirectly incurs a net 8933  
operating loss for the taxable year for federal income tax 8934  
purposes, to the extent such loss resulted from depreciation 8935  
expense allowed by subsection (k) of section 168 of the Internal 8936  
Revenue Code and by qualifying section 179 depreciation expense, 8937  
"the entire" shall be substituted for "five-sixths of the" for 8938  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 8939

The tax commissioner, under procedures established by the 8940  
commissioner, may waive the add-backs related to a pass-through 8941  
entity if the taxpayer owns, directly or indirectly, less than 8942  
five per cent of the pass-through entity. 8943

(b) Nothing in division (A) (17) of this section shall be 8944  
construed to adjust or modify the adjusted basis of any asset. 8945

(c) To the extent the add-back required under division (A) 8946  
(17) (a) of this section is attributable to property generating 8947  
nonbusiness income or loss allocated under section 5747.20 of 8948  
the Revised Code, the add-back shall be situated to the same 8949  
location as the nonbusiness income or loss generated by the 8950  
property for the purpose of determining the credit under 8951  
division (A) of section 5747.05 of the Revised Code. Otherwise, 8952  
the add-back shall be apportioned, subject to one or more of the 8953  
four alternative methods of apportionment enumerated in section 8954  
5747.21 of the Revised Code. 8955

(d) For the purposes of division (A) (17) (a) (v) of this 8956  
section, net operating loss carryback and carryforward shall not 8957  
include the allowance of any net operating loss deduction 8958  
carryback or carryforward to the taxable year to the extent such 8959  
loss resulted from depreciation allowed by section 168(k) of the 8960  
Internal Revenue Code and by the qualifying section 179 8961  
depreciation expense amount. 8962

(e) For the purposes of divisions (A) (17) and (18) of this 8963  
section: 8964

(i) "Income taxes withheld" means the total amount 8965  
withheld and remitted under sections 5747.06 and 5747.07 of the 8966  
Revised Code by an employer during the employer's taxable year. 8967

(ii) "Increase in income taxes withheld" means the amount 8968  
by which the amount of income taxes withheld by an employer 8969  
during the employer's current taxable year exceeds the amount of 8970  
income taxes withheld by that employer during the employer's 8971  
immediately preceding taxable year. 8972

(iii) "Qualifying section 179 depreciation expense" means 8973  
the difference between (I) the amount of depreciation expense 8974

directly or indirectly allowed to a taxpayer under section 179 8975  
of the Internal Revised Code, and (II) the amount of 8976  
depreciation expense directly or indirectly allowed to the 8977  
taxpayer under section 179 of the Internal Revenue Code as that 8978  
section existed on December 31, 2002. 8979

(18) (a) If the taxpayer was required to add an amount 8980  
under division (A) (17) (a) of this section for a taxable year, 8981  
deduct one of the following: 8982

(i) One-fifth of the amount so added for each of the five 8983  
succeeding taxable years if the amount so added was five-sixths 8984  
of qualifying section 179 depreciation expense or depreciation 8985  
expense allowed by subsection (k) of section 168 of the Internal 8986  
Revenue Code; 8987

(ii) One-half of the amount so added for each of the two 8988  
succeeding taxable years if the amount so added was two-thirds 8989  
of such depreciation expense; 8990

(iii) One-sixth of the amount so added for each of the six 8991  
succeeding taxable years if the entire amount of such 8992  
depreciation expense was so added. 8993

(b) If the amount deducted under division (A) (18) (a) of 8994  
this section is attributable to an add-back allocated under 8995  
division (A) (17) (c) of this section, the amount deducted shall 8996  
be situated to the same location. Otherwise, the add-back shall 8997  
be apportioned using the apportionment factors for the taxable 8998  
year in which the deduction is taken, subject to one or more of 8999  
the four alternative methods of apportionment enumerated in 9000  
section 5747.21 of the Revised Code. 9001

(c) No deduction is available under division (A) (18) (a) of 9002  
this section with regard to any depreciation allowed by section 9003

168(k) of the Internal Revenue Code and by the qualifying 9004  
section 179 depreciation expense amount to the extent that such 9005  
depreciation results in or increases a federal net operating 9006  
loss carryback or carryforward. If no such deduction is 9007  
available for a taxable year, the taxpayer may carry forward the 9008  
amount not deducted in such taxable year to the next taxable 9009  
year and add that amount to any deduction otherwise available 9010  
under division (A) (18) (a) of this section for that next taxable 9011  
year. The carryforward of amounts not so deducted shall continue 9012  
until the entire addition required by division (A) (17) (a) of 9013  
this section has been deducted. 9014

(19) Deduct, to the extent not otherwise deducted or 9015  
excluded in computing federal or Ohio adjusted gross income for 9016  
the taxable year, the amount the taxpayer received during the 9017  
taxable year as reimbursement for life insurance premiums under 9018  
section 5919.31 of the Revised Code. 9019

(20) Deduct, to the extent not otherwise deducted or 9020  
excluded in computing federal or Ohio adjusted gross income for 9021  
the taxable year, the amount the taxpayer received during the 9022  
taxable year as a death benefit paid by the adjutant general 9023  
under section 5919.33 of the Revised Code. 9024

(21) Deduct, to the extent included in federal adjusted 9025  
gross income and not otherwise allowable as a deduction or 9026  
exclusion in computing federal or Ohio adjusted gross income for 9027  
the taxable year, military pay and allowances received by the 9028  
taxpayer during the taxable year for active duty service in the 9029  
United States army, air force, navy, marine corps, or coast 9030  
guard or reserve components thereof or the national guard. The 9031  
deduction may not be claimed for military pay and allowances 9032  
received by the taxpayer while the taxpayer is stationed in this 9033

state. 9034

(22) Deduct, to the extent not otherwise allowable as a 9035  
deduction or exclusion in computing federal or Ohio adjusted 9036  
gross income for the taxable year and not otherwise compensated 9037  
for by any other source, the amount of qualified organ donation 9038  
expenses incurred by the taxpayer during the taxable year, not 9039  
to exceed ten thousand dollars. A taxpayer may deduct qualified 9040  
organ donation expenses only once for all taxable years 9041  
beginning with taxable years beginning in 2007. 9042

For the purposes of division (A) (22) of this section: 9043

(a) "Human organ" means all or any portion of a human 9044  
liver, pancreas, kidney, intestine, or lung, and any portion of 9045  
human bone marrow. 9046

(b) "Qualified organ donation expenses" means travel 9047  
expenses, lodging expenses, and wages and salary forgone by a 9048  
taxpayer in connection with the taxpayer's donation, while 9049  
living, of one or more of the taxpayer's human organs to another 9050  
human being. 9051

(23) Deduct, to the extent not otherwise deducted or 9052  
excluded in computing federal or Ohio adjusted gross income for 9053  
the taxable year, amounts received by the taxpayer as retired 9054  
personnel pay for service in the uniformed services or reserve 9055  
components thereof, or the national guard, or received by the 9056  
surviving spouse or former spouse of such a taxpayer under the 9057  
survivor benefit plan on account of such a taxpayer's death. If 9058  
the taxpayer receives income on account of retirement paid under 9059  
the federal civil service retirement system or federal employees 9060  
retirement system, or under any successor retirement program 9061  
enacted by the congress of the United States that is established 9062

and maintained for retired employees of the United States 9063  
government, and such retirement income is based, in whole or in 9064  
part, on credit for the taxpayer's uniformed service, the 9065  
deduction allowed under this division shall include only that 9066  
portion of such retirement income that is attributable to the 9067  
taxpayer's uniformed service, to the extent that portion of such 9068  
retirement income is otherwise included in federal adjusted 9069  
gross income and is not otherwise deducted under this section. 9070  
Any amount deducted under division (A) (23) of this section is 9071  
not included in a taxpayer's adjusted gross income for the 9072  
purposes of section 5747.055 of the Revised Code. No amount may 9073  
be deducted under division (A) (23) of this section on the basis 9074  
of which a credit was claimed under section 5747.055 of the 9075  
Revised Code. 9076

(24) Deduct, to the extent not otherwise deducted or 9077  
excluded in computing federal or Ohio adjusted gross income for 9078  
the taxable year, the amount the taxpayer received during the 9079  
taxable year from the military injury relief fund created in 9080  
section 5902.05 of the Revised Code. 9081

(25) Deduct, to the extent not otherwise deducted or 9082  
excluded in computing federal or Ohio adjusted gross income for 9083  
the taxable year, the amount the taxpayer received as a veterans 9084  
bonus during the taxable year from the Ohio department of 9085  
veterans services as authorized by Section 2r of Article VIII, 9086  
Ohio Constitution. 9087

(26) Deduct, to the extent not otherwise deducted or 9088  
excluded in computing federal or Ohio adjusted gross income for 9089  
the taxable year, any income derived from a transfer agreement 9090  
or from the enterprise transferred under that agreement under 9091  
section 4313.02 of the Revised Code. 9092

(27) Deduct, to the extent not otherwise deducted or 9093  
excluded in computing federal or Ohio adjusted gross income for 9094  
the taxable year, Ohio college opportunity or federal Pell grant 9095  
amounts received by the taxpayer or the taxpayer's spouse or 9096  
dependent pursuant to section 3333.122 of the Revised Code or 20 9097  
U.S.C. 1070a, et seq., and used to pay room or board furnished 9098  
by the educational institution for which the grant was awarded 9099  
at the institution's facilities, including meal plans 9100  
administered by the institution. For the purposes of this 9101  
division, receipt of a grant includes the distribution of a 9102  
grant directly to an educational institution and the crediting 9103  
of the grant to the enrollee's account with the institution. 9104

(28) Deduct from the portion of an individual's federal 9105  
adjusted gross income that is nonpassive business income, to the 9106  
extent not otherwise deducted or excluded in computing federal 9107  
adjusted gross income for the taxable year, one hundred twenty- 9108  
five thousand dollars for each spouse if spouses file separate 9109  
returns under section 5747.08 of the Revised Code or two hundred 9110  
fifty thousand dollars for all other individuals. 9111

(29) Deduct, as provided under section 5747.78 of the 9112  
Revised Code, contributions to ABLE savings accounts made in 9113  
accordance with sections 113.50 to 113.56 of the Revised Code. 9114

(30) (a) Deduct, to the extent not otherwise deducted or 9115  
excluded in computing federal or Ohio adjusted gross income 9116  
during the taxable year, all of the following: 9117

(i) Compensation paid to a qualifying employee described 9118  
in division (A) (14) (a) of section 5703.94 of the Revised Code to 9119  
the extent such compensation is for disaster work conducted in 9120  
this state during a disaster response period pursuant to a 9121  
qualifying solicitation received by the employee's employer; 9122

(ii) Compensation paid to a qualifying employee described 9123  
in division (A) (14) (b) of section 5703.94 of the Revised Code to 9124  
the extent such compensation is for disaster work conducted in 9125  
this state by the employee during the disaster response period 9126  
on critical infrastructure owned or used by the employee's 9127  
employer; 9128

(iii) Income received by an out-of-state disaster business 9129  
for disaster work conducted in this state during a disaster 9130  
response period, or, if the out-of-state disaster business is a 9131  
pass-through entity, a taxpayer's distributive share of the 9132  
pass-through entity's income from the business conducting 9133  
disaster work in this state during a disaster response period, 9134  
if, in either case, the disaster work is conducted pursuant to a 9135  
qualifying solicitation received by the business. 9136

(b) All terms used in division (A) (30) of this section 9137  
have the same meanings as in section 5703.94 of the Revised 9138  
Code. 9139

(31) For a taxpayer who is a qualifying Ohio educator, 9140  
deduct, to the extent not otherwise deducted or excluded in 9141  
computing federal or Ohio adjusted gross income for the taxable 9142  
year, the lesser of two hundred fifty dollars or the amount of 9143  
expenses described in subsections (a) (2) (D) (i) and (ii) of 9144  
section 62 of the Internal Revenue Code paid or incurred by the 9145  
taxpayer during the taxpayer's taxable year in excess of the 9146  
amount the taxpayer is authorized to deduct for that taxable 9147  
year under subsection (a) (2) (D) of that section. 9148

(32) Deduct, to the extent not otherwise deducted or 9149  
excluded in computing federal or Ohio adjusted gross income for 9150  
the taxable year, amounts received by the taxpayer as a 9151  
disability severance payment, computed under 10 U.S.C. 1212, 9152



following discharge or release under honorable conditions from 9153  
the armed forces, as defined by 10 U.S.C. 101. 9154

(33) Deduct, to the extent not otherwise deducted or 9155  
excluded in computing federal adjusted gross income or Ohio 9156  
adjusted gross income, amounts not subject to tax due to an 9157  
agreement entered into under division (A) (2) of section 5747.05 9158  
of the Revised Code. 9159

(34) Deduct amounts as provided under section 5747.79 of 9160  
the Revised Code related to the taxpayer's qualifying capital 9161  
gains and deductible payroll. 9162

~~To the extent a qualifying capital gain described under 9163  
division (A) (34) of this section is business income, the 9164  
taxpayer shall deduct those gains under this division before 9165  
deducting any such gains under division (A) (28) of this section.~~ 9166

(35) (a) For taxable years beginning in or after 2026, 9167  
deduct, to the extent not otherwise deducted or excluded in 9168  
computing federal or Ohio adjusted gross income for the taxable 9169  
year: 9170

(i) One hundred per cent of the capital gain received by 9171  
the taxpayer in the taxable year from a qualifying interest in 9172  
an Ohio venture capital operating company attributable to the 9173  
company's investments in Ohio businesses during the period for 9174  
which the company was an Ohio venture operating company; and 9175

(ii) Fifty per cent of the capital gain received by the 9176  
taxpayer in the taxable year from a qualifying interest in an 9177  
Ohio venture capital operating company attributable to the 9178  
company's investments in all other businesses during the period 9179  
for which the company was an Ohio venture operating company. 9180

(b) Add amounts previously deducted by the taxpayer under 9181

division (A) (35) (a) of this section if the director of 9182  
development certifies to the tax commissioner that the 9183  
requirements for the deduction were not met. 9184

(c) All terms used in division (A) (35) of this section 9185  
have the same meanings as in section 122.851 of the Revised 9186  
Code. 9187

~~(d) To the extent a capital gain described in division (A)~~ 9188  
~~(35) (a) of this section is business income, the taxpayer shall~~ 9189  
~~apply that division before applying division (A) (28) of this~~ 9190  
~~section.~~ 9191

(36) Add, to the extent not otherwise included in 9192  
computing federal or Ohio adjusted gross income for any taxable 9193  
year, the taxpayer's proportionate share of the amount of the 9194  
tax levied under section 5747.38 of the Revised Code and paid by 9195  
an electing pass-through entity for the taxable year. 9196

Notwithstanding any provision of the Revised Code to the 9197  
contrary, the portion of the addition required by division (A) 9198  
(36) of this section related to the apportioned business income 9199  
of the pass-through entity shall be considered business income 9200  
under division (B) of this section. Such addition is eligible 9201  
for the deduction in division (A) (28) of this section, subject 9202  
to the applicable dollar limitations, and the tax rate 9203  
prescribed by division (A) (4) (a) of section 5747.02 of the 9204  
Revised Code. The taxpayer shall provide, upon request of the 9205  
tax commissioner, any documentation necessary to verify the 9206  
portion of the addition that is business income under this 9207  
division. 9208

(37) Deduct, to the extent not otherwise deducted or 9209  
excluded in computing federal or Ohio adjusted gross income for 9210

the taxable year, amounts delivered to a qualifying institution 9211  
pursuant to section 3333.128 of the Revised Code for the benefit 9212  
of the taxpayer or the taxpayer's spouse or dependent. 9213

(38) Deduct, to the extent not otherwise deducted or 9214  
excluded in computing federal or Ohio adjusted gross income for 9215  
the taxable year, amounts received under the Ohio adoption grant 9216  
program pursuant to section 5101.191 of the Revised Code. 9217

(39) Deduct, to the extent included in federal adjusted 9218  
gross income, income attributable to amounts provided to a 9219  
taxpayer for any of the purposes for which an exclusion would 9220  
have been authorized under section 139 of the Internal Revenue 9221  
Code if the train derailment near the city of East Palestine on 9222  
February 3, 2023, had been a qualified disaster pursuant to that 9223  
section, or to compensate for lost business resulting from that 9224  
derailment, if such amounts are provided by any of the 9225  
following: 9226

(a) A federal, state, or local government agency; 9227

(b) A railroad company, as that term is defined in section 9228  
5727.01 of the Revised Code; 9229

(c) Any subsidiary, insurer, or agent of a railroad 9230  
company or any related person. 9231

Notwithstanding any provision to the contrary, the 9232  
derailment is not required to meet the definition of a 9233  
"qualified disaster" pursuant to section 139 of the Internal 9234  
Revenue Code to qualify for the deduction under this section. 9235

(40) Deduct, to the extent included in federal adjusted 9236  
gross income, income attributable to loan repayments on behalf 9237  
of the taxpayer under the rural practice incentive program under 9238  
section 3333.135 of the Revised Code. 9239

(41) Add any income taxes deducted in computing federal or 9240  
Ohio adjusted gross income to the extent the income taxes were 9241  
derived from income subject to a tax levied in another state or 9242  
the District of Columbia when such tax was enacted for purposes 9243  
of complying with internal revenue service notice 2020-75. 9244

Notwithstanding any provision of the Revised Code to the 9245  
contrary, the portion of the addition required by division (A) 9246  
(41) of this section related to the apportioned business income 9247  
of the pass-through entity shall be considered business income 9248  
under division (B) of this section. Such addition is eligible 9249  
for the deduction in division (A) (28) of this section, subject 9250  
to the applicable dollar limitations, and the tax rate 9251  
prescribed by division (A) (4) (a) of section 5747.02 of the 9252  
Revised Code. The taxpayer shall provide, upon request of the 9253  
tax commissioner, any documentation necessary to verify the 9254  
portion of the addition that is business income under this 9255  
division. 9256

(42) Deduct amounts contributed to a homeownership savings 9257  
account and calculated pursuant to divisions (B) and (C) of 9258  
section 5747.85 of the Revised Code. 9259

(43) If the taxpayer is the account owner, add the amount 9260  
of funds withdrawn from a homeownership savings account not used 9261  
for eligible expenses, regardless of who deposited those funds. 9262  
As used in division (A) (43) of this section, "homeownership 9263  
savings account," "account owner," and "eligible expenses" have 9264  
the same meanings as in section 5747.85 of the Revised Code. 9265

(B) "Business income" means income, including gain or 9266  
loss, arising from transactions, activities, and sources in the 9267  
regular course of a trade or business and includes income, gain, 9268  
or loss from real property, tangible property, and intangible 9269

property if the acquisition, rental, management, and disposition 9270  
of the property constitute integral parts of the regular course 9271  
of a trade or business operation. "Business income" includes 9272  
income, including gain or loss, from a partial or complete 9273  
liquidation of a business, including, but not limited to, gain 9274  
or loss from the sale or other disposition of goodwill or the 9275  
sale of an equity or ownership interest in a business. 9276

As used in this division, the "sale of an equity or 9277  
ownership interest in a business" means sales to which either or 9278  
both of the following apply: 9279

(1) The sale is treated for federal income tax purposes as 9280  
the sale of assets. 9281

(2) The seller materially participated, as described in 26 9282  
C.F.R. 1.469-5T, in the activities of the business during the 9283  
taxable year in which the sale occurs or during any of the five 9284  
preceding taxable years. 9285

(C) "Nonbusiness income" means all income other than 9286  
business income and may include, but is not limited to, 9287  
compensation, rents and royalties from real or tangible personal 9288  
property, capital gains, interest, dividends and distributions, 9289  
patent or copyright royalties, or lottery winnings, prizes, and 9290  
awards. 9291

(D) "Compensation" means any form of remuneration paid to 9292  
an employee for personal services. 9293

(E) "Fiduciary" means a guardian, trustee, executor, 9294  
administrator, receiver, conservator, or any other person acting 9295  
in any fiduciary capacity for any individual, trust, or estate. 9296

(F) "Fiscal year" means an accounting period of twelve 9297  
months ending on the last day of any month other than December. 9298

(G) "Individual" means any natural person.	9299
(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.	9300 9301
(I) "Resident" means any of the following:	9302
(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;	9303 9304
(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I) (2) of this section.	9305 9306 9307 9308
(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.	9309 9310 9311
For the purposes of division (I) (3) of this section:	9312
(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I) (3) (d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:	9313 9314 9315 9316 9317 9318
(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I) (3) (e) (i) or (ii) of this section;	9319 9320 9321 9322
(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this	9323 9324 9325 9326

state for the purposes of this chapter during all or some 9327  
portion of the trust's current taxable year; 9328

(iii) A person who was domiciled in this state for the 9329  
purposes of this chapter when the trust document or instrument 9330  
or part of the trust document or instrument became irrevocable, 9331  
but only if at least one of the trust's qualifying beneficiaries 9332  
is a resident domiciled in this state for the purposes of this 9333  
chapter during all or some portion of the trust's current 9334  
taxable year. If a trust document or instrument became 9335  
irrevocable upon the death of a person who at the time of death 9336  
was domiciled in this state for purposes of this chapter, that 9337  
person is a person described in division (I) (3) (a) (iii) of this 9338  
section. 9339

(b) A trust is irrevocable to the extent that the 9340  
transferor is not considered to be the owner of the net assets 9341  
of the trust under sections 671 to 678 of the Internal Revenue 9342  
Code. 9343

(c) With respect to a trust other than a charitable lead 9344  
trust, "qualifying beneficiary" has the same meaning as 9345  
"potential current beneficiary" as defined in section 1361(e) (2) 9346  
of the Internal Revenue Code, and with respect to a charitable 9347  
lead trust "qualifying beneficiary" is any current, future, or 9348  
contingent beneficiary, but with respect to any trust 9349  
"qualifying beneficiary" excludes a person or a governmental 9350  
entity or instrumentality to any of which a contribution would 9351  
qualify for the charitable deduction under section 170 of the 9352  
Internal Revenue Code. 9353

(d) For the purposes of division (I) (3) (a) of this 9354  
section, the extent to which a trust consists directly or 9355  
indirectly, in whole or in part, of assets, net of any related 9356

liabilities, that were transferred directly or indirectly, in 9357  
whole or part, to the trust by any of the sources enumerated in 9358  
that division shall be ascertained by multiplying the fair 9359  
market value of the trust's assets, net of related liabilities, 9360  
by the qualifying ratio, which shall be computed as follows: 9361

(i) The first time the trust receives assets, the 9362  
numerator of the qualifying ratio is the fair market value of 9363  
those assets at that time, net of any related liabilities, from 9364  
sources enumerated in division (I) (3) (a) of this section. The 9365  
denominator of the qualifying ratio is the fair market value of 9366  
all the trust's assets at that time, net of any related 9367  
liabilities. 9368

(ii) Each subsequent time the trust receives assets, a 9369  
revised qualifying ratio shall be computed. The numerator of the 9370  
revised qualifying ratio is the sum of (1) the fair market value 9371  
of the trust's assets immediately prior to the subsequent 9372  
transfer, net of any related liabilities, multiplied by the 9373  
qualifying ratio last computed without regard to the subsequent 9374  
transfer, and (2) the fair market value of the subsequently 9375  
transferred assets at the time transferred, net of any related 9376  
liabilities, from sources enumerated in division (I) (3) (a) of 9377  
this section. The denominator of the revised qualifying ratio is 9378  
the fair market value of all the trust's assets immediately 9379  
after the subsequent transfer, net of any related liabilities. 9380

(iii) Whether a transfer to the trust is by or from any of 9381  
the sources enumerated in division (I) (3) (a) of this section 9382  
shall be ascertained without regard to the domicile of the 9383  
trust's beneficiaries. 9384

(e) For the purposes of division (I) (3) (a) (i) of this 9385  
section: 9386



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

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

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

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

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual 9416  
relationship existing directly or indirectly between the 9417  
transferor and either the decedent or the estate of the decedent 9418  
at any time prior to the date of the decedent's death, and the 9419  
decedent was domiciled in this state at the time of death for 9420  
purposes of the taxes levied under Chapter 5731. of the Revised 9421  
Code. 9422

(iv) The transfer is made to a trust on account of a 9423  
contractual relationship existing directly or indirectly between 9424  
the transferor and another person who at the time of the 9425  
decedent's death was domiciled in this state for purposes of 9426  
this chapter. 9427

(v) The transfer is made to a trust on account of the will 9428  
of a testator who was domiciled in this state at the time of the 9429  
testator's death for purposes of the taxes levied under Chapter 9430  
5731. of the Revised Code. 9431

(vi) The transfer is made to a trust created by or caused 9432  
to be created by a court, and the trust was directly or 9433  
indirectly created in connection with or as a result of the 9434  
death of an individual who, for purposes of the taxes levied 9435  
under Chapter 5731. of the Revised Code, was domiciled in this 9436  
state at the time of the individual's death. 9437

(g) The tax commissioner may adopt rules to ascertain the 9438  
part of a trust residing in this state. 9439

(J) "Nonresident" means an individual or estate that is 9440  
not a resident. An individual who is a resident for only part of 9441  
a taxable year is a nonresident for the remainder of that 9442  
taxable year. 9443

(K) "Pass-through entity" has the same meaning as in 9444

section 5733.04 of the Revised Code. 9445

(L) "Return" means the notifications and reports required 9446  
to be filed pursuant to this chapter for the purpose of 9447  
reporting the tax due and includes declarations of estimated tax 9448  
when so required. 9449

(M) "Taxable year" means the calendar year or the 9450  
taxpayer's fiscal year ending during the calendar year, or 9451  
fractional part thereof, upon which the adjusted gross income is 9452  
calculated pursuant to this chapter. 9453

(N) "Taxpayer" means any person subject to the tax imposed 9454  
by section 5747.02 of the Revised Code or any pass-through 9455  
entity that makes the election under division (D) of section 9456  
5747.08 of the Revised Code. 9457

(O) "Dependents" means one of the following: 9458

(1) For taxable years beginning on or after January 1, 9459  
2018, and before January 1, 2026, dependents as defined in the 9460  
Internal Revenue Code; 9461

(2) For all other taxable years, dependents as defined in 9462  
the Internal Revenue Code and as claimed in the taxpayer's 9463  
federal income tax return for the taxable year or which the 9464  
taxpayer would have been permitted to claim had the taxpayer 9465  
filed a federal income tax return. 9466

(P) "Principal county of employment" means, in the case of 9467  
a nonresident, the county within the state in which a taxpayer 9468  
performs services for an employer or, if those services are 9469  
performed in more than one county, the county in which the major 9470  
portion of the services are performed. 9471

(Q) As used in sections 5747.50 to 5747.55 of the Revised 9472

Code:	9473
(1) "Subdivision" means any county, municipal corporation, park district, or township.	9474 9475
(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.	9476 9477 9478 9479
(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.	9480 9481 9482
(S) "Taxable income" or "Ohio taxable income" applies only to estates and trusts, and means federal taxable income, as defined and used in the Internal Revenue Code, adjusted as follows:	9483 9484 9485 9486
(1) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S) (1) (a) or (b) of this section:	9487 9488 9489 9490 9491 9492 9493 9494
(a) The net amount is not attributable to the S portion of an electing small business trust and has not been distributed to beneficiaries for the taxable year;	9495 9496 9497
(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year.	9498 9499
(2) Add interest or dividends, net of ordinary, necessary,	9500

and reasonable expenses not deducted in computing federal 9501  
taxable income, on obligations of any authority, commission, 9502  
instrumentality, territory, or possession of the United States 9503  
to the extent that the interest or dividends are exempt from 9504  
federal income taxes but not from state income taxes, but only 9505  
to the extent that such net amount is not otherwise includible 9506  
in Ohio taxable income and is described in either division (S) 9507  
(1) (a) or (b) of this section; 9508

(3) Add the amount of personal exemption allowed to the 9509  
estate pursuant to section 642(b) of the Internal Revenue Code; 9510

(4) Deduct interest or dividends, net of related expenses 9511  
deducted in computing federal taxable income, on obligations of 9512  
the United States and its territories and possessions or of any 9513  
authority, commission, or instrumentality of the United States 9514  
to the extent that the interest or dividends are exempt from 9515  
state taxes under the laws of the United States, but only to the 9516  
extent that such amount is included in federal taxable income 9517  
and is described in either division (S) (1) (a) or (b) of this 9518  
section; 9519

(5) Deduct the amount of wages and salaries, if any, not 9520  
otherwise allowable as a deduction but that would have been 9521  
allowable as a deduction in computing federal taxable income for 9522  
the taxable year, had the work opportunity tax credit allowed 9523  
under sections 38, 51, and 52 of the Internal Revenue Code not 9524  
been in effect, but only to the extent such amount relates 9525  
either to income included in federal taxable income for the 9526  
taxable year or to income of the S portion of an electing small 9527  
business trust for the taxable year; 9528

(6) Deduct any interest or interest equivalent, net of 9529  
related expenses deducted in computing federal taxable income, 9530

on public obligations and purchase obligations, but only to the 9531  
extent that such net amount relates either to income included in 9532  
federal taxable income for the taxable year or to income of the 9533  
S portion of an electing small business trust for the taxable 9534  
year; 9535

(7) Add any loss or deduct any gain resulting from sale, 9536  
exchange, or other disposition of public obligations to the 9537  
extent that such loss has been deducted or such gain has been 9538  
included in computing either federal taxable income or income of 9539  
the S portion of an electing small business trust for the 9540  
taxable year; 9541

(8) Except in the case of the final return of an estate, 9542  
add any amount deducted by the taxpayer on both its Ohio estate 9543  
tax return pursuant to section 5731.14 of the Revised Code, and 9544  
on its federal income tax return in determining federal taxable 9545  
income; 9546

(9) (a) Deduct any amount included in federal taxable 9547  
income solely because the amount represents a reimbursement or 9548  
refund of expenses that in a previous year the decedent had 9549  
deducted as an itemized deduction pursuant to section 63 of the 9550  
Internal Revenue Code and applicable treasury regulations. The 9551  
deduction otherwise allowed under division (S) (9) (a) of this 9552  
section shall be reduced to the extent the reimbursement is 9553  
attributable to an amount the taxpayer or decedent deducted 9554  
under this section in any taxable year. 9555

(b) Add any amount not otherwise included in Ohio taxable 9556  
income for any taxable year to the extent that the amount is 9557  
attributable to the recovery during the taxable year of any 9558  
amount deducted or excluded in computing federal or Ohio taxable 9559  
income in any taxable year, but only to the extent such amount 9560

has not been distributed to beneficiaries for the taxable year. 9561

(10) Deduct any portion of the deduction described in 9562  
section 1341(a)(2) of the Internal Revenue Code, for repaying 9563  
previously reported income received under a claim of right, that 9564  
meets both of the following requirements: 9565

(a) It is allowable for repayment of an item that was 9566  
included in the taxpayer's taxable income or the decedent's 9567  
adjusted gross income for a prior taxable year and did not 9568  
qualify for a credit under division (A) or (B) of section 9569  
5747.05 of the Revised Code for that year. 9570

(b) It does not otherwise reduce the taxpayer's taxable 9571  
income or the decedent's adjusted gross income for the current 9572  
or any other taxable year. 9573

(11) Add any amount claimed as a credit under section 9574  
5747.059 of the Revised Code to the extent that the amount 9575  
satisfies either of the following: 9576

(a) The amount was deducted or excluded from the 9577  
computation of the taxpayer's federal taxable income as required 9578  
to be reported for the taxpayer's taxable year under the 9579  
Internal Revenue Code; 9580

(b) The amount resulted in a reduction in the taxpayer's 9581  
federal taxable income as required to be reported for any of the 9582  
taxpayer's taxable years under the Internal Revenue Code. 9583

(12) Deduct any amount, net of related expenses deducted 9584  
in computing federal taxable income, that a trust is required to 9585  
report as farm income on its federal income tax return, but only 9586  
if the assets of the trust include at least ten acres of land 9587  
satisfying the definition of "land devoted exclusively to 9588  
agricultural use" under section 5713.30 of the Revised Code, 9589

regardless of whether the land is valued for tax purposes as 9590  
such land under sections 5713.30 to 5713.38 of the Revised Code. 9591  
If the trust is a pass-through entity investor, section 5747.231 9592  
of the Revised Code applies in ascertaining if the trust is 9593  
eligible to claim the deduction provided by division (S) (12) of 9594  
this section in connection with the pass-through entity's farm 9595  
income. 9596

Except for farm income attributable to the S portion of an 9597  
electing small business trust, the deduction provided by 9598  
division (S) (12) of this section is allowed only to the extent 9599  
that the trust has not distributed such farm income. 9600

(13) Add the net amount of income described in section 9601  
641(c) of the Internal Revenue Code to the extent that amount is 9602  
not included in federal taxable income. 9603

(14) Deduct the amount the taxpayer would be required to 9604  
deduct under division (A) (18) of this section if the taxpayer's 9605  
Ohio taxable income ~~were~~was computed in the same manner as an 9606  
individual's Ohio adjusted gross income is computed under this 9607  
section. 9608

(15) Add, to the extent not otherwise included in 9609  
computing taxable income or Ohio taxable income for any taxable 9610  
year, the taxpayer's proportionate share of the amount of the 9611  
tax levied under section 5747.38 of the Revised Code and paid by 9612  
an electing pass-through entity for the taxable year. 9613

(16) Add any income taxes deducted in computing federal 9614  
taxable income or Ohio taxable income to the extent the income 9615  
taxes were derived from income subject to a tax levied in 9616  
another state or the District of Columbia when such tax was 9617  
enacted for purposes of complying with internal revenue service 9618



notice 2020-75. 9619

(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code. 9620  
9621  
9622

(U) As used in divisions (A) (7), (A) (8), (S) (6), and (S) (7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code. 9623  
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9626

(V) "Limited liability company" means any limited liability company formed under former Chapter 1705. of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 1706. of the Revised Code, or the laws of any other state. 9627  
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9629  
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(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or equity investor in that pass-through entity. 9632  
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(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code. 9636  
9637

(Y) "Month" means a calendar month. 9638

(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year. 9639  
9640  
9641

(AA) (1) "Modified business income" means the business income included in a trust's Ohio taxable income after such taxable income is first reduced by the qualifying trust amount, if any. 9642  
9643  
9644  
9645

(2) "Qualifying trust amount" of a trust means capital 9646

gains and losses from the sale, exchange, or other disposition 9647  
of equity or ownership interests in, or debt obligations of, a 9648  
qualifying investee to the extent included in the trust's Ohio 9649  
taxable income, but only if the following requirements are 9650  
satisfied: 9651

(a) The book value of the qualifying investee's physical 9652  
assets in this state and everywhere, as of the last day of the 9653  
qualifying investee's fiscal or calendar year ending immediately 9654  
prior to the date on which the trust recognizes the gain or 9655  
loss, is available to the trust. 9656

(b) The requirements of section 5747.011 of the Revised 9657  
Code are satisfied for the trust's taxable year in which the 9658  
trust recognizes the gain or loss. 9659

Any gain or loss that is not a qualifying trust amount is 9660  
modified business income, qualifying investment income, or 9661  
modified nonbusiness income, as the case may be. 9662

(3) "Modified nonbusiness income" means a trust's Ohio 9663  
taxable income other than modified business income, other than 9664  
the qualifying trust amount, and other than qualifying 9665  
investment income, as defined in section 5747.012 of the Revised 9666  
Code, to the extent such qualifying investment income is not 9667  
otherwise part of modified business income. 9668

(4) "Modified Ohio taxable income" applies only to trusts, 9669  
and means the sum of the amounts described in divisions (AA) (4) 9670  
(a) to (c) of this section: 9671

(a) The fraction, calculated under section 5747.013, and 9672  
applying section 5747.231 of the Revised Code, multiplied by the 9673  
sum of the following amounts: 9674

(i) The trust's modified business income; 9675

(ii) The trust's qualifying investment income, as defined 9676  
in section 5747.012 of the Revised Code, but only to the extent 9677  
the qualifying investment income does not otherwise constitute 9678  
modified business income and does not otherwise constitute a 9679  
qualifying trust amount. 9680

(b) The qualifying trust amount multiplied by a fraction, 9681  
the numerator of which is the sum of the book value of the 9682  
qualifying investee's physical assets in this state on the last 9683  
day of the qualifying investee's fiscal or calendar year ending 9684  
immediately prior to the day on which the trust recognizes the 9685  
qualifying trust amount, and the denominator of which is the sum 9686  
of the book value of the qualifying investee's total physical 9687  
assets everywhere on the last day of the qualifying investee's 9688  
fiscal or calendar year ending immediately prior to the day on 9689  
which the trust recognizes the qualifying trust amount. If, for 9690  
a taxable year, the trust recognizes a qualifying trust amount 9691  
with respect to more than one qualifying investee, the amount 9692  
described in division (AA) (4) (b) of this section shall equal the 9693  
sum of the products so computed for each such qualifying 9694  
investee. 9695

(c) (i) With respect to a trust or portion of a trust that 9696  
is a resident as ascertained in accordance with division (I) (3) 9697  
(d) of this section, its modified nonbusiness income. 9698

(ii) With respect to a trust or portion of a trust that is 9699  
not a resident as ascertained in accordance with division (I) (3) 9700  
(d) of this section, the amount of its modified nonbusiness 9701  
income satisfying the descriptions in divisions (B) (2) to (5) of 9702  
section 5747.20 of the Revised Code, except as otherwise 9703  
provided in division (AA) (4) (c) (ii) of this section. With 9704  
respect to a trust or portion of a trust that is not a resident 9705

as ascertained in accordance with division (I) (3) (d) of this 9706  
section, the trust's portion of modified nonbusiness income 9707  
recognized from the sale, exchange, or other disposition of a 9708  
debt interest in or equity interest in a section 5747.212 9709  
entity, as defined in section 5747.212 of the Revised Code, 9710  
without regard to division (A) of that section, shall not be 9711  
allocated to this state in accordance with section 5747.20 of 9712  
the Revised Code but shall be apportioned to this state in 9713  
accordance with division (B) of section 5747.212 of the Revised 9714  
Code without regard to division (A) of that section. 9715

If the allocation and apportionment of a trust's income 9716  
under divisions (AA) (4) (a) and (c) of this section do not fairly 9717  
represent the modified Ohio taxable income of the trust in this 9718  
state, the alternative methods described in division (C) of 9719  
section 5747.21 of the Revised Code may be applied in the manner 9720  
and to the same extent provided in that section. 9721

(5) (a) Except as set forth in division (AA) (5) (b) of this 9722  
section, "qualifying investee" means a person in which a trust 9723  
has an equity or ownership interest, or a person or unit of 9724  
government the debt obligations of either of which are owned by 9725  
a trust. For the purposes of division (AA) (2) (a) of this section 9726  
and for the purpose of computing the fraction described in 9727  
division (AA) (4) (b) of this section, all of the following apply: 9728

(i) If the qualifying investee is a member of a qualifying 9729  
controlled group on the last day of the qualifying investee's 9730  
fiscal or calendar year ending immediately prior to the date on 9731  
which the trust recognizes the gain or loss, then "qualifying 9732  
investee" includes all persons in the qualifying controlled 9733  
group on such last day. 9734

(ii) If the qualifying investee, or if the qualifying 9735

investee and any members of the qualifying controlled group of 9736  
which the qualifying investee is a member on the last day of the 9737  
qualifying investee's fiscal or calendar year ending immediately 9738  
prior to the date on which the trust recognizes the gain or 9739  
loss, separately or cumulatively own, directly or indirectly, on 9740  
the last day of the qualifying investee's fiscal or calendar 9741  
year ending immediately prior to the date on which the trust 9742  
recognizes the qualifying trust amount, more than fifty per cent 9743  
of the equity of a pass-through entity, then the qualifying 9744  
investee and the other members are deemed to own the 9745  
proportionate share of the pass-through entity's physical assets 9746  
which the pass-through entity directly or indirectly owns on the 9747  
last day of the pass-through entity's calendar or fiscal year 9748  
ending within or with the last day of the qualifying investee's 9749  
fiscal or calendar year ending immediately prior to the date on 9750  
which the trust recognizes the qualifying trust amount. 9751

(iii) For the purposes of division (AA) (5) (a) (iii) of this 9752  
section, "upper level pass-through entity" means a pass-through 9753  
entity directly or indirectly owning any equity of another pass- 9754  
through entity, and "lower level pass-through entity" means that 9755  
other pass-through entity. 9756

An upper level pass-through entity, whether or not it is 9757  
also a qualifying investee, is deemed to own, on the last day of 9758  
the upper level pass-through entity's calendar or fiscal year, 9759  
the proportionate share of the lower level pass-through entity's 9760  
physical assets that the lower level pass-through entity 9761  
directly or indirectly owns on the last day of the lower level 9762  
pass-through entity's calendar or fiscal year ending within or 9763  
with the last day of the upper level pass-through entity's 9764  
fiscal or calendar year. If the upper level pass-through entity 9765  
directly and indirectly owns less than fifty per cent of the 9766

equity of the lower level pass-through entity on each day of the 9767  
upper level pass-through entity's calendar or fiscal year in 9768  
which or with which ends the calendar or fiscal year of the 9769  
lower level pass-through entity and if, based upon clear and 9770  
convincing evidence, complete information about the location and 9771  
cost of the physical assets of the lower pass-through entity is 9772  
not available to the upper level pass-through entity, then 9773  
solely for purposes of ascertaining if a gain or loss 9774  
constitutes a qualifying trust amount, the upper level pass- 9775  
through entity shall be deemed as owning no equity of the lower 9776  
level pass-through entity for each day during the upper level 9777  
pass-through entity's calendar or fiscal year in which or with 9778  
which ends the lower level pass-through entity's calendar or 9779  
fiscal year. Nothing in division (AA) (5) (a) (iii) of this section 9780  
shall be construed to provide for any deduction or exclusion in 9781  
computing any trust's Ohio taxable income. 9782

(b) With respect to a trust that is not a resident for the 9783  
taxable year and with respect to a part of a trust that is not a 9784  
resident for the taxable year, "qualifying investee" for that 9785  
taxable year does not include a C corporation if both of the 9786  
following apply: 9787

(i) During the taxable year the trust or part of the trust 9788  
recognizes a gain or loss from the sale, exchange, or other 9789  
disposition of equity or ownership interests in, or debt 9790  
obligations of, the C corporation. 9791

(ii) Such gain or loss constitutes nonbusiness income. 9792

(6) "Available" means information is such that a person is 9793  
able to learn of the information by the due date plus 9794  
extensions, if any, for filing the return for the taxable year 9795  
in which the trust recognizes the gain or loss. 9796

(BB) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code.	9797 9798
(CC) "Related member" has the same meaning as in section 5733.042 of the Revised Code.	9799 9800
(DD) (1) For the purposes of division (DD) of this section:	9801
(a) "Qualifying person" means any person other than a qualifying corporation.	9802 9803
(b) "Qualifying corporation" means any person classified for federal income tax purposes as an association taxable as a corporation, except either of the following:	9804 9805 9806
(i) A corporation that has made an election under subchapter S, chapter one, subtitle A, of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year;	9807 9808 9809 9810
(ii) A subsidiary that is wholly owned by any corporation that has made an election under subchapter S, chapter one, subtitle A of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year.	9811 9812 9813 9814 9815
(2) For the purposes of this chapter, unless expressly stated otherwise, no qualifying person indirectly owns any asset directly or indirectly owned by any qualifying corporation.	9816 9817 9818
(EE) For purposes of this chapter and Chapter 5751. of the Revised Code:	9819 9820
(1) "Trust" does not include a qualified pre-income tax trust.	9821 9822
(2) A "qualified pre-income tax trust" is any pre-income	9823

tax trust that makes a qualifying pre-income tax trust election 9824  
as described in division (EE) (3) of this section. 9825

(3) A "qualifying pre-income tax trust election" is an 9826  
election by a pre-income tax trust to subject to the tax imposed 9827  
by section 5751.02 of the Revised Code the pre-income tax trust 9828  
and all pass-through entities of which the trust owns or 9829  
controls, directly, indirectly, or constructively through 9830  
related interests, five per cent or more of the ownership or 9831  
equity interests. The trustee shall notify the tax commissioner 9832  
in writing of the election on or before April 15, 2006. The 9833  
election, if timely made, shall be effective on and after 9834  
January 1, 2006, and shall apply for all tax periods and tax 9835  
years until revoked by the trustee of the trust. 9836

(4) A "pre-income tax trust" is a trust that satisfies all 9837  
of the following requirements: 9838

(a) The document or instrument creating the trust was 9839  
executed by the grantor before January 1, 1972; 9840

(b) The trust became irrevocable upon the creation of the 9841  
trust; and 9842

(c) The grantor was domiciled in this state at the time 9843  
the trust was created. 9844

(FF) "Uniformed services" has the same meaning as in 10 9845  
U.S.C. 101. 9846

(GG) "~~Taxable~~ Qualifying business income" means the amount 9847  
by which an individual's nonpassive business income that is 9848  
included in federal adjusted gross income exceeds the amount of 9849  
nonpassive business income the individual is authorized to 9850  
deduct under division (A) (28) of this section for the taxable 9851  
year. 9852



(HH) "Employer" does not include a franchisor with respect 9853  
to the franchisor's relationship with a franchisee or an 9854  
employee of a franchisee, unless the franchisor agrees to assume 9855  
that role in writing or a court of competent jurisdiction 9856  
determines that the franchisor exercises a type or degree of 9857  
control over the franchisee or the franchisee's employees that 9858  
is not customarily exercised by a franchisor for the purpose of 9859  
protecting the franchisor's trademark, brand, or both. For 9860  
purposes of this division, "franchisor" and "franchisee" have 9861  
the same meanings as in 16 C.F.R. 436.1. 9862

(II) "Modified adjusted gross income" means Ohio adjusted 9863  
gross income plus any amount deducted under divisions (A) (28) 9864  
and (34) of this section for the taxable year. 9865

(JJ) "Qualifying Ohio educator" means an individual who, 9866  
for a taxable year, qualifies as an eligible educator, as that 9867  
term is defined in section 62 of the Internal Revenue Code, and 9868  
who holds a certificate, license, or permit described in Chapter 9869  
3319. or section 3301.071 of the Revised Code. 9870

(KK) (1) "Nonpassive business income" means business income 9871  
that is nonpassive income, provided that all of the following 9872  
apply with respect to the taxpayer: 9873

(a) The taxpayer materially participates in the trade or 9874  
business from which that income is derived. 9875

(b) The taxpayer, or the pass-through entity in which the 9876  
taxpayer is a direct or indirect investor, employs at least one 9877  
person who is not the taxpayer or an owner of the pass-through 9878  
entity. 9879

(c) Employees described in division (KK) (1) (b) of this 9880  
section perform at least one thousand two hundred aggregate 9881

hours of work in this state during the taxpayer's taxable year 9882  
or the pass-through entity's taxable year that ends in the 9883  
taxpayer's taxable year. For the purpose of determining whether 9884  
this requirement is met, only hours worked in a week in which an 9885  
employee works at least thirty hours may be considered. 9886

(2) As used in division (KK) of this section: 9887

(a) "Material participation" has the same meaning as in 9888  
section 469 of the Internal Revenue Code. 9889

(b) "Nonpassive income" means income other than income 9890  
from passive activity as determined under section 469 of the 9891  
Internal Revenue Code, but does not include wages, interest, 9892  
dividends, or capital gains. 9893

**Sec. 5747.02.** (A) For the purpose of providing revenue for 9894  
the support of schools and local government functions, to 9895  
provide relief to property taxpayers, to provide revenue for the 9896  
general revenue fund, and to meet the expenses of administering 9897  
the tax levied by this chapter, there is hereby levied on every 9898  
individual, trust, and estate residing in or earning or 9899  
receiving income in this state, on every individual, trust, and 9900  
estate earning or receiving lottery winnings, prizes, or awards 9901  
pursuant to Chapter 3770. of the Revised Code, on every 9902  
individual, trust, and estate earning or receiving winnings on 9903  
casino or sports gaming, and on every individual, trust, and 9904  
estate otherwise having nexus with or in this state under the 9905  
Constitution of the United States, an annual tax measured as 9906  
prescribed in divisions (A) (1) to (4) of this section. 9907

(1) In the case of trusts, the tax imposed by this section 9908  
shall be measured by modified Ohio taxable income under division 9909  
(D) of this section and levied in the same amount as the tax is 9910

imposed on estates as prescribed in division (A) (2) of this section. 9911  
9912

(2) In the case of estates, the tax imposed by this section shall be measured by Ohio taxable income. The tax shall be levied at the rate of 1.38462% for the first twenty-six thousand fifty dollars of such income and, for income in excess of that amount, the tax shall be levied at the same rates prescribed in division (A) (3) of this section for individuals. 9913  
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(3) In the case of individuals, the tax imposed by this section on income other than ~~taxable-qualifying~~ business income shall be measured by Ohio adjusted gross income, less ~~taxable-qualifying~~ business income and less an exemption for the taxpayer, the taxpayer's spouse, and each dependent as provided in section 5747.025 of the Revised Code. If the balance thus obtained is equal to or less than twenty-six thousand fifty dollars, no tax shall be imposed on that balance. If the balance thus obtained is greater than twenty-six thousand fifty dollars, the tax is hereby levied as follows: 9919  
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(a) For taxable years beginning in 2023: 9929

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A OHIO ADJUSTED GROSS INCOME LESS TAX  
~~TAXABLE-QUALIFYING~~ BUSINESS INCOME AND  
EXEMPTIONS (INDIVIDUALS) OR MODIFIED  
OHIO TAXABLE INCOME (TRUSTS) OR OHIO  
TAXABLE INCOME (ESTATES)

B More than \$26,050 but not more than \$360.69 plus 2.75% of the

	\$100,000	amount in excess of \$26,050
C	More than \$100,000 but not more than \$115,300	\$2,394.32 plus 3.688% of the amount in excess of \$100,000
D	More than \$115,300	\$2,958.58 plus 3.75% of the amount in excess of \$115,300

(b) For taxable years beginning in 2024 and thereafter: 9931

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A OHIO ADJUSTED GROSS INCOME LESS ~~TAXABLE~~ TAX  
QUALIFYING BUSINESS INCOME AND EXEMPTIONS  
(INDIVIDUALS) OR MODIFIED OHIO TAXABLE  
INCOME (TRUSTS) OR OHIO TAXABLE INCOME  
(ESTATES)

B More than \$26,050 but not more than \$100,000 \$360.69 plus 2.75% of the amount in excess of \$26,050

C More than \$100,000 \$2,394.32 plus 3.5% of the amount in excess of \$100,000

(4) (a) In the case of individuals, the tax imposed by this 9934  
section on ~~taxable-qualifying~~ business income shall equal three 9935  
per cent of the result obtained by subtracting any amount 9936  
allowed under division (A) (4) (b) of this section from the 9937

individual's ~~taxable-qualifying~~ business income. 9938

(b) If the exemptions allowed to an individual under 9939  
division (A) (3) of this section exceed the taxpayer's Ohio 9940  
adjusted gross income less ~~taxable-qualifying~~ business income, 9941  
the excess shall be deducted from ~~taxable-qualifying~~ business 9942  
income before computing the tax under division (A) (4) (a) of this 9943  
section. 9944

(5) Except as otherwise provided in this division, in 9945  
August of each year, the tax commissioner shall make a new 9946  
adjustment to the income amounts prescribed in divisions (A) (2) 9947  
and (3) of this section by multiplying the percentage increase 9948  
in the gross domestic product deflator computed that year under 9949  
section 5747.025 of the Revised Code by each of the income 9950  
amounts resulting from the adjustment under this division in the 9951  
preceding year, adding the resulting product to the 9952  
corresponding income amount resulting from the adjustment in the 9953  
preceding year, and rounding the resulting sum to the nearest 9954  
multiple of fifty dollars. The tax commissioner also shall 9955  
recompute each of the tax dollar amounts to the extent necessary 9956  
to reflect the new adjustment of the income amounts. To 9957  
recompute the tax dollar amount corresponding to the lowest tax 9958  
rate in division (A) (3) of this section, the commissioner shall 9959  
multiply the tax rate prescribed in division (A) (2) of this 9960  
section by the income amount specified in that division and as 9961  
adjusted according to this paragraph. The rates of taxation 9962  
shall not be adjusted. 9963

The adjusted amounts apply to taxable years beginning in 9964  
the calendar year in which the adjustments are made and to 9965  
taxable years beginning in each ensuing calendar year until a 9966  
calendar year in which a new adjustment is made pursuant to this 9967

division. The tax commissioner shall not make a new adjustment 9968  
in any year in which the amount resulting from the adjustment 9969  
would be less than the amount resulting from the adjustment in 9970  
the preceding year. 9971

(B) If the director of budget and management makes a 9972  
certification to the tax commissioner under division (B) of 9973  
section 131.44 of the Revised Code, the amount of tax as 9974  
determined under divisions (A) (1) to (3) of this section shall 9975  
be reduced by the percentage prescribed in that certification 9976  
for taxable years beginning in the calendar year in which that 9977  
certification is made. 9978

(C) (1) The tax imposed by this section on a trust shall be 9979  
computed by multiplying the Ohio modified taxable income of the 9980  
trust by the rates prescribed by division (A) of this section. 9981

(2) A resident trust may claim a credit against the tax 9982  
computed under division (C) of this section equal to the lesser 9983  
of (a) the tax paid to another state or the District of Columbia 9984  
on the resident trust's modified nonbusiness income, other than 9985  
the portion of the resident trust's nonbusiness income that is 9986  
qualifying investment income as defined in section 5747.012 of 9987  
the Revised Code, or (b) the effective tax rate, based on 9988  
modified Ohio taxable income, multiplied by the resident trust's 9989  
modified nonbusiness income other than the portion of the 9990  
resident trust's nonbusiness income that is qualifying 9991  
investment income. The credit applies before any other 9992  
applicable credits. 9993

(3) Any credit authorized against the tax imposed by this 9994  
section applies to a trust subject to division (C) of this 9995  
section only if the trust otherwise qualifies for the credit. To 9996  
the extent that the trust distributes income for the taxable 9997

year for which a credit is available to the trust, the credit 9998  
shall be shared by the trust and its beneficiaries. The tax 9999  
commissioner and the trust shall be guided by applicable 10000  
regulations of the United States treasury regarding the sharing 10001  
of credits. 10002

(D) For the purposes of this section, "trust" means any 10003  
trust described in Subchapter J of Chapter 1 of the Internal 10004  
Revenue Code, excluding trusts that are not irrevocable as 10005  
defined in division (I) (3) (b) of section 5747.01 of the Revised 10006  
Code and that have no modified Ohio taxable income for the 10007  
taxable year, charitable remainder trusts, qualified funeral 10008  
trusts and preneed funeral contract trusts established pursuant 10009  
to sections 4717.31 to 4717.38 of the Revised Code that are not 10010  
qualified funeral trusts, endowment and perpetual care trusts, 10011  
qualified settlement trusts and funds, designated settlement 10012  
trusts and funds, and trusts exempted from taxation under 10013  
section 501(a) of the Internal Revenue Code. 10014

(E) Nothing in division (A) (3) of this section shall 10015  
prohibit an individual with an Ohio adjusted gross income, less 10016  
~~taxable~~ qualifying business income and exemptions, of twenty-six 10017  
thousand fifty dollars or less from filing a return under this 10018  
chapter to receive a refund of taxes withheld or to claim any 10019  
refundable credit allowed under this chapter. 10020

**Sec. 5747.03.** (A) (1) All money collected under this 10021  
chapter arising from the taxes imposed by section 5747.02, 10022  
5747.38, or 5747.41 of the Revised Code shall be credited to the 10023  
general revenue fund and distributed pursuant to ~~division (F) of~~ 10024  
~~section 321.24 and~~ section 323.156 of the Revised Code; to make 10025  
subsidy payments to institutions of higher education from 10026  
appropriations to the department of higher education; to support 10027

expenditures for programs and services for persons with mental 10028  
illnesses, persons with developmental disabilities, and the 10029  
elderly; for primary and secondary education; for medical 10030  
assistance; and for any other purposes authorized by law, 10031  
subject to the limitation that at least fifty per cent of the 10032  
income tax collected by the state from the tax imposed by 10033  
section 5747.02 of the Revised Code shall be returned pursuant 10034  
to Section 9 of Article XII, Ohio Constitution. 10035

(2) To ensure that such constitutional requirement is 10036  
satisfied the tax commissioner shall, on or before the thirtieth 10037  
day of June of each year, from the best information available to 10038  
the tax commissioner, determine and certify for each county to 10039  
the director of budget and management the amount of taxes 10040  
collected under this chapter from the tax imposed under section 10041  
5747.02 of the Revised Code during the preceding calendar year 10042  
that are required to be returned to the county by Section 9 of 10043  
Article XII, Ohio Constitution. The director shall provide for 10044  
payment from the general revenue fund to the county in the 10045  
amount, if any, that the sum of the amount so certified for that 10046  
county exceeds the sum of the following: 10047

(a) The sum of the payments from the general revenue fund 10048  
for the preceding calendar year credited to the county's 10049  
undivided income tax fund pursuant to ~~division (F) of section-~~ 10050  
~~321.24 and~~ section 323.156 of the Revised Code or made directly 10051  
from the general revenue fund to political subdivisions located 10052  
in the county; 10053

(b) The sum of the amounts from the general revenue fund 10054  
distributed in the county during the preceding calendar year for 10055  
subsidy payments to institutions of higher education from 10056  
appropriations to the department of higher education; for 10057



programs and services for persons with mental illnesses, persons 10058  
with developmental disabilities, and elderly persons; for 10059  
primary and secondary education; and for medical assistance. 10060

(c) In the case of payments made by the director under 10061  
this division in 2007, the total amount distributed to the 10062  
county during the preceding calendar year from the local 10063  
government fund and the local government revenue assistance 10064  
fund, and, in the case of payments made by the director under 10065  
this division in subsequent calendar years, the amount 10066  
distributed to the county from the local government fund; 10067

(d) In the case of payments made by the director under 10068  
this division, the total amount distributed to the county during 10069  
the preceding calendar year from the public library fund. 10070

Payments under this division shall be credited to the 10071  
county's undivided income tax fund, except that, notwithstanding 10072  
section 5705.14 of the Revised Code, such payments may be 10073  
transferred by the board of county commissioners to the county 10074  
general fund by resolution adopted with the affirmative vote of 10075  
two-thirds of the members thereof. 10076

(B) All payments received in each month from taxes imposed 10077  
under Chapter 5748. of the Revised Code and any penalties or 10078  
interest thereon shall be paid into the school district income 10079  
tax fund, which is hereby created in the state treasury, except 10080  
that an amount equal to the following portion of such payments 10081  
shall be paid into the general school district income tax 10082  
administrative fund, which is hereby created in the state 10083  
treasury: 10084

(1) One and three-quarters of one per cent of those 10085  
received in fiscal year 1996; 10086

(2) One and one-half per cent of those received in fiscal year 1997 and thereafter. 10087  
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Money in the school district income tax administrative fund shall be used by the tax commissioner to defray costs incurred in administering the school district's income tax, including the cost of providing employers with information regarding the rate of tax imposed by any school district. Any moneys remaining in the fund after such use shall be deposited in the school district income tax fund. 10089  
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All interest earned on moneys in the school district income tax fund shall be credited to the fund. 10096  
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(C) (1) (a) Within thirty days of the end of each calendar quarter ending on the last day of March, June, September, and December, the director of budget and management shall make a payment from the school district income tax fund to each school district for which school district income tax revenue was received during that quarter. The amount of the payment shall equal the balance in the school district's account at the end of that quarter. 10098  
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(b) After a school district ceases to levy an income tax, the director of budget and management shall adjust the payments under division (C) (1) (a) of this section to retain sufficient money in the school district's account to pay refunds. For the calendar quarters ending on the last day of March and December of the calendar year following the last calendar year the tax is levied, the director shall make the payments in the amount required under division (C) (1) (a) of this section. For the calendar quarter ending on the last day of June of the calendar year following the last calendar year the tax is levied, the director shall make a payment equal to nine-tenths of the 10106  
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balance in the account at the end of that quarter. For the 10117  
calendar quarter ending on the last day of September of the 10118  
calendar year following the last calendar year the tax is 10119  
levied, the director shall make no payment. For the second and 10120  
succeeding calendar years following the last calendar year the 10121  
tax is levied, the director shall make one payment each year, 10122  
within thirty days of the last day of June, in an amount equal 10123  
to the balance in the district's account on the last day of 10124  
June. 10125

(2) Moneys paid to a school district under this division 10126  
shall be deposited in its school district income tax fund. All 10127  
interest earned on moneys in the school district income tax fund 10128  
shall be apportioned by the tax commissioner pro rata among the 10129  
school districts in the proportions and at the times the 10130  
districts are entitled to receive payments under this division. 10131

**Sec. 5747.031.** For annual returns filed for taxable years 10132  
beginning on or after January 1, 2017, the department of 10133  
taxation shall determine and provide to the office of budget and 10134  
management a report of the tax liability, before the application 10135  
of any credits, under section 5747.02 of the Revised Code that 10136  
arises from ~~taxable-qualifying~~ business income, the tax 10137  
liability, before the application of any credits, that arises 10138  
from income, other than ~~taxable-qualifying~~ business income, as 10139  
measured and taxed under divisions(A) (1), (2), or (3) of that 10140  
section, and the total amount of credits claimed against the tax 10141  
levied under that section. 10142

In providing actual and estimates of revenue pursuant to 10143  
Chapter 126. of the Revised Code, the office of budget and 10144  
management shall separately list the tax liability, before the 10145  
application of any credits, under section 5747.02 of the Revised 10146

Code that arises from ~~taxable-qualifying~~ business income, the 10147  
tax liability, before the application of any credits, that 10148  
arises from income, other than ~~taxable-qualifying~~ business 10149  
income, as measured and taxed under divisions (A) (1), (2), or 10150  
(3) of that section, and the total amount of credits claimed 10151  
against the tax levied under that section. 10152

**Sec. 5747.08.** An annual return with respect to the tax 10153  
imposed by section 5747.02 of the Revised Code and each tax 10154  
imposed under Chapter 5748. of the Revised Code shall be made by 10155  
every taxpayer for any taxable year for which the taxpayer is 10156  
liable for the tax imposed by that section or under that 10157  
chapter, unless the total credits allowed under division (E) of 10158  
section 5747.05 and divisions (F) and (G) of section 5747.055 of 10159  
the Revised Code for the year are equal to or exceed the tax 10160  
imposed by section 5747.02 of the Revised Code, in which case no 10161  
return shall be required unless the taxpayer is liable for a tax 10162  
imposed pursuant to Chapter 5748. of the Revised Code. 10163

(A) If an individual is deceased, any return or notice 10164  
required of that individual under this chapter shall be made and 10165  
filed by that decedent's executor, administrator, or other 10166  
person charged with the property of that decedent. 10167

(B) If an individual is unable to make a return or notice 10168  
required by this chapter, the return or notice required of that 10169  
individual shall be made and filed by the individual's duly 10170  
authorized agent, guardian, conservator, fiduciary, or other 10171  
person charged with the care of the person or property of that 10172  
individual. 10173

(C) Returns or notices required of an estate or a trust 10174  
shall be made and filed by the fiduciary of the estate or trust. 10175

(D) (1) (a) Except as otherwise provided in division (D) (1) 10176  
(b) of this section, any pass-through entity may file a single 10177  
return on behalf of one or more of the entity's investors other 10178  
than an investor that is a person subject to the tax imposed 10179  
under section 5733.06 of the Revised Code. The single return 10180  
shall set forth the name, address, and social security number or 10181  
other identifying number of each of those pass-through entity 10182  
investors and shall indicate the distributive share of each of 10183  
those pass-through entity investor's income taxable in this 10184  
state in accordance with sections 5747.20 to 5747.231 of the 10185  
Revised Code. Such pass-through entity investors for whom the 10186  
pass-through entity elects to file a single return are not 10187  
entitled to the exemption or credit provided for by sections 10188  
5747.02 and 5747.022 of the Revised Code; shall calculate the 10189  
tax before business credits at the highest rate of tax set forth 10190  
in section 5747.02 of the Revised Code for the taxable year for 10191  
which the return is filed; and are entitled to only their 10192  
distributive share of the business credits as defined in 10193  
division (D) (2) of this section. A single check drawn by the 10194  
pass-through entity shall accompany the return in full payment 10195  
of the tax due, as shown on the single return, for such 10196  
investors, other than investors who are persons subject to the 10197  
tax imposed under section 5733.06 of the Revised Code. 10198

(b) (i) A pass-through entity shall not include in such a 10199  
single return any investor that is a trust to the extent that 10200  
any direct or indirect current, future, or contingent 10201  
beneficiary of the trust is a person subject to the tax imposed 10202  
under section 5733.06 of the Revised Code. 10203

(ii) A pass-through entity shall not include in such a 10204  
single return any investor that is itself a pass-through entity 10205  
to the extent that any direct or indirect investor in the second 10206

pass-through entity is a person subject to the tax imposed under 10207  
section 5733.06 of the Revised Code. 10208

(c) Except as provided by division (L) of this section, 10209  
nothing in division (D) of this section precludes the tax 10210  
commissioner from requiring such investors to file the return 10211  
and make the payment of taxes and related interest, penalty, and 10212  
interest penalty required by this section or section 5747.02, 10213  
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 10214  
of this section precludes such an investor from filing the 10215  
annual return under this section, utilizing the refundable 10216  
credit equal to the investor's proportionate share of the tax 10217  
paid by the pass-through entity on behalf of the investor under 10218  
division (I) of this section, and making the payment of taxes 10219  
imposed under section 5747.02 of the Revised Code. Nothing in 10220  
division (D) of this section shall be construed to provide to 10221  
such an investor or pass-through entity any additional deduction 10222  
or credit, other than the credit provided by division (I) of 10223  
this section, solely on account of the entity's filing a return 10224  
in accordance with this section. Such a pass-through entity also 10225  
shall make the filing and payment of estimated taxes on behalf 10226  
of the pass-through entity investors other than an investor that 10227  
is a person subject to the tax imposed under section 5733.06 of 10228  
the Revised Code. 10229

(2) For the purposes of this section, "business credits" 10230  
means the credits listed in section 5747.98 of the Revised Code 10231  
excluding the following credits: 10232

(a) The retirement income credit under division (B) of 10233  
section 5747.055 of the Revised Code; 10234

(b) The senior citizen credit under division (F) of 10235  
section 5747.055 of the Revised Code; 10236

(c) The lump sum distribution credit under division (G) of section 5747.055 of the Revised Code;	10237 10238
(d) The dependent care credit under section 5747.054 of the Revised Code;	10239 10240
(e) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	10241 10242
(f) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	10243 10244
(g) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	10245 10246
(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	10247 10248
(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	10249 10250
(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;	10251 10252
(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	10253 10254
(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	10255 10256
(m) The earned income tax credit under section 5747.71 of the Revised Code;	10257 10258
(n) The lead abatement credit under section 5747.26 of the Revised Code;	10259 10260
(o) The credit for education expenses under section 5747.72 of the Revised Code;	10261 10262

(p) The credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code; 10263  
10264

(q) The credit for property taxes or rent-equivalent taxes paid under section 5747.86 of the Revised Code. 10265  
10266

(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return. 10267  
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(4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by that return. Nothing in this division shall be construed to limit or alter the liability, if any, imposed on pass-through entity investors for unpaid or underpaid taxes, interest, interest penalty, or penalties as a result of the pass-through entity's making the election provided for under division (D) of this section. For the purposes of division (D) of this section, "correct tax due" means the tax that would have been paid by the pass-through entity had the single return been filed in a manner reflecting the commissioner's findings. Nothing in division (D) of this section shall be construed to make or hold a pass-through entity liable for tax attributable to a pass-through entity investor's income from a source other than the pass- 10275  
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through entity electing to file the single return. 10293

(E) If a husband and wife file a joint federal income tax 10294  
return for a taxable year, they shall file a joint return under 10295  
this section for that taxable year, and their liabilities are 10296  
joint and several, but, if the federal income tax liability of 10297  
either spouse is determined on a separate federal income tax 10298  
return, they shall file separate returns under this section. 10299

If either spouse is not required to file a federal income 10300  
tax return and either or both are required to file a return 10301  
pursuant to this chapter, they may elect to file separate or 10302  
joint returns, and, pursuant to that election, their liabilities 10303  
are separate or joint and several. If a husband and wife file 10304  
separate returns pursuant to this chapter, each must claim the 10305  
taxpayer's own exemption, but not both, as authorized under 10306  
section 5747.02 of the Revised Code on the taxpayer's own 10307  
return. 10308

(F) Each return or notice required to be filed under this 10309  
section shall contain the signature of the taxpayer or the 10310  
taxpayer's duly authorized agent and of the person who prepared 10311  
the return for the taxpayer, and shall include the taxpayer's 10312  
social security number. Each return shall be verified by a 10313  
declaration under the penalties of perjury. The tax commissioner 10314  
shall prescribe the form that the signature and declaration 10315  
shall take. 10316

(G) Each return or notice required to be filed under this 10317  
section shall be made and filed as required by section 5747.04 10318  
of the Revised Code, on or before the fifteenth day of April of 10319  
each year, on forms that the tax commissioner shall prescribe, 10320  
together with remittance made payable to the treasurer of state 10321  
in the combined amount of the state and all school district 10322

income taxes shown to be due on the form. 10323

Upon good cause shown, the commissioner may extend the 10324  
period for filing any notice or return required to be filed 10325  
under this section and may adopt rules relating to extensions. 10326  
If the extension results in an extension of time for the payment 10327  
of any state or school district income tax liability with 10328  
respect to which the return is filed, the taxpayer shall pay at 10329  
the time the tax liability is paid an amount of interest 10330  
computed at the rate per annum prescribed by section 5703.47 of 10331  
the Revised Code on that liability from the time that payment is 10332  
due without extension to the time of actual payment. Except as 10333  
provided in section 5747.132 of the Revised Code, in addition to 10334  
all other interest charges and penalties, all taxes imposed 10335  
under this chapter or Chapter 5748. of the Revised Code and 10336  
remaining unpaid after they become due, except combined amounts 10337  
due of one dollar or less, bear interest at the rate per annum 10338  
prescribed by section 5703.47 of the Revised Code until paid or 10339  
until the day an assessment is issued under section 5747.13 of 10340  
the Revised Code, whichever occurs first. 10341

If the commissioner considers it necessary in order to 10342  
ensure the payment of the tax imposed by section 5747.02 of the 10343  
Revised Code or any tax imposed under Chapter 5748. of the 10344  
Revised Code, the commissioner may require returns and payments 10345  
to be made otherwise than as provided in this section. 10346

To the extent that any provision in this division 10347  
conflicts with any provision in section 5747.026 of the Revised 10348  
Code, the provision in that section prevails. 10349

(H) The amounts withheld pursuant to section 5747.06, 10350  
5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of the 10351  
Revised Code shall be allowed to the ultimate recipient of the 10352

income as credits against payment of the appropriate taxes 10353  
imposed on the ultimate recipient by section 5747.02 and under 10354  
Chapter 5748. of the Revised Code. As used in this division, 10355  
"ultimate recipient" means the person who is required to report 10356  
income from which amounts are withheld pursuant to section 10357  
5747.06, 5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of 10358  
the Revised Code on the annual return required to be filed under 10359  
this section. 10360

(I) If a pass-through entity elects to file a single 10361  
return under division (D) of this section and if any investor is 10362  
required to file the annual return and make the payment of taxes 10363  
required by this chapter on account of the investor's other 10364  
income that is not included in a single return filed by a pass- 10365  
through entity or any other investor elects to file the annual 10366  
return, the investor is entitled to a refundable credit equal to 10367  
the investor's proportionate share of the tax paid by the pass- 10368  
through entity on behalf of the investor. The investor shall 10369  
claim the credit for the investor's taxable year in which or 10370  
with which ends the taxable year of the pass-through entity. 10371  
Nothing in this chapter shall be construed to allow any credit 10372  
provided in this chapter to be claimed more than once. For the 10373  
purpose of computing any interest, penalty, or interest penalty, 10374  
the investor shall be deemed to have paid the refundable credit 10375  
provided by this division on the day that the pass-through 10376  
entity paid the estimated tax or the tax giving rise to the 10377  
credit. 10378

(J) The tax commissioner shall ensure that each return 10379  
required to be filed under this section includes a box that the 10380  
taxpayer may check to authorize a paid tax preparer who prepared 10381  
the return to communicate with the department of taxation about 10382  
matters pertaining to the return. The return or instructions 10383

accompanying the return shall indicate that by checking the box 10384  
the taxpayer authorizes the department of taxation to contact 10385  
the preparer concerning questions that arise during the 10386  
processing of the return and authorizes the preparer only to 10387  
provide the department with information that is missing from the 10388  
return, to contact the department for information about the 10389  
processing of the return or the status of the taxpayer's refund 10390  
or payments, and to respond to notices about mathematical 10391  
errors, offsets, or return preparation that the taxpayer has 10392  
received from the department and has shown to the preparer. 10393

(K) The tax commissioner shall permit individual taxpayers 10394  
to instruct the department of taxation to cause any refund of 10395  
overpaid taxes to be deposited directly into a checking account, 10396  
savings account, or an individual retirement account or 10397  
individual retirement annuity, or preexisting college savings 10398  
plan or program account offered by the Ohio tuition trust 10399  
authority under Chapter 3334. of the Revised Code, as designated 10400  
by the taxpayer, when the taxpayer files the annual return 10401  
required by this section electronically. 10402

(L) If, for the taxable year, a nonresident or trust that 10403  
is the owner of an electing pass-through entity, as defined in 10404  
section 5747.38 of the Revised Code, does not have Ohio adjusted 10405  
gross income or, in the case of a trust, modified Ohio taxable 10406  
income other than from one or more electing pass-through 10407  
entities, the nonresident or trust shall not be required to file 10408  
an annual return under this section. Nothing in this division 10409  
precludes such an owner from filing the annual return under this 10410  
section, utilizing the refundable credit under section 5747.39 10411  
of the Revised Code equal to the owner's proportionate share of 10412  
the tax levied under section 5747.38 of the Revised Code and 10413  
paid by the electing pass-through entity, and making the payment 10414

of taxes imposed under section 5747.02 of the Revised Code.	10415
(M) The tax commissioner may adopt rules to administer this section.	10416 10417
<b>Sec. 5747.38.</b> (A) As used in this section and section 5747.39 of the Revised Code and in other sections of Chapter 5747. of the Revised Code in the context of the tax imposed under this section:	10418 10419 10420 10421
(1) "Electing pass-through entity" means a qualifying pass-through entity that elects to be subject to the tax levied under this section for a taxable year pursuant to division (C) of this section.	10422 10423 10424 10425
(2) "Owner" means a person that is a partner, member, shareholder, or investor in an electing pass-through entity for any portion of the taxable year.	10426 10427 10428
(3) "Income" means the sum of owners' distributive shares of the income, gain, expense, or loss of an electing pass-through entity for the taxable year, as reported for federal income tax purposes.	10429 10430 10431 10432
(4) "Qualifying taxable income" means the sum of the following:	10433 10434
(a) The portion of an electing pass-through entity's income that is business income, subject to the applicable adjustments in divisions (A) (2) to (7) of section 5733.40 of the Revised Code, multiplied by the fraction described in division (B) (1) of that section;	10435 10436 10437 10438 10439
(b) The portion of the electing pass-through entity's income that is nonbusiness income allocated to this state under section 5747.20 of the Revised Code.	10440 10441 10442

(B) For the same purposes for which the tax is levied 10443  
under section 5747.02 of the Revised Code, a tax is hereby 10444  
levied on each electing pass-through entity on the entity's 10445  
qualifying taxable income for the taxable year, at the following 10446  
rates: 10447

(1) For an electing pass-through entity's taxable year 10448  
that begins in 2022, five per cent; 10449

(2) For an electing pass-through entity's taxable year 10450  
that begins in 2023 and in any year thereafter, the rate equal 10451  
to the tax rate imposed on ~~taxable-qualifying~~ business income 10452  
under division (A) (4) (a) of section 5747.02 of the Revised Code 10453  
applicable to that taxable year. 10454

(C) A pass-through entity that is not a disregarded 10455  
entity, as defined in section 5733.01 of the Revised Code, may 10456  
elect to be subject to the tax levied under this section by 10457  
filing with the tax commissioner a form prescribed by the 10458  
commissioner making such election on or before the deadline to 10459  
file the return under section 5747.42 of the Revised Code for 10460  
the taxable year. Such election applies only to the taxable year 10461  
for which the election is made and is, once made, irrevocable 10462  
for that year. 10463

(D) The tax levied under this section shall be calculated 10464  
without regard to any deductions or credits otherwise permitted 10465  
to be claimed by an owner of the electing pass-through entity in 10466  
computing the owner's aggregate tax liability under section 10467  
5747.02 of the Revised Code. 10468

(E) The tax levied under this section is intended to 10469  
comply with the provisions of internal revenue service notice 10470  
2020-75 in which such tax paid by an electing pass-through 10471

entity is deductible to the entity for federal income tax 10472  
purposes. 10473

(F) The tax commissioner shall adopt rules to administer 10474  
the tax levied under this section. Such rules shall include a 10475  
description of how the adjustments to income under divisions (A) 10476  
(36) and (S) (15) of section 5747.01 of the Revised Code and the 10477  
credit under section 5747.39 of the Revised Code apply to direct 10478  
or indirect owners of an electing pass-through entity based on 10479  
various ownership structures. Any rule adopted under this 10480  
section is not a regulatory restriction for the purpose of 10481  
section 121.95 of the Revised Code. 10482

**Sec. 5747.41.** For the same purposes for which the tax is 10483  
levied under section 5747.02 of the Revised Code, there is 10484  
hereby levied a withholding tax on every qualifying pass-through 10485  
entity having at least one qualifying investor who is an 10486  
individual and on every qualifying trust having at least one 10487  
qualifying beneficiary who is an individual. The withholding tax 10488  
imposed by this section is imposed on the sum of the adjusted 10489  
qualifying amounts of a qualifying pass-through entity's 10490  
qualifying investors who are individuals and on the sum of the 10491  
adjusted qualifying amounts of a qualifying trust's qualifying 10492  
beneficiaries, at a rate equal to the tax rate imposed on 10493  
~~taxable~~ qualifying business income under division (A) (4) (a) of 10494  
section 5747.02 of the Revised Code. 10495

The tax imposed by this section applies only if the 10496  
qualifying entity has nexus with this state under the 10497  
Constitution of the United States for any portion of the 10498  
qualifying entity's qualifying taxable year, and the sum of the 10499  
qualifying entity's adjusted qualifying amounts exceeds one 10500  
thousand dollars for the qualifying entity's qualifying taxable 10501

year. 10502

The tax imposed under this section does not apply to a 10503  
qualifying pass-through entity that makes an election under 10504  
division (C) of section 5747.38 of the Revised Code to be 10505  
subject to the tax levied under that section for the entity's 10506  
qualifying taxable year. 10507

**Sec. 5747.71.** There is hereby allowed a nonrefundable 10508  
credit against a taxpayer's aggregate tax liability under 10509  
section 5747.02 of the Revised Code for a taxpayer who is an 10510  
"eligible individual" as defined in section 32 of the Internal 10511  
Revenue Code. The credit shall equal thirty per cent of the 10512  
federal credit allowed for the taxable year. The credit shall 10513  
not exceed the aggregate amount of tax otherwise due under 10514  
section 5747.02 of the Revised Code after deducting any other 10515  
nonrefundable credits that precede the credit allowed under this 10516  
section in the order prescribed by section 5747.98 of the 10517  
Revised Code. 10518

The credit shall be claimed in the order prescribed by 10519  
section 5747.98 of the Revised Code. If the credit exceeds the 10520  
aggregate amount of tax otherwise due for the taxable year, the 10521  
excess may be carried forward and applied against the tax due 10522  
for not more than five succeeding taxable years, provided that 10523  
the amount applied to the tax due for any taxable year shall be 10524  
subtracted from the amount available to carry forward to 10525  
succeeding years. 10526

**Sec. 5747.86.** (A) As used in this section: 10527

(1) "Claim year" means, for individuals required to file 10528  
an income tax return pursuant to this chapter, the individual's 10529  
taxable year and, for all other individuals, the calendar year 10530



preceding the year in which an application for credit is filed 10531  
under this section. 10532

(2) "Eligible claimant" means an individual who has 10533  
occupied a homestead as an owner or lessee for at least six 10534  
months of the claim year and whose total household resources do 10535  
not exceed the threshold described in division (G) of this 10536  
section. 10537

(3) "Gross rent" means the total rent paid during the 10538  
claim year by a lessee for the right to occupy a homestead 10539  
pursuant to an arm's length transaction with the property owner 10540  
or the owner's representative. 10541

(4) "Qualifying homestead" means a dwelling, including a 10542  
manufactured or mobile home or a unit in a multiple-unit 10543  
dwelling or housing cooperative, that is located in this state, 10544  
that is not fully exempt from property taxation for the claim 10545  
year, and that meets one of the following requirements: 10546

(a) The dwelling is owned by an individual who occupies 10547  
the dwelling as a primary residence and the true value of the 10548  
property, as listed on the tax list for the tax year ending in 10549  
the individual's claim year, does not exceed the home value 10550  
limit for that claim year; 10551

(b) The dwelling is leased by an individual who occupies 10552  
the dwelling as a primary residence and the gross rent paid by 10553  
the lessee during the claim year did not exceed the product 10554  
obtained by multiplying the rent limit for that claim year by 10555  
the number of months the lessee occupied the dwelling as a 10556  
primary residence. 10557

(5) "Household" means an individual and the individual's 10558  
spouse. 10559

<u>(6) "Income" means federal adjusted gross income, plus all</u>	10560
<u>income excluded or exempt from the computation of federal</u>	10561
<u>adjusted gross income, subtracted by all of the following:</u>	10562
<u>(a) Up to three hundred dollars of gifts in cash or kind</u>	10563
<u>from nongovernmental sources;</u>	10564
<u>(b) Up to three hundred dollars of lottery, casino gaming,</u>	10565
<u>or sports gaming winnings;</u>	10566
<u>(c) Benefits provided under the supplemental nutrition</u>	10567
<u>assistance program administered by the department of job and</u>	10568
<u>family services pursuant to section 5101.54 of the Revised Code;</u>	10569
<u>(d) Government payments made to a third party on behalf of</u>	10570
<u>an individual;</u>	10571
<u>(e) State or municipal tax refunds or tax credits;</u>	10572
<u>(f) Any government grant that a property owner must use</u>	10573
<u>for the rehabilitation of the owner's homestead;</u>	10574
<u>(g) Stipends received by a person who is acting as a</u>	10575
<u>foster grandparent under the foster grandparent program</u>	10576
<u>authorized pursuant to 42 U.S.C 5011 or as a senior companion</u>	10577
<u>pursuant to 42 U.S.C 5013;</u>	10578
<u>(h) Amounts deducted from benefits provided under Title II</u>	10579
<u>of the Social Security Act or from railroad retirement benefits</u>	10580
<u>for premiums paid pursuant to the medicare program established</u>	10581
<u>by Title XVIII of the Social Security Act;</u>	10582
<u>(i) Contributions by an employer to life, accident, or</u>	10583
<u>health insurance plans;</u>	10584
<u>(j) Any money received from a low-income customer</u>	10585
<u>assistance program, as defined in section 4928.01 of the Revised</u>	10586

<u>Code;</u>	10587
<u>(k) Loan proceeds;</u>	10588
<u>(l) Inheritance or life insurance benefits from a spouse;</u>	10589
<u>(m) Payments from a long-term care policy made to a nursing home or other care facility;</u>	10590 10591
<u>(n) Accident or health insurance plan premiums paid by an employer for a plan that covers a member of the household or the member's family;</u>	10592 10593 10594
<u>(o) Compensation for wrongful imprisonment.</u>	10595
<u>(7) "Property tax due" means the property taxes or manufactured home taxes charged and payable against the homestead for the tax year ending in the eligible claimant's claim year, after any reductions allowed under the Revised Code. "Property tax due" does not include taxes that appeared on the general tax list or manufactured home tax list for any preceding tax year or any penalties, interest, or special assessments.</u>	10596 10597 10598 10599 10600 10601 10602
<u>(8) "Rent-equivalent tax paid" means fifteen per cent of gross rent.</u>	10603 10604
<u>(9) "Total household resources" means all income received by all individuals of a household in the claim year while members of the household, increased by the following deductions from federal gross income:</u>	10605 10606 10607 10608
<u>(a) Any net operating loss;</u>	10609
<u>(b) Any net rental or royalty loss;</u>	10610
<u>(c) Any carryback or carryforward of a net operating loss.</u>	10611
<u>(10) "Home value limit" means the median home value of owner-occupied housing units in the county in this state that</u>	10612 10613

has the highest such median home value according to the most 10614  
recent one-year data published in the American community survey. 10615

(11) "Rent limit" means the median gross rent in the 10616  
county in this state that has the highest such median gross rent 10617  
according to the most recent one-year data published in the 10618  
American community survey. 10619

(12) "American community survey" means the supplementary 10620  
statistics collected and published annually by the United States 10621  
census bureau in accordance with 13 U.S.C. 141 and 193. 10622

(B) A refundable credit or rebate is allowed to eligible 10623  
claimants. In the case of eligible claimants required to file an 10624  
annual return under this chapter for the claim year, a credit is 10625  
allowed against the claimant's aggregate tax liability under 10626  
section 5747.02 of the Revised Code. For all other eligible 10627  
claimants, a rebate may be claimed on the form prescribed by the 10628  
tax commissioner pursuant to division (E) of this section. 10629  
Subject to division (C) of this section, the credit or rebate 10630  
shall equal one of the following: 10631

(1) For eligible claimants who own the homestead for which 10632  
the claim is made, the amount by which the eligible claimant's 10633  
property tax due exceeds five per cent of the eligible 10634  
claimant's total household resources for that claim year. 10635

(2) For eligible claimants who lease the homestead for 10636  
which the claim is made, the amount by which the eligible 10637  
claimant's rent-equivalent tax paid in the claim year exceeds 10638  
five per cent of the eligible claimant's total household 10639  
resources for that year. 10640

(C) The credit or rebate allowed under this section for a 10641  
claim year shall not exceed a specified limit. For the first 10642

claim year ending on or after the effective date of this 10643  
section, the limit equals one thousand dollars. For each 10644  
succeeding claim year, the limit shall be adjusted as provided 10645  
in division (G) of this section. 10646

(D) For eligible claimants required to file an annual 10647  
return under this chapter for the claim year, the credit shall 10648  
be claimed in the order required under section 5747.98 of the 10649  
Revised Code. If the amount of the credit under this section 10650  
exceeds the aggregate amount of tax otherwise due under section 10651  
5747.02 of the Revised Code after deduction of all other credits 10652  
in that order, the taxpayer is entitled to a refund of the 10653  
excess. 10654

(E) (1) The tax commissioner shall prescribe a form on 10655  
which eligible claimants who are not required to file an annual 10656  
return under this chapter may apply for the rebate authorized 10657  
under this section. Except as provided in division (E) (2) of 10658  
this section, such eligible claimants shall apply for the rebate 10659  
on that form after the first day of January following the end of 10660  
the claim year but before the fifteenth day of the fourth month 10661  
following the end of that claim year. 10662

(2) An eligible claimant may request an extension of the 10663  
time to file a rebate application under division (E) (1) of this 10664  
section, on a form prescribed by the commissioner. Upon receipt 10665  
of such a request, the commissioner shall extend the due date 10666  
for filing the application to the fifteenth day of the tenth 10667  
month after the last day of the claim year. 10668

(F) (1) The credit or rebate authorized under this section 10669  
shall be allowed to only one eligible claimant per homestead. 10670

(2) Only the lessee shall claim a credit or rebate with 10671

respect to property that is rented or leased as a homestead. 10672

(G) For the first claim year ending on or after the 10673  
effective date of this section, an individual qualifies as an 10674  
eligible claimant only if the individual's total household 10675  
resources do not exceed sixty thousand dollars. For each 10676  
following claim year, the tax commissioner shall adjust this 10677  
total household resources limit and the credit or rebate limit 10678  
described in division (C) of this section by completing the 10679  
following calculations in September of each year: 10680

(1) Determine the percentage increase in the gross 10681  
domestic product deflator determined by the bureau of economic 10682  
analysis of the United States department of commerce from the 10683  
first day of January of the preceding year to the last day of 10684  
December of the preceding year; 10685

(2) Multiply that percentage increase by the total 10686  
household resources limit and the credit or rebate limit for the 10687  
current year; 10688

(3) Add the resulting products to the respective limits 10689  
for the current year; 10690

(4) Round the resulting sums to the nearest multiple of 10691  
one thousand dollars, in the case of the total household 10692  
resources limit, or nearest multiple of ten dollars, in the case 10693  
of the credit limit. 10694

The adjusted amounts apply to claim years beginning in the 10695  
calendar year in which the adjustment is made and to claim years 10696  
beginning in each ensuing calendar year until a calendar year in 10697  
which a new adjustment is made pursuant to this division. The 10698  
commissioner shall not make a new adjustment in any calendar 10699  
year in which the amount resulting from the adjustment would be 10700

less than the amount resulting from the adjustment in the 10701  
preceding calendar year. 10702

(H) If a credit or rebate allowed under this section was 10703  
based on an amount of property tax due that differs from the 10704  
actual amount of such taxes paid by the eligible claimant for 10705  
the tax year ending in that claim year, the eligible claimant 10706  
shall file an annual return or application under division (E) of 10707  
this section for the ensuing claim year that reports the 10708  
difference. The claimant shall adjust the credit or rebate 10709  
claimed for the ensuing year by the amount of the difference. If 10710  
the claimant is not eligible for the credit or rebate for the 10711  
ensuing claim year, the claimant shall pay or may request 10712  
payment of the difference, as applicable. 10713

(I) On or before the first day of November of each year, 10714  
the tax commissioner shall determine and publish a home value 10715  
limit and rent limit. The limits shall apply to claim years 10716  
beginning in the calendar year in which the limits are 10717  
determined. 10718

**Sec. 5747.98.** (A) To provide a uniform procedure for 10719  
calculating a taxpayer's aggregate tax liability under section 10720  
5747.02 of the Revised Code, a taxpayer shall claim any credits 10721  
to which the taxpayer is entitled in the following order: 10722

Either the retirement income credit under division (B) of 10723  
section 5747.055 of the Revised Code or the lump sum retirement 10724  
income credits under divisions (C), (D), and (E) of that 10725  
section; 10726

Either the senior citizen credit under division (F) of 10727  
section 5747.055 of the Revised Code or the lump sum 10728  
distribution credit under division (G) of that section; 10729

The dependent care credit under section 5747.054 of the Revised Code;	10730 10731
The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	10732 10733
The campaign contribution credit under section 5747.29 of the Revised Code;	10734 10735
The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	10736 10737
The joint filing credit under division <del>(G)</del> (E) of section 5747.05 of the Revised Code;	10738 10739
<del>The earned income credit under section 5747.71 of the Revised Code;</del>	10740 10741
The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	10742 10743
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	10744 10745 10746
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	10747 10748 10749
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	10750 10751
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	10752 10753
The enterprise zone credit under section 5709.66 of the Revised Code;	10754 10755
The credit for beginning farmers who participate in a	10756



financial management program under division (B) of section 5747.77 of the Revised Code;	10757 10758
The credit for commercial vehicle operator training expenses under section 5747.82 of the Revised Code;	10759 10760
<u>The earned income credit under section 5747.71 of the Revised Code;</u>	10761 10762
The nonrefundable welcome home Ohio (WHO) program credit under section 122.633 of the Revised Code;	10763 10764
The credit for selling or renting agricultural assets to beginning farmers under division (A) of section 5747.77 of the Revised Code;	10765 10766 10767
The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	10768 10769
The small business investment credit under section 5747.81 of the Revised Code;	10770 10771
The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	10772 10773
The opportunity zone investment credit under section 122.84 of the Revised Code;	10774 10775
The enterprise zone credits under section 5709.65 of the Revised Code;	10776 10777
The research and development credit under section 5747.331 of the Revised Code;	10778 10779
The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	10780 10781
The nonrefundable Ohio low-income housing tax credit under section 5747.83 of the Revised Code;	10782 10783

The nonrefundable affordable single-family home credit	10784
under section 5747.84 of the Revised Code;	10785
The nonresident credit under division (A) of section	10786
5747.05 of the Revised Code;	10787
The credit for a resident's out-of-state income under	10788
division (B) of section 5747.05 of the Revised Code;	10789
The refundable motion picture and Broadway theatrical	10790
production credit under section 5747.66 of the Revised Code;	10791
The refundable credit for film and theater capital	10792
improvement projects under section 5747.67 of the Revised Code;	10793
The refundable jobs creation credit or job retention	10794
credit under division (A) of section 5747.058 of the Revised	10795
Code;	10796
The refundable credit for taxes paid by a qualifying	10797
entity granted under section 5747.059 of the Revised Code;	10798
The refundable credits for taxes paid by a qualifying	10799
pass-through entity granted under division (I) of section	10800
5747.08 of the Revised Code;	10801
The refundable credit under section 5747.80 of the Revised	10802
Code for losses on loans made to the Ohio venture capital	10803
program under sections 150.01 to 150.10 of the Revised Code;	10804
The refundable credit for rehabilitating a historic	10805
building under section 5747.76 of the Revised Code;	10806
The refundable credit under section 5747.39 of the Revised	10807
Code for taxes levied under section 5747.38 of the Revised Code	10808
paid by an electing pass-through entity;	10809
<u>The refundable credit for property taxes or rent-</u>	10810

equivalent taxes paid under section 5747.86 of the Revised Code. 10811

(B) For any credit, except the refundable credits 10812  
enumerated in this section and the credit granted under division 10813  
(H) of section 5747.08 of the Revised Code, the amount of the 10814  
credit for a taxable year shall not exceed the taxpayer's 10815  
aggregate amount of tax due under section 5747.02 of the Revised 10816  
Code, after allowing for any other credit that precedes it in 10817  
the order required under this section. Any excess amount of a 10818  
particular credit may be carried forward if authorized under the 10819  
section creating that credit. Nothing in this chapter shall be 10820  
construed to allow a taxpayer to claim, directly or indirectly, 10821  
a credit more than once for a taxable year. 10822

**Sec. 5749.01.** As used in this chapter: 10823

(A) "Ton" shall mean two thousand pounds as measured at 10824  
the point and time of severance, after the removal of any 10825  
impurities, under such rules and regulations as the tax 10826  
commissioner may prescribe. 10827

(B) "Taxpayer" means any person required to pay the tax 10828  
levied by Chapter 5749. of the Revised Code. 10829

(C) "Natural resource" means all forms of coal, salt, 10830  
limestone, dolomite, sand, gravel, ~~natural gas, and oil,~~ 10831  
condensate, and natural gas liquids. 10832

(D) ~~"Owner"~~ "Owner," "oil," "condensate," and "exempt 10833  
domestic well" have the same meanings as in section 1509.01 of 10834  
the Revised Code. 10835

(E) "Person" means any individual, firm, partnership, 10836  
association, joint stock company, corporation, or estate, or 10837  
combination thereof. 10838

(F) "Return" means any report or statement required to be filed pursuant to Chapter 5749. of the Revised Code used to determine the tax due.

(G) "Severance" means the extraction or other removal of a natural resource from the soil or water of this state.

(H) "Severed" means the point at which the natural resource has been separated from the soil or water in this state.

(I) "Severer" means any person who actually removes the natural resources from the soil or water in this state.

(J) "Gas" means all hydrocarbons that are in a gaseous state at standard temperature and pressure.

(K) "Natural gas liquids" means hydrocarbons separated from gas, including ethane, propane, butanes, pentanes, hexanes, and natural gasolines.

(L) "Average quarterly spot price" means the following:

(1) For oil, the average of each day's closing spot price reported for one barrel of crude oil for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner;

(2) For gas, the average of each day's closing spot price reported for one thousand cubic feet of natural gas for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner;

(3) For condensate, the average of each day's closing spot price reported for one barrel of Appalachian condensate for the

calendar quarter that begins six months before the current 10867  
calendar quarter, as reported by a source determined by the 10868  
commissioner; 10869

(4) For natural gas liquids, the average of each day's 10870  
closing spot price reported for one million British thermal 10871  
units of natural gas plant liquids composite for the calendar 10872  
quarter that begins six months before the current calendar 10873  
quarter, as reported by a publicly available source determined 10874  
by the commissioner. 10875

(M) "Former section 1509.50 of the Revised Code" means 10876  
section 1509.50 of the Revised Code as it existed before its 10877  
repeal by this act. 10878

**Sec. 5749.02.** (A) For the purpose of providing revenue to 10879  
administer the state's coal mining and reclamation regulatory 10880  
program, to meet the environmental and resource management needs 10881  
of this state, to provide revenue to the general revenue fund, 10882  
and to reclaim land affected by mining, an excise tax is hereby 10883  
levied on the privilege of engaging in the severance of natural 10884  
resources from the soil or water of this state. The tax shall be 10885  
imposed upon the severer at the rates prescribed by this 10886  
section: 10887

(1) Ten cents per ton of coal; 10888

(2) Four cents per ton of salt; 10889

(3) Two cents per ton of limestone or dolomite; 10890

(4) Two cents per ton of sand and gravel; 10891

(5) ~~Ten cents per barrel of oil;~~ 10892

~~(6) Two and one half cents per thousand cubic feet of~~ 10893  
~~natural gas;~~ 10894

~~(7)~~ Six and one-half per cent of the product of the total volume of oil severed during the calendar quarter multiplied by the average quarterly spot price for oil applicable to that quarter; 10895  
10896  
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(6) (a) For gas that enters the natural gas distribution system without further processing, six and one-half per cent of the product of the total volume of such gas severed during the calendar quarter multiplied by the average quarter spot price for gas applicable to that quarter; 10899  
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(b) For gas other than that described in division (A) (6) (a) of this section, four and one-half per cent of the product of the total volume of such gas after the gas is processed during the calendar quarter, regardless of where the processing facility is located, multiplied by the average quarterly spot price for gas applicable to that quarter. 10904  
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(7) Six and one-half per cent of the product of the volume of condensate collected during the calendar quarter at a point other than the wellhead, regardless of where title is transferred, multiplied by the average quarterly spot price for condensate applicable to that quarter; 10910  
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(8) Four and one-half per cent of the product of the volume of natural gas liquids collected during the calendar year at a point other than the wellhead, regardless of where title is transferred, multiplied by the average quarterly spot price for natural gas liquids applicable to that quarter; 10915  
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(9) One cent per ton of clay, sandstone or conglomerate, shale, gypsum, or quartzite; 10920  
10921

~~(8)~~ (10) Except as otherwise provided in this division or in rules adopted by the reclamation forfeiture fund advisory 10922  
10923

board under section 1513.182 of the Revised Code, an additional 10924  
fourteen cents per ton of coal produced from an area under a 10925  
coal mining and reclamation permit issued under Chapter 1513. of 10926  
the Revised Code for which the performance security is provided 10927  
under division (C) (2) of section 1513.08 of the Revised Code. 10928  
Beginning July 1, 2007, if at the end of a fiscal biennium the 10929  
balance of the reclamation forfeiture fund created in section 10930  
1513.18 of the Revised Code is equal to or greater than ten 10931  
million dollars, the rate levied shall be twelve cents per ton. 10932  
Beginning July 1, 2007, if at the end of a fiscal biennium the 10933  
balance of the fund is at least five million dollars, but less 10934  
than ten million dollars, the rate levied shall be fourteen 10935  
cents per ton. Beginning July 1, 2007, if at the end of a fiscal 10936  
biennium the balance of the fund is less than five million 10937  
dollars, the rate levied shall be sixteen cents per ton. 10938  
Beginning July 1, 2009, not later than thirty days after the 10939  
close of a fiscal biennium, the chief of the division of mineral 10940  
resources management shall certify to the tax commissioner the 10941  
amount of the balance of the reclamation forfeiture fund as of 10942  
the close of the fiscal biennium. Any necessary adjustment of 10943  
the rate levied shall take effect on the first day of the 10944  
following January and shall remain in effect during the calendar 10945  
biennium that begins on that date. 10946

~~(9)-(11)~~ An additional one and two-tenths cents per ton of 10947  
coal mined by surface mining methods. 10948

(B) After the director of budget and management transfers 10949  
money from the severance tax receipts fund as required in 10950  
division (H) of section 5749.06 of the Revised Code, money 10951  
remaining in the severance tax receipts fund, ~~except for money~~ 10952  
~~in the fund from the amounts due under section 1509.50 of the~~ 10953  
~~Revised Code,~~ shall be credited as follows: 10954

(1) All of the moneys in the fund from the tax levied in 10955  
division (A) (1) of this section shall be credited to the mining 10956  
regulation and safety fund created in section 1513.30 of the 10957  
Revised Code. 10958

(2) The money in the fund from the tax levied in division 10959  
(A) (2) of this section shall be credited to the mining 10960  
regulation and safety fund. 10961

(3) Of the moneys in the fund from the tax levied in 10962  
divisions (A) (3) and (4) of this section, seven and five-tenths 10963  
per cent shall be credited to the geological mapping fund and 10964  
the remainder shall be credited to the mining regulation and 10965  
safety fund created in section 1513.30 of the Revised Code. 10966

(4) ~~Of All of the moneys in the fund from the tax levied 10967  
in divisions (A) (5) and (6) to (8) of this section, ninety per- 10968  
cent shall be credited to the oil and gas well general revenue 10969  
fund and ten per cent shall be credited to the geological- 10970  
mapping fund. 10971~~

(5) All of the moneys in the fund from the tax levied in 10972  
division ~~(A) (7)~~ (A) (9) of this section shall be credited to the 10973  
mining regulation and safety fund. 10974

(6) All of the moneys in the fund from the tax levied in 10975  
division ~~(A) (8)~~ (A) (10) of this section shall be credited to the 10976  
reclamation forfeiture fund. 10977

(7) All of the moneys in the fund from the tax levied in 10978  
division ~~(A) (9)~~ (A) (11) of this section shall be credited to the 10979  
mining regulation and safety fund. 10980

(C) When, at the close of any fiscal year, the chief finds 10981  
that the balance of the reclamation forfeiture fund, plus the 10982  
estimated revenues from the tax levied by division ~~(A) (8)~~ (A) 10983



(10) of this section for the remainder of the calendar year that includes the close of the fiscal year, are sufficient to complete the reclamation of all lands for which the performance security has been provided under division (C) (2) of section 1513.08 of the Revised Code, the purposes for which the tax under division ~~(A) (8)~~ (A) (10) of this section is levied shall be deemed accomplished at the end of that calendar year. The chief, within thirty days after the close of the fiscal year, shall certify those findings to the tax commissioner, and the tax levied under division ~~(A) (8)~~ (A) (10) of this section shall cease to be imposed for the subsequent calendar year after the last day of that calendar year on coal produced under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code if the permittee has made tax payments under division ~~(A) (8)~~ (A) (10) of this section during each of the preceding five full calendar years. Not later than thirty days after the close of a fiscal year, the chief shall certify to the tax commissioner the identity of any permittees who accordingly no longer are required to pay the tax levied under division ~~(A) (8)~~ (A) (10) of this section for the subsequent calendar year.

(D) On or before the last day of the first month of each calendar quarter, the tax commissioner shall certify and post to the department of taxation's web site the average quarterly spot price applicable to oil, gas, condensate, and natural gas liquids for that quarter.

**Sec. 5749.04.** No severer shall sever or sell a natural resource in this state without first having obtained a permit from or having registered with the department of natural resources.

The commissioner may request that the department of

natural resources revoke the permit or registration of a severer 11014  
or owner if the commissioner finds that the severer or owner has 11015  
failed to comply with former section 1509.50 or Chapter 5749. of 11016  
the Revised Code. 11017

Upon receipt of such a request, that officer may revoke 11018  
the permit or registration. 11019

Except as provided in section 5749.03 of the Revised Code, 11020  
before severing a natural resource each severer shall file an 11021  
application with the commissioner on a form prescribed by the 11022  
commissioner to establish a severance tax account. The 11023  
application may require the severer to disclose any information 11024  
the commissioner considers necessary to establish that account. 11025

**Sec. 5749.06.** (A) (1) Each severer liable for the tax 11026  
imposed by section 5749.02 of the Revised Code ~~and each severer~~ 11027  
~~or owner liable for the amounts due under section 1509.50 of the~~ 11028  
~~Revised Code, except for any amount due under division (B) (2) of~~ 11029  
~~that section,~~ shall make and file returns with the tax 11030  
commissioner in the prescribed form and at the prescribed times, 11031  
computing and reflecting therein the tax as required by this 11032  
chapter ~~and amounts due under section 1509.50 of the Revised~~ 11033  
~~Code.~~ 11034

(2) The returns shall be filed for every calendar quarter, 11035  
as required by this section, unless a different return period is 11036  
prescribed for a taxpayer by the commissioner. 11037

(B) (1) A separate return shall be filed for each calendar 11038  
quarter, or other period, or any part thereof, during which the 11039  
severer holds a permit or has registered as provided by section 11040  
5749.04 of the Revised Code, or is required to hold the permit 11041  
or registration, or during which an owner is required to file a 11042

return. The return shall be filed on or before the fifteenth day 11043  
of the second month following the end of each return period. The 11044  
tax due is payable along with the return. All such returns shall 11045  
contain such information as the commissioner may require to 11046  
fairly administer the tax. 11047

(2) All returns shall be signed by the severer ~~or owner,~~ 11048  
~~as applicable,~~ shall contain the full and complete information 11049  
requested, and shall be made under penalty of perjury. 11050

(C) If the commissioner believes that quarterly payments 11051  
of tax would result in a delay that might jeopardize the 11052  
collection of such tax payments, the commissioner may order that 11053  
such payments be made weekly, or more frequently if necessary, 11054  
such payments to be made not later than seven days following the 11055  
close of the period for which the jeopardy payment is required. 11056  
Such an order shall be delivered to the taxpayer in the manner 11057  
provided in section 5703.37 of the Revised Code and shall remain 11058  
in effect until the commissioner notifies the taxpayer to the 11059  
contrary. 11060

(D) Upon good cause the commissioner may extend for thirty 11061  
days the period for filing any notice or return required to be 11062  
filed under this section, and may remit all or a part of 11063  
penalties that may become due under this chapter. 11064

(E) Any tax ~~and any amount due under section 1509.50 of~~ 11065  
~~the Revised Code~~ not paid by the day the tax ~~or amount~~ is due 11066  
shall bear interest computed at the rate per annum prescribed by 11067  
section 5703.47 of the Revised Code ~~on that amount due~~ from the 11068  
day that the ~~amount tax~~ was originally required to be paid to 11069  
the day of actual payment or to the day an assessment was issued 11070  
under section 5749.07 or 5749.10 of the Revised Code, whichever 11071  
occurs first. 11072

(F) A severer ~~or owner, as applicable,~~ that fails to file 11073  
a complete return or pay the full amount due under this chapter 11074  
within the time prescribed, including any extensions of time 11075  
granted by the commissioner, shall be subject to a penalty not 11076  
to exceed the greater of fifty dollars or ten per cent of the 11077  
amount due for the period. 11078

(G) (1) A severer ~~or owner, as applicable,~~ shall remit 11079  
payments electronically and, if required by the commissioner, 11080  
file each return electronically. The commissioner may require 11081  
that the severer ~~or owner~~ use the Ohio business gateway, as 11082  
defined in section 718.01 of the Revised Code, or another 11083  
electronic means to file returns and remit payments 11084  
electronically. 11085

(2) A severer ~~or owner~~ that is required to remit payments 11086  
electronically under this section may apply to the commissioner, 11087  
in the manner prescribed by the commissioner, to be excused from 11088  
that requirement. The commissioner may excuse a severer ~~or owner~~ 11089  
from the requirements of division (G) of this section for good 11090  
cause. 11091

(3) If a severer ~~or owner~~ that is required to remit 11092  
payments or file returns electronically under this section fails 11093  
to do so, the commissioner may impose a penalty on the severer 11094  
~~or owner~~ not to exceed the following: 11095

(a) For the first or second payment or return the severer 11096  
~~or owner~~ fails to remit or file electronically, the greater of 11097  
five per cent of the amount of the payment that was required to 11098  
be remitted or twenty-five dollars; 11099

(b) For every payment or return after the second that the 11100  
severer ~~or owner~~ fails to remit or file electronically, the 11101

greater of ten per cent of the amount of the payment that was 11102  
required to be remitted or fifty dollars. 11103

(H) (1) All amounts that the commissioner receives under 11104  
this section shall be deemed to be revenue from taxes imposed 11105  
under this chapter or from the amount due under former section 11106  
1509.50 of the Revised Code, as applicable, and shall be 11107  
deposited in the severance tax receipts fund, which is hereby 11108  
created in the state treasury. 11109

(2) The director of budget and management shall transfer 11110  
from the severance tax receipts fund, as necessary, to the tax 11111  
refund fund amounts equal to the refunds certified by the 11112  
commissioner under section 5749.08 of the Revised Code. Any 11113  
amount transferred under division (H) (2) of this section shall 11114  
be derived from receipts of the same tax or other amount from 11115  
which the refund arose. 11116

(3) After the director of budget and management makes any 11117  
transfer required by division (H) (2) of this section, but not 11118  
later than the twenty-fifth day of each month, the commissioner 11119  
shall certify to the director the total amount remaining in the 11120  
severance tax receipts fund organized according to the amount 11121  
attributable to each natural resource and according to the 11122  
amount attributable to a tax imposed by this chapter ~~and the~~ 11123  
~~amounts due under section 1509.50 of the Revised Code,~~ and shall 11124  
provide for payment to the funds specified in division (B) of 11125  
section 5749.02 of the Revised Code. 11126

(I) Penalties imposed under this section are in addition 11127  
to any other penalty imposed under this chapter and shall be 11128  
considered as revenue arising from the tax levied under this 11129  
chapter or the amount due under former section 1509.50 of the 11130  
Revised Code, as applicable. The commissioner may collect any 11131

penalty or interest imposed under this section in the same 11132  
manner as provided for the making of an assessment in section 11133  
5749.07 of the Revised Code. The commissioner may abate all or a 11134  
portion of such interest or penalties and may adopt rules 11135  
governing such abatements. 11136

(J) For purposes of this section: 11137

(1) "Tax imposed by section 5749.02 of the Revised Code" 11138  
or "tax" includes amounts due under former section 1509.50 of 11139  
the Revised Code. 11140

(2) "Severer" includes an owner as defined in section 11141  
1509.01 of the Revised Code, with regard to amounts due from an 11142  
owner under former section 1509.50 of the Revised Code. 11143

**Sec. 5749.07.** (A) If any severer required by this chapter 11144  
to make and file returns and pay the tax ~~levied~~imposed by 11145  
section 5749.02 of the Revised Code, ~~or any severer or owner~~ 11146  
~~liable for the amounts due under section 1509.50 of the Revised~~ 11147  
~~Code,~~ fails to make such return or pay such tax ~~or amounts,~~ the 11148  
tax commissioner may make an assessment against the severer ~~or~~ 11149  
~~owner~~ based upon any information in the commissioner's 11150  
possession. 11151

No assessment shall be made or issued against any severer 11152  
for any tax imposed by section 5749.02 of the Revised Code ~~or~~ 11153  
~~against any severer or owner for any amount due under section~~ 11154  
~~1509.50 of the Revised Code~~ more than four years after the 11155  
return was due or was filed, whichever is later. This section 11156  
does not bar an assessment against a severer ~~or owner~~ who fails 11157  
to file a return as required by this chapter, or who files a 11158  
fraudulent return. 11159

The commissioner shall give the party assessed written 11160

notice of such assessment in the manner provided in section 11161  
5703.37 of the Revised Code. With the notice, the commissioner 11162  
shall provide instructions on how to petition for reassessment 11163  
and request a hearing on the petition. 11164

(B) Unless the party assessed files with the commissioner 11165  
within sixty days after service of the notice of assessment, 11166  
either personally or by certified mail, a written petition for 11167  
reassessment signed by the party assessed or that party's 11168  
authorized agent having knowledge of the facts, the assessment 11169  
becomes final and the amount of the assessment is due and 11170  
payable from the party assessed to the treasurer of state. The 11171  
petition shall indicate the objections of the party assessed, 11172  
but additional objections may be raised in writing if received 11173  
by the commissioner prior to the date shown on the final 11174  
determination. If the petition has been properly filed, the 11175  
commissioner shall proceed under section 5703.60 of the Revised 11176  
Code. 11177

(C) After an assessment becomes final, if any portion of 11178  
the assessment remains unpaid, including accrued interest, a 11179  
certified copy of the commissioner's entry making the assessment 11180  
final may be filed in the office of the clerk of the court of 11181  
common pleas in the county in which the party assessed resides 11182  
or in which the party's business is conducted. If the party 11183  
assessed maintains no place of business in this state and is not 11184  
a resident of this state, the certified copy of the entry may be 11185  
filed in the office of the clerk of the court of common pleas of 11186  
Franklin county. 11187

Immediately upon the filing of such entry, the clerk shall 11188  
enter a judgment for the state against the party assessed in the 11189  
amount shown on the entry. The judgment may be filed by the 11190

clerk in a loose-leaf book entitled "special judgments for state 11191  
severance tax," and shall have the same effect as other 11192  
judgments. Execution shall issue upon the judgment upon the 11193  
request of the commissioner, and all laws applicable to sales on 11194  
execution shall apply to sales made under the judgment. 11195

If the assessment is not paid in its entirety within sixty 11196  
days after the day the assessment is issued, the portion of the 11197  
assessment consisting of tax due ~~or amounts due under section~~ 11198  
~~1509.50 of the Revised Code~~ shall bear interest at the rate per 11199  
annum prescribed by section 5703.47 of the Revised Code from the 11200  
day the commissioner issues the assessment until it is paid or 11201  
until it is certified to the attorney general for collection 11202  
under section 131.02 of the Revised Code, whichever comes first. 11203  
If the unpaid portion of the assessment is certified to the 11204  
attorney general for collection, the entire unpaid portion of 11205  
the assessment shall bear interest at the rate per annum 11206  
prescribed by section 5703.47 of the Revised Code from the date 11207  
of certification until the date it is paid in its entirety. 11208  
Interest shall be paid in the same manner as the tax and may be 11209  
collected by the issuance of an assessment under this section. 11210

(D) All money collected by the commissioner under this 11211  
section shall be paid to the treasurer of state, and when paid 11212  
shall be considered as revenue arising from the tax imposed by 11213  
section 5749.02 of the Revised Code ~~and the amount due under~~ 11214  
~~section 1509.50 of the Revised Code, as applicable.~~ 11215

(E) For purposes of this section: 11216

(1) "Tax imposed by section 5749.02 of the Revised Code" 11217  
or "tax" includes amounts due under former section 1509.50 of 11218  
the Revised Code. 11219



(2) "Severer" includes an owner as defined in section 1509.01 of the Revised Code, with regard to amounts due from an owner under former section 1509.50 of the Revised Code. 11220  
11221  
11222

**Sec. 5749.08.** The tax commissioner shall refund ~~to~~ 11223  
~~taxpayers~~ amounts paid under this chapter or former section 11224  
1509.50 of the Revised Code that were paid illegally or 11225  
erroneously or paid on an illegal or erroneous assessment. 11226  
Applications for refund shall be filed with the commissioner, on 11227  
the form prescribed by the commissioner, within four years from 11228  
the date of the illegal or erroneous payment. On the filing of 11229  
the application, the commissioner shall determine the amount of 11230  
refund to which the applicant is entitled, plus interest 11231  
computed in accordance with section 5703.47 of the Revised Code 11232  
from the date of the payment of an erroneous or illegal 11233  
assessment until the date the refund is paid. If the amount is 11234  
not less than that claimed, the commissioner shall certify the 11235  
amount to the director of budget and management and treasurer of 11236  
state for payment from the tax refund fund created by section 11237  
5703.052 of the Revised Code. If the amount is less than that 11238  
claimed, the commissioner shall proceed in accordance with 11239  
section 5703.70 of the Revised Code. 11240

**Sec. 5749.10.** If the tax commissioner finds that a 11241  
~~taxpayer, person~~ liable for tax under this chapter or for any 11242  
amount due under former section 1509.50 of the Revised Code is 11243  
about to depart from the state, or remove the ~~taxpayer's~~ 11244  
person's property therefrom, or conceal ~~the taxpayer's~~ its 11245  
person or property, or do any other act tending to prejudice or 11246  
to render wholly or partly ineffectual proceedings to collect 11247  
such tax or other amount due unless such proceedings are brought 11248  
without delay, or if the commissioner believes that the 11249  
collection of the tax or amount due from any ~~taxpayer~~ person 11250

will be jeopardized by delay, the commissioner shall give notice 11251  
of such findings to ~~such taxpayer~~ the person together with the 11252  
demand for an immediate return and immediate payment of such tax 11253  
or other amount due, with penalty as provided in section 5749.15 11254  
of the Revised Code, whereupon such tax or other amount due 11255  
shall become immediately due and payable. In such cases the 11256  
commissioner may immediately file an entry with the clerk of the 11257  
court of common pleas in the same manner and with the same 11258  
effect as provided in section 5749.07 of the Revised Code, 11259  
provided that if ~~such taxpayer~~ the person, within five days from 11260  
notice of the assessment, furnishes evidence satisfactory to the 11261  
commissioner, under ~~the regulations prescribed~~ rules adopted by 11262  
the commissioner, that the ~~taxpayer~~ person is not in default in 11263  
making returns or paying any tax prescribed by this chapter or 11264  
amount due under former section 1509.50 of the Revised Code, or 11265  
that the ~~taxpayer~~ person will duly return and pay, or post bond 11266  
satisfactory to the commissioner conditioned upon payment of the 11267  
tax or other amount finally determined to be due, then such tax 11268  
or other amount due shall not be payable prior to the time and 11269  
manner otherwise fixed for payment under section 5749.07 of the 11270  
Revised Code, and the person assessed shall be restored the 11271  
rights granted under such section. Upon satisfaction of the 11272  
assessment the commissioner shall order the bond cancelled, 11273  
securities released, and judgment vacated. 11274

Any assessment issued under this section shall bear 11275  
interest as prescribed under section 5749.07 of the Revised 11276  
Code. 11277

**Sec. 5749.11.** (A) There is hereby allowed a nonrefundable 11278  
credit against the taxes imposed under division ~~(A) (8)~~ (A) (10) 11279  
of section 5749.02 of the Revised Code for any severer to which 11280  
a reclamation tax credit certificate is issued under section 11281

1513.171 of the Revised Code. The credit shall be claimed in the amount shown on the certificate. The credit shall be claimed by deducting the amount of the credit from the amount of the first tax payment due under section 5749.06 of the Revised Code after the certificate is issued.

If the amount of the credit shown on a certificate exceeds the amount of the tax otherwise due with that first payment, the excess shall be claimed against the amount of tax otherwise due on succeeding payment dates until the entire credit amount has been deducted. The total amount of credit claimed against payments shall not exceed the total amount of credit shown on the certificate.

(B) A severer claiming a credit under this section shall retain a reclamation tax credit certificate for not less than four years following the date of the last tax payment against which the credit allowed under that certificate was applied. Severers shall make tax credit certificates available for inspection by the tax commissioner upon the tax commissioner's request.

**Sec. 5749.12.** Any nonresident of this state who accepts the privilege extended by the laws of this state to nonresidents severing natural resources in this state, and any resident of this state who subsequently becomes a nonresident or conceals the resident's whereabouts, makes the secretary of state of Ohio the person's agent for the service of process or notice in any assessment, action, or proceedings instituted in this state against such person under this chapter or for purposes of amounts due under former section 1509.50 of the Revised Code.

Such process or notice shall be served as provided under section 5703.37 of the Revised Code.

**Sec. 5749.13.** The tax commissioner may prescribe 11312  
requirements as to the keeping of records and other pertinent 11313  
documents and the filing of copies of federal income tax returns 11314  
and determinations. The commissioner may require any person, by 11315  
rule or by notice served on that person, to keep such records as 11316  
the commissioner considers necessary to show whether that person 11317  
is liable, and the extent of liability, for the tax imposed 11318  
under this chapter and the amount due under former section 11319  
1509.50 of the Revised Code. Such records and other documents 11320  
shall be open during business hours to the inspection of the 11321  
commissioner, and shall be preserved for a period of four years 11322  
after the date the return was required to be filed or actually 11323  
was filed, whichever is later, unless the commissioner, in 11324  
writing, consents to their destruction within that period, or by 11325  
order requires that they be kept longer. 11326

**Sec. 5749.14.** The tax commissioner shall enforce and 11327  
administer this chapter ~~and applicable provisions of section~~ 11328  
~~1509.50 of the Revised Code.~~ In addition to any other powers 11329  
conferred upon the commissioner by law, the commissioner may: 11330

(A) Prescribe all forms required to be filed pursuant to 11331  
this chapter; 11332

(B) ~~Promulgate~~ Adopt such rules as the commissioner finds 11333  
necessary to carry out this chapter ~~and applicable provisions of~~ 11334  
~~section 1509.50 of the Revised Code;~~ 11335

(C) Appoint and employ such personnel as may be necessary 11336  
to carry out the duties imposed upon the commissioner by this 11337  
chapter. 11338

**Sec. 5749.15.** Any person who fails to file a return or pay 11339  
the tax as required under this chapter or other amount due under 11340

former section 1509.50 of the Revised Code who is assessed such 11341  
taxes or other amount due pursuant to section 5749.07 or 5749.10 11342  
of the Revised Code may be liable for a penalty of up to twenty- 11343  
five per cent of the amount assessed. The tax commissioner may 11344  
adopt rules relating to the imposition and remission of 11345  
penalties imposed under this section. 11346

**Sec. 5751.01.** As used in this chapter: 11347

(A) "Person" means, but is not limited to, individuals, 11348  
combinations of individuals of any form, receivers, assignees, 11349  
trustees in bankruptcy, firms, companies, joint-stock companies, 11350  
business trusts, estates, partnerships, limited liability 11351  
partnerships, limited liability companies, associations, joint 11352  
ventures, clubs, societies, for-profit corporations, S 11353  
corporations, qualified subchapter S subsidiaries, qualified 11354  
subchapter S trusts, trusts, entities that are disregarded for 11355  
federal income tax purposes, and any other entities. 11356

(B) "Consolidated elected taxpayer" means a group of two 11357  
or more persons treated as a single taxpayer for purposes of 11358  
this chapter as the result of an election made under section 11359  
5751.011 of the Revised Code. 11360

(C) "Combined taxpayer" means a group of two or more 11361  
persons treated as a single taxpayer for purposes of this 11362  
chapter under section 5751.012 of the Revised Code. 11363

(D) "Taxpayer" means any person, or any group of persons 11364  
in the case of a consolidated elected taxpayer or combined 11365  
taxpayer treated as one taxpayer, required to register or pay 11366  
tax under this chapter. "Taxpayer" does not include excluded 11367  
persons. 11368

(E) "Excluded person" means any of the following: 11369

(1) Any person with not more than one hundred fifty 11370  
thousand dollars of taxable gross receipts during the calendar 11371  
year. Division (E) (1) of this section does not apply to a person 11372  
that is a member of a consolidated elected taxpayer. 11373

(2) A public utility that paid the excise tax imposed by 11374  
section 5727.24 or 5727.30 of the Revised Code based on one or 11375  
more measurement periods that include the entire tax period 11376  
under this chapter, except in the following circumstances: 11377

(a) A public utility that is a combined company is a 11378  
taxpayer with regard to the following gross receipts: 11379

(i) Taxable gross receipts directly attributed to a public 11380  
utility activity, but not directly attributed to an activity 11381  
that is subject to the excise tax imposed by section 5727.24 or 11382  
5727.30 of the Revised Code; 11383

(ii) Taxable gross receipts that cannot be directly 11384  
attributed to any activity, multiplied by a fraction whose 11385  
numerator is the taxable gross receipts described in division 11386  
(E) (2) (a) (i) of this section and whose denominator is the total 11387  
taxable gross receipts that can be directly attributed to any 11388  
activity; 11389

(iii) Except for any differences resulting from the use of 11390  
an accrual basis method of accounting for purposes of 11391  
determining gross receipts under this chapter and the use of the 11392  
cash basis method of accounting for purposes of determining 11393  
gross receipts under section 5727.24 of the Revised Code, the 11394  
gross receipts directly attributed to the activity of a natural 11395  
gas company shall be determined in a manner consistent with 11396  
division (D) of section 5727.03 of the Revised Code. 11397

(b) A heating company that became exempt from the excise 11398

tax imposed by section 5727.30 of the Revised Code on May 1, 11399  
2023, shall not be an excluded person for tax periods beginning 11400  
on or after July 1, 2023. 11401

As used in division (E)(2) of this section, "combined 11402  
company" and "public utility" have the same meanings as in 11403  
section 5727.01 of the Revised Code. 11404

(3) A financial institution, as defined in section 5726.01 11405  
of the Revised Code, that paid the tax imposed by section 11406  
5726.02 of the Revised Code based on one or more taxable years 11407  
that include the entire tax period under this chapter; 11408

(4) A person directly or indirectly owned by one or more 11409  
financial institutions, as defined in section 5726.01 of the 11410  
Revised Code, that paid the tax imposed by section 5726.02 of 11411  
the Revised Code based on one or more taxable years that include 11412  
the entire tax period under this chapter. 11413

For the purposes of division (E)(4) of this section, a 11414  
person owns another person under the following circumstances: 11415

(a) In the case of corporations issuing capital stock, one 11416  
corporation owns another corporation if it owns fifty per cent 11417  
or more of the other corporation's capital stock with current 11418  
voting rights; 11419

(b) In the case of a limited liability company, one person 11420  
owns the company if that person's membership interest, as 11421  
defined in section 1706.01 of the Revised Code, is fifty per 11422  
cent or more of the combined membership interests of all persons 11423  
owning such interests in the company; 11424

(c) In the case of a partnership, trust, or other 11425  
unincorporated business organization other than a limited 11426  
liability company, one person owns the organization if, under 11427

the articles of organization or other instrument governing the 11428  
affairs of the organization, that person has a beneficial 11429  
interest in the organization's profits, surpluses, losses, or 11430  
distributions of fifty per cent or more of the combined 11431  
beneficial interests of all persons having such an interest in 11432  
the organization. 11433

(5) A domestic insurance company or foreign insurance 11434  
company, as defined in section 5725.01 of the Revised Code, that 11435  
paid the insurance company premiums tax imposed by section 11436  
5725.18 or Chapter 5729. of the Revised Code, or an unauthorized 11437  
insurance company whose gross premiums are subject to tax under 11438  
section 3905.36 of the Revised Code based on one or more 11439  
measurement periods that include the entire tax period under 11440  
this chapter; 11441

(6) A person that solely facilitates or services one or 11442  
more securitizations of phase-in-recovery property pursuant to a 11443  
final financing order as those terms are defined in section 11444  
4928.23 of the Revised Code. For purposes of this division, 11445  
"securitization" means transferring one or more assets to one or 11446  
more persons and then issuing securities backed by the right to 11447  
receive payment from the asset or assets so transferred. 11448

(7) Except as otherwise provided in this division, a pre- 11449  
income tax trust as defined in section 5747.01 of the Revised 11450  
Code and any pass-through entity of which such pre-income tax 11451  
trust owns or controls, directly, indirectly, or constructively 11452  
through related interests, more than five per cent of the 11453  
ownership or equity interests. If the pre-income tax trust has 11454  
made a qualifying pre-income tax trust election under division 11455  
(EE) of section 5747.01 of the Revised Code, then the trust and 11456  
the pass-through entities of which it owns or controls, 11457



directly, indirectly, or constructively through related 11458  
interests, more than five per cent of the ownership or equity 11459  
interests, shall not be excluded persons for purposes of the tax 11460  
imposed under section 5751.02 of the Revised Code. 11461

(8) Nonprofit organizations or the state and its agencies, 11462  
instrumentalities, or political subdivisions. 11463

(F) Except as otherwise provided in divisions (F) (2), (3), 11464  
and (4) of this section, "gross receipts" means the total amount 11465  
realized by a person, without deduction for the cost of goods 11466  
sold or other expenses incurred, that contributes to the 11467  
production of gross income of the person, including the fair 11468  
market value of any property and any services received, and any 11469  
debt transferred or forgiven as consideration. 11470

(1) The following are examples of gross receipts: 11471

(a) Amounts realized from the sale, exchange, or other 11472  
disposition of the taxpayer's property to or with another; 11473

(b) Amounts realized from the taxpayer's performance of 11474  
services for another; 11475

(c) Amounts realized from another's use or possession of 11476  
the taxpayer's property or capital; 11477

(d) Any combination of the foregoing amounts. 11478

(2) "Gross receipts" excludes the following amounts: 11479

(a) Interest income except interest on credit sales; 11480

(b) Dividends and distributions from corporations, and 11481  
distributive or proportionate shares of receipts and income from 11482  
a pass-through entity as defined under section 5733.04 of the 11483  
Revised Code; 11484

(c) Receipts from the sale, exchange, or other disposition 11485  
of an asset described in section 1221 or 1231 of the Internal 11486  
Revenue Code, without regard to the length of time the person 11487  
held the asset. Notwithstanding section 1221 of the Internal 11488  
Revenue Code, receipts from hedging transactions also are 11489  
excluded to the extent the transactions are entered into 11490  
primarily to protect a financial position, such as managing the 11491  
risk of exposure to (i) foreign currency fluctuations that 11492  
affect assets, liabilities, profits, losses, equity, or 11493  
investments in foreign operations; (ii) interest rate 11494  
fluctuations; or (iii) commodity price fluctuations. As used in 11495  
division (F)(2)(c) of this section, "hedging transaction" has 11496  
the same meaning as used in section 1221 of the Internal Revenue 11497  
Code and also includes transactions accorded hedge accounting 11498  
treatment under statement of financial accounting standards 11499  
number 133 of the financial accounting standards board. For the 11500  
purposes of division (F)(2)(c) of this section, the actual 11501  
transfer of title of real or tangible personal property to 11502  
another entity is not a hedging transaction. 11503

(d) Proceeds received attributable to the repayment, 11504  
maturity, or redemption of the principal of a loan, bond, mutual 11505  
fund, certificate of deposit, or marketable instrument; 11506

(e) The principal amount received under a repurchase 11507  
agreement or on account of any transaction properly 11508  
characterized as a loan to the person; 11509

(f) Contributions received by a trust, plan, or other 11510  
arrangement, any of which is described in section 501(a) of the 11511  
Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 11512  
1, Subchapter (D) of the Internal Revenue Code applies; 11513

(g) Compensation, whether current or deferred, and whether 11514

in cash or in kind, received or to be received by an employee, 11515  
former employee, or the employee's legal successor for services 11516  
rendered to or for an employer, including reimbursements 11517  
received by or for an individual for medical or education 11518  
expenses, health insurance premiums, or employee expenses, or on 11519  
account of a dependent care spending account, legal services 11520  
plan, any cafeteria plan described in section 125 of the 11521  
Internal Revenue Code, or any similar employee reimbursement; 11522

(h) Proceeds received from the issuance of the taxpayer's 11523  
own stock, options, warrants, puts, or calls, or from the sale 11524  
of the taxpayer's treasury stock; 11525

(i) Proceeds received on the account of payments from 11526  
insurance policies, except those proceeds received for the loss 11527  
of business revenue; 11528

(j) Gifts or charitable contributions received; membership 11529  
dues received by trade, professional, homeowners', or 11530  
condominium associations; payments received for educational 11531  
courses, meetings, meals, or similar payments to a trade, 11532  
professional, or other similar association; and fundraising 11533  
receipts received by any person when any excess receipts are 11534  
donated or used exclusively for charitable purposes; 11535

(k) Damages received as the result of litigation in excess 11536  
of amounts that, if received without litigation, would be gross 11537  
receipts; 11538

(l) Property, money, and other amounts received or 11539  
acquired by an agent on behalf of another in excess of the 11540  
agent's commission, fee, or other remuneration; 11541

(m) Tax refunds, other tax benefit recoveries, and 11542  
reimbursements for the tax imposed under this chapter made by 11543

entities that are part of the same combined taxpayer or 11544  
consolidated elected taxpayer group, and reimbursements made by 11545  
entities that are not members of a combined taxpayer or 11546  
consolidated elected taxpayer group that are required to be made 11547  
for economic parity among multiple owners of an entity whose tax 11548  
obligation under this chapter is required to be reported and 11549  
paid entirely by one owner, pursuant to the requirements of 11550  
sections 5751.011 and 5751.012 of the Revised Code; 11551

(n) Pension reversions; 11552

(o) Contributions to capital; 11553

(p) Sales or use taxes collected as a vendor or an out-of- 11554  
state seller on behalf of the taxing jurisdiction from a 11555  
consumer or other taxes the taxpayer is required by law to 11556  
collect directly from a purchaser and remit to a local, state, 11557  
or federal tax authority; 11558

(q) In the case of receipts from the sale of cigarettes, 11559  
tobacco products, or vapor products by a wholesale dealer, 11560  
retail dealer, distributor, manufacturer, vapor distributor, or 11561  
seller, all as defined in section 5743.01 of the Revised Code, 11562  
an amount equal to the federal and state excise taxes paid by 11563  
any person on or for such cigarettes, tobacco products, or vapor 11564  
products under subtitle E of the Internal Revenue Code or 11565  
Chapter 5743. of the Revised Code; 11566

(r) In the case of receipts from the sale, transfer, 11567  
exchange, or other disposition of motor fuel as "motor fuel" is 11568  
defined in section 5736.01 of the Revised Code, an amount equal 11569  
to the value of the motor fuel, including federal and state 11570  
motor fuel excise taxes and receipts from billing or invoicing 11571  
the tax imposed under section 5736.02 of the Revised Code to 11572

another person; 11573

(s) In the case of receipts from the sale of beer or 11574  
intoxicating liquor, as defined in section 4301.01 of the 11575  
Revised Code, by a person holding a permit issued under Chapter 11576  
4301. or 4303. of the Revised Code, an amount equal to federal 11577  
and state excise taxes paid by any person on or for such beer or 11578  
intoxicating liquor under subtitle E of the Internal Revenue 11579  
Code or Chapter 4301. or 4305. of the Revised Code; 11580

(t) Receipts realized by a new motor vehicle dealer or 11581  
used motor vehicle dealer, as defined in section 4517.01 of the 11582  
Revised Code, from the sale or other transfer of a motor 11583  
vehicle, as defined in that section, to another motor vehicle 11584  
dealer for the purpose of resale by the transferee motor vehicle 11585  
dealer, but only if the sale or other transfer was based upon 11586  
the transferee's need to meet a specific customer's preference 11587  
for a motor vehicle; 11588

(u) Receipts from a financial institution described in 11589  
division (E) (3) of this section for services provided to the 11590  
financial institution in connection with the issuance, 11591  
processing, servicing, and management of loans or credit 11592  
accounts, if such financial institution and the recipient of 11593  
such receipts have at least fifty per cent of their ownership 11594  
interests owned or controlled, directly or constructively 11595  
through related interests, by common owners; 11596

(v) Receipts realized from administering anti-neoplastic 11597  
drugs and other cancer chemotherapy, biologicals, therapeutic 11598  
agents, and supportive drugs in a physician's office to patients 11599  
with cancer; 11600

(w) Funds received or used by a mortgage broker that is 11601

not a dealer in intangibles, other than fees or other 11602  
consideration, pursuant to a table-funding mortgage loan or 11603  
warehouse-lending mortgage loan. Terms used in division (F) (2) 11604  
(w) of this section have the same meanings as in section 1322.01 11605  
of the Revised Code, except "mortgage broker" means a person 11606  
assisting a buyer in obtaining a mortgage loan for a fee or 11607  
other consideration paid by the buyer or a lender, or a person 11608  
engaged in table-funding or warehouse-lending mortgage loans 11609  
that are first lien mortgage loans. 11610

(x) Property, money, and other amounts received by a 11611  
professional employer organization, as defined in section 11612  
4125.01 of the Revised Code, or an alternate employer 11613  
organization, as defined in section 4133.01 of the Revised Code, 11614  
from a client employer, as defined in either of those sections 11615  
as applicable, in excess of the administrative fee charged by 11616  
the professional employer organization or the alternate employer 11617  
organization to the client employer; 11618

(y) In the case of amounts retained as commissions by a 11619  
permit holder under Chapter 3769. of the Revised Code, an amount 11620  
equal to the amounts specified under that chapter that must be 11621  
paid to or collected by the tax commissioner as a tax and the 11622  
amounts specified under that chapter to be used as purse money; 11623

(z) ~~Qualifying distribution center receipts as determined~~ 11624  
Receipts from fees imposed under section 5751.40 sections 128.41 11625  
and 128.42 of the Revised Code; 11626

(aa) Receipts of an employer from payroll deductions 11627  
relating to the reimbursement of the employer for advancing 11628  
moneys to an unrelated third party on an employee's behalf; 11629

(bb) Cash discounts allowed and taken; 11630

(cc) Returns and allowances;	11631
(dd) Bad debts from receipts on the basis of which the tax imposed by this chapter was paid in a prior quarterly tax payment period. For the purpose of this division, "bad debts" means any debts that have become worthless or uncollectible between the preceding and current quarterly tax payment periods, have been uncollected for at least six months, and that may be claimed as a deduction under section 166 of the Internal Revenue Code and the regulations adopted under that section, or that could be claimed as such if the taxpayer kept its accounts on the accrual basis. "Bad debts" does not include repossessed property, uncollectible amounts on property that remains in the possession of the taxpayer until the full purchase price is paid, or expenses in attempting to collect any account receivable or for any portion of the debt recovered.	11632 11633 11634 11635 11636 11637 11638 11639 11640 11641 11642 11643 11644 11645
(ee) Any amount realized from the sale of an account receivable to the extent the receipts from the underlying transaction giving rise to the account receivable were included in the gross receipts of the taxpayer;	11646 11647 11648 11649
(ff) Any receipts directly attributed to a transfer agreement or to the enterprise transferred under that agreement under section 4313.02 of the Revised Code;	11650 11651 11652
(gg) Qualified uranium receipts as determined under section 5751.41 of the Revised Code;	11653 11654
(hh) In the case of amounts collected by a licensed casino operator from casino gaming, amounts in excess of the casino operator's gross casino revenue. In this division, "casino operator" and "casino gaming" have the meanings defined in section 3772.01 of the Revised Code, and "gross casino revenue"	11655 11656 11657 11658 11659

has the meaning defined in section 5753.01 of the Revised Code. 11660

(ii) Receipts realized from the sale of agricultural 11661  
commodities by an agricultural commodity handler, both as 11662  
defined in section 926.01 of the Revised Code, that is licensed 11663  
by the director of agriculture to handle agricultural 11664  
commodities in this state; 11665

(jj) Qualifying integrated supply chain receipts as 11666  
determined under section 5751.42 of the Revised Code; 11667

(kk) In the case of a railroad company described in 11668  
division (D)(9) of section 5727.01 of the Revised Code that 11669  
purchases dyed diesel fuel directly from a supplier as defined 11670  
by section 5736.01 of the Revised Code, an amount equal to the 11671  
product of the number of gallons of dyed diesel fuel purchased 11672  
directly from such a supplier multiplied by the average 11673  
wholesale price for a gallon of diesel fuel as determined under 11674  
section 5736.02 of the Revised Code for the period during which 11675  
the fuel was purchased multiplied by a fraction, the numerator 11676  
of which equals the rate of tax levied by section 5736.02 of the 11677  
Revised Code less the rate of tax computed in section 5751.03 of 11678  
the Revised Code, and the denominator of which equals the rate 11679  
of tax computed in section 5751.03 of the Revised Code; 11680

(ll) Receipts realized by an out-of-state disaster 11681  
business from disaster work conducted in this state during a 11682  
disaster response period pursuant to a qualifying solicitation 11683  
received by the business. Terms used in division (F)(2)(ll) of 11684  
this section have the same meanings as in section 5703.94 of the 11685  
Revised Code. 11686

(mm) In the case of receipts from the sale or transfer of 11687  
a mortgage-backed security or a mortgage loan by a mortgage 11688



lender holding a valid certificate of registration issued under 11689  
Chapter 1322. of the Revised Code or by a person that is a 11690  
member of the mortgage lender's consolidated elected taxpayer 11691  
group, an amount equal to the principal balance of the mortgage 11692  
loan; 11693

(nn) Amounts of excess surplus of the state insurance fund 11694  
received by the taxpayer from the Ohio bureau of workers' 11695  
compensation pursuant to rules adopted under section 4123.321 of 11696  
the Revised Code; 11697

(oo) Except as otherwise provided in division (B) of 11698  
section 5751.091 of the Revised Code, receipts of a megaproject 11699  
supplier from sales of tangible personal property directly to a 11700  
megaproject operator in this state for use at the site of the 11701  
megaproject operator's megaproject, provided that the sale 11702  
occurs during the period that the megaproject operator has an 11703  
agreement with the tax credit authority for the megaproject 11704  
under division (D) of section 122.17 of the Revised Code that 11705  
remains in effect and has not expired or been terminated, and 11706  
provided the megaproject supplier holds a certificate for such 11707  
megaproject issued under section 5751.052 of the Revised Code 11708  
for the calendar year in which the sales are made and, if the 11709  
megaproject supplier meets the requirements described in 11710  
division (A) (13) (b) of section 122.17 of the Revised Code, the 11711  
megaproject supplier holds a certificate for such megaproject 11712  
issued under division (D) (11) of section 122.17 of the Revised 11713  
Code on the first day of that calendar year; 11714

(pp) Receipts from the sale of each new piece of capital 11715  
equipment that has a cost in excess of one hundred million 11716  
dollars and that is used at the site of a megaproject that 11717  
satisfies the criteria described in division (A) (11) (a) (ii) of 11718

section 122.17 of the Revised Code, provided that the sale 11719  
occurs during the period that a megaproject operator has an 11720  
agreement for that megaproject with the tax credit authority 11721  
under division (D) of section 122.17 of the Revised Code that 11722  
remains in effect and has not expired or been terminated; 11723

(qq) In the case of amounts collected by a sports gaming 11724  
proprietor from sports gaming, amounts in excess of the 11725  
proprietor's sports gaming receipts. As used in this division, 11726  
"sports gaming proprietor" has the same meaning as in section 11727  
3775.01 of the Revised Code and "sports gaming receipts" has the 11728  
same meaning as in section 5753.01 of the Revised Code. 11729

(rr) Amounts received from any federal, state, or local 11730  
grant, and amounts of indebtedness discharged or forgiven 11731  
pursuant to federal, state, or local law, for providing or 11732  
expanding access to broadband service in this state. As used in 11733  
this division, "broadband service" has the same meaning as in 11734  
section 188.01 of the Revised Code. 11735

(ss) Receipts provided to a taxpayer to compensate for 11736  
lost business resulting from the train derailment near the city 11737  
of East Palestine on February 3, 2023, by any of the following: 11738

(i) A federal, state, or local government agency; 11739

(ii) A railroad company, as that term is defined in 11740  
section 5727.01 of the Revised Code; 11741

(iii) Any subsidiary, insurer, or agent of a railroad 11742  
company or any related person. 11743

(tt) An amount equal to the fee imposed by section 3743.22 11744  
of the Revised Code billed to the purchaser, collected by the 11745  
taxpayer, and remitted to the fire marshal during the tax 11746  
period, provided that the fee is separately stated on the 11747

invoice, bill of sale, or similar document given to the 11748  
purchaser of 1.4G fireworks in this state;~~i~~ 11749

(uu) Any receipts for which the tax imposed by this 11750  
chapter is prohibited by the constitution or laws of the United 11751  
States or the constitution of this state;~~r~~ 11752

~~(vv) Receipts from fees imposed under sections 128.41 and~~ 11753  
~~128.42 of the Revised Code.~~ 11754

(3) In the case of a taxpayer when acting as a real estate 11755  
broker, "gross receipts" includes only the portion of any fee 11756  
for the service of a real estate broker, or service of a real 11757  
estate salesperson associated with that broker, that is retained 11758  
by the broker and not paid to an associated real estate 11759  
salesperson or another real estate broker. For the purposes of 11760  
this division, "real estate broker" and "real estate 11761  
salesperson" have the same meanings as in section 4735.01 of the 11762  
Revised Code. 11763

(4) A taxpayer's method of accounting for gross receipts 11764  
for a tax period shall be the same as the taxpayer's method of 11765  
accounting for federal income tax purposes for the taxpayer's 11766  
federal taxable year that includes the tax period. If a 11767  
taxpayer's method of accounting for federal income tax purposes 11768  
changes, its method of accounting for gross receipts under this 11769  
chapter shall be changed accordingly. 11770

(G) "Taxable gross receipts" means gross receipts sitused 11771  
to this state under section 5751.033 of the Revised Code. 11772

(H) A person has "substantial nexus with this state" if 11773  
any of the following applies. The person: 11774

(1) Owns or uses a part or all of its capital in this 11775  
state; 11776

(2) Holds a certificate of compliance with the laws of this state authorizing the person to do business in this state;	11777 11778
(3) Has bright-line presence in this state;	11779
(4) Otherwise has nexus with this state to an extent that the person can be required to remit the tax imposed under this chapter under the Constitution of the United States.	11780 11781 11782
(I) A person has "bright-line presence" in this state for a reporting period and for the remaining portion of the calendar year if any of the following applies. The person:	11783 11784 11785
(1) Has at any time during the calendar year property in this state with an aggregate value of at least fifty thousand dollars. For the purpose of division (I)(1) of this section, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge.	11786 11787 11788 11789 11790
(2) Has during the calendar year payroll in this state of at least fifty thousand dollars. Payroll in this state includes all of the following:	11791 11792 11793
(a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code;	11794 11795
(b) Any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state; and	11796 11797 11798
(c) Any amount the person pays for services performed in this state on its behalf by another.	11799 11800
(3) Has during the calendar year taxable gross receipts of at least five hundred thousand dollars;	11801 11802
(4) Has at any time during the calendar year within this	11803

state at least twenty-five per cent of the person's total 11804  
property, total payroll, or total gross receipts; 11805

(5) Is domiciled in this state as an individual or for 11806  
corporate, commercial, or other business purposes. 11807

(J) "Tangible personal property" has the same meaning as 11808  
in section 5739.01 of the Revised Code. 11809

(K) "Internal Revenue Code" means the Internal Revenue 11810  
Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term 11811  
used in this chapter that is not otherwise defined has the same 11812  
meaning as when used in a comparable context in the laws of the 11813  
United States relating to federal income taxes unless a 11814  
different meaning is clearly required. Any reference in this 11815  
chapter to the Internal Revenue Code includes other laws of the 11816  
United States relating to federal income taxes. 11817

(L) "Calendar quarter" means a three-month period ending 11818  
on the thirty-first day of March, the thirtieth day of June, the 11819  
thirtieth day of September, or the thirty-first day of December. 11820

(M) "Tax period" means the calendar quarter on the basis 11821  
of which a taxpayer is required to pay the tax imposed under 11822  
this chapter. 11823

(N) "Agent" means a person authorized by another person to 11824  
act on its behalf to undertake a transaction for the other, 11825  
including any of the following: 11826

(1) A person receiving a fee to sell financial 11827  
instruments; 11828

(2) A person retaining only a commission from a 11829  
transaction with the other proceeds from the transaction being 11830  
remitted to another person; 11831

(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;	11832 11833
(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;	11834 11835
(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.	11836 11837
(O) "Received" includes amounts accrued under the accrual method of accounting.	11838 11839
(P) "Reporting person" means a person in a consolidated elected taxpayer or combined taxpayer group that is designated by that group to legally bind the group for all filings and tax liabilities and to receive all legal notices with respect to matters under this chapter, or, for the purposes of section 5751.04 of the Revised Code, a separate taxpayer that is not a member of such a group.	11840 11841 11842 11843 11844 11845 11846
(Q) "Megaproject," "megaproject operator," and "megaproject supplier" have the same meanings as in section 122.17 of the Revised Code.	11847 11848 11849
(R) "Exclusion amount" means three million dollars beginning in 2024 and six million dollars beginning in 2025.	11850 11851
<b>Sec. 5751.20.</b> No determinations, computations, certifications, or payments shall be made under this section after June 30, 2015.	11852 11853 11854
(A) As used in sections 5751.20 to 5751.22 of the Revised Code:	11855 11856
(1) "School district," "joint vocational school district," "local taxing unit," "recognized valuation," "fixed-rate levy," and "fixed-sum levy" have the same meanings as used in section	11857 11858 11859

5727.84 of the Revised Code. 11860

(2) "State education aid" for a school district means the 11861  
following: 11862

(a) For fiscal years prior to fiscal year 2010, the sum of 11863  
state aid amounts computed for the district under the following 11864  
provisions, as they existed for the applicable fiscal year: 11865  
division (A) of section 3317.022 of the Revised Code, including 11866  
the amounts calculated under former section 3317.029 and section 11867  
3317.0217 of the Revised Code; divisions (C)(1), (C)(4), (D), 11868  
(E), and (F) of section 3317.022; divisions (B), (C), and (D) of 11869  
section 3317.023; divisions (L) and (N) of section 3317.024; 11870  
section 3317.0216; and any unit payments for gifted student 11871  
services paid under section 3317.05 and former sections 3317.052 11872  
and 3317.053 of the Revised Code; except that, for fiscal years 11873  
2008 and 2009, the amount computed for the district under 11874  
Section 269.20.80 of H.B. 119 of the 127th general assembly and 11875  
as that section subsequently may be amended shall be substituted 11876  
for the amount computed under division (D) of section 3317.022 11877  
of the Revised Code, and the amount computed under Section 11878  
269.30.80 of H.B. 119 of the 127th general assembly and as that 11879  
section subsequently may be amended shall be included. 11880

(b) For fiscal years 2010 and 2011, the sum of the amounts 11881  
computed under former sections 3306.052, 3306.12, 3306.13, 11882  
3306.19, 3306.191, and 3306.192 of the Revised Code; 11883

(c) For fiscal years 2012 and 2013, the sum of the amounts 11884  
paid under Sections 267.30.50, 267.30.53, and 267.30.56 of H.B. 11885  
153 of the 129th general assembly; 11886

(d) For fiscal year 2014 and each fiscal year thereafter, 11887  
the sum of state amounts computed for the district under section 11888

3317.022 of the Revised Code; except that, for fiscal years 2014 11889  
and 2015, the amount computed for the district under the section 11890  
of this act entitled "TRANSITIONAL AID FOR CITY, LOCAL, AND 11891  
EXEMPTED VILLAGE SCHOOL DISTRICTS" shall be included. 11892

(3) "State education aid" for a joint vocational school 11893  
district means the following: 11894

(a) For fiscal years prior to fiscal year 2010, the sum of 11895  
the state aid computed for the district under division (N) of 11896  
section 3317.024 and former section 3317.16 of the Revised Code, 11897  
except that, for fiscal years 2008 and 2009, the amount computed 11898  
under Section 269.30.80 of H.B. 119 of the 127th general 11899  
assembly and as that section subsequently may be amended shall 11900  
be included. 11901

(b) For fiscal years 2010 and 2011, the amount paid in 11902  
accordance with Section 265.30.50 of H.B. 1 of the 128th general 11903  
assembly. 11904

(c) For fiscal years 2012 and 2013, the amount paid in 11905  
accordance with Section 267.30.60 of H.B. 153 of the 129th 11906  
general assembly. 11907

(d) For fiscal year 2014 and each fiscal year thereafter, 11908  
the amount computed for the district under section 3317.16 of 11909  
the Revised Code; except that, for fiscal years 2014 and 2015, 11910  
the amount computed for the district under the section of this 11911  
act entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL 11912  
DISTRICTS" shall be included. 11913

(4) "State education aid offset" means the amount 11914  
determined for each school district or joint vocational school 11915  
district under division (A) (1) of section 5751.21 of the Revised 11916  
Code. 11917



- (5) "Machinery and equipment property tax value loss" 11918  
means the amount determined under division (C) (1) of this 11919  
section. 11920
- (6) "Inventory property tax value loss" means the amount 11921  
determined under division (C) (2) of this section. 11922
- (7) "Furniture and fixtures property tax value loss" means 11923  
the amount determined under division (C) (3) of this section. 11924
- (8) "Machinery and equipment fixed-rate levy loss" means 11925  
the amount determined under division (D) (1) of this section. 11926
- (9) "Inventory fixed-rate levy loss" means the amount 11927  
determined under division (D) (2) of this section. 11928
- (10) "Furniture and fixtures fixed-rate levy loss" means 11929  
the amount determined under division (D) (3) of this section. 11930
- (11) "Total fixed-rate levy loss" means the sum of the 11931  
machinery and equipment fixed-rate levy loss, the inventory 11932  
fixed-rate levy loss, the furniture and fixtures fixed-rate levy 11933  
loss, and the telephone company fixed-rate levy loss. 11934
- (12) "Fixed-sum levy loss" means the amount determined 11935  
under division (E) of this section. 11936
- (13) "Machinery and equipment" means personal property 11937  
subject to the assessment rate specified in division (F) of 11938  
section 5711.22 of the Revised Code. 11939
- (14) "Inventory" means personal property subject to the 11940  
assessment rate specified in division (E) of section 5711.22 of 11941  
the Revised Code. 11942
- (15) "Furniture and fixtures" means personal property 11943  
subject to the assessment rate specified in division (G) of 11944

section 5711.22 of the Revised Code.	11945
(16) "Qualifying levies" are levies in effect for tax year 2004 or applicable to tax year 2005 or approved at an election conducted before September 1, 2005. For the purpose of determining the rate of a qualifying levy authorized by section 5705.212 or 5705.213 of the Revised Code, the rate shall be the rate that would be in effect for tax year 2010.	11946 11947 11948 11949 11950 11951
(17) "Telephone property" means tangible personal property of a telephone, telegraph, or interexchange telecommunications company subject to an assessment rate specified in section 5727.111 of the Revised Code in tax year 2004.	11952 11953 11954 11955
(18) "Telephone property tax value loss" means the amount determined under division (C)(4) of this section.	11956 11957
(19) "Telephone property fixed-rate levy loss" means the amount determined under division (D)(4) of this section.	11958 11959
(20) "Taxes charged and payable" means taxes charged and payable after the reduction required by section 319.301 of the Revised Code but before <del>the reductions</del> <u>any reduction</u> required by <del>sections 319.302 and section</del> <u>section</u> 323.152 of the Revised Code.	11960 11961 11962 11963
(21) "Median estate tax collections" means, in the case of a municipal corporation to which revenue from the taxes levied in Chapter 5731. of the Revised Code was distributed in each of calendar years 2006, 2007, 2008, and 2009, the median of those distributions. In the case of a municipal corporation to which no distributions were made in one or more of those years, "median estate tax collections" means zero.	11964 11965 11966 11967 11968 11969 11970
(22) "Total resources," in the case of a school district, means the sum of the amounts in divisions (A)(22)(a) to (h) of this section less any reduction required under division (A)(32)	11971 11972 11973

or (33) of this section.	11974
(a) The state education aid for fiscal year 2010;	11975
(b) The sum of the payments received by the school district in fiscal year 2010 for current expense levy losses pursuant to division (C) (2) of section 5727.85 and divisions (C) (8) and (9) of section 5751.21 of the Revised Code, excluding the portion of such payments attributable to levies for joint vocational school district purposes;	11976 11977 11978 11979 11980 11981
(c) The sum of fixed-sum levy loss payments received by the school district in fiscal year 2010 pursuant to division (E) (1) of section 5727.85 and division (E) (1) of section 5751.21 of the Revised Code for fixed-sum levies charged and payable for a purpose other than paying debt charges;	11982 11983 11984 11985 11986
(d) Fifty per cent of the school district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2008, including taxes charged and payable from emergency levies charged and payable under section 5709.194 of the Revised Code and excluding taxes levied for joint vocational school district purposes;	11987 11988 11989 11990 11991 11992 11993
(e) Fifty per cent of the school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses for tax year 2009, including taxes charged and payable from emergency levies and excluding taxes levied for joint vocational school district purposes;	11994 11995 11996 11997 11998 11999
(f) The school district's taxes charged and payable against all property on the general tax list of personal property for current expenses for tax year 2009, including taxes	12000 12001 12002

charged and payable from emergency levies;	12003
(g) The amount certified for fiscal year 2010 under	12004
division (A) (2) of section 3317.08 of the Revised Code;	12005
(h) Distributions received during calendar year 2009 from	12006
taxes levied under section 718.09 of the Revised Code.	12007
(23) "Total resources," in the case of a joint vocational	12008
school district, means the sum of amounts in divisions (A) (23)	12009
(a) to (g) of this section less any reduction required under	12010
division (A) (32) of this section.	12011
(a) The state education aid for fiscal year 2010;	12012
(b) The sum of the payments received by the joint	12013
vocational school district in fiscal year 2010 for current	12014
expense levy losses pursuant to division (C) (2) of section	12015
5727.85 and divisions (C) (8) and (9) of section 5751.21 of the	12016
Revised Code;	12017
(c) Fifty per cent of the joint vocational school	12018
district's taxes charged and payable against all property on the	12019
tax list of real and public utility property for current expense	12020
purposes for tax year 2008;	12021
(d) Fifty per cent of the joint vocational school	12022
district's taxes charged and payable against all property on the	12023
tax list of real and public utility property for current	12024
expenses for tax year 2009;	12025
(e) Fifty per cent of a city, local, or exempted village	12026
school district's taxes charged and payable against all property	12027
on the tax list of real and public utility property for current	12028
expenses of the joint vocational school district for tax year	12029
2008;	12030

(f) Fifty per cent of a city, local, or exempted village school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses of the joint vocational school district for tax year 2009;

(g) The joint vocational school district's taxes charged and payable against all property on the general tax list of personal property for current expenses for tax year 2009.

(24) "Total resources," in the case of county mental health and disability related functions, means the sum of the amounts in divisions (A) (24) (a) and (b) of this section less any reduction required under division (A) (32) of this section.

(a) The sum of the payments received by the county for mental health and developmental disability related functions in calendar year 2010 under division (A) (1) of section 5727.86 and divisions (A) (1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) With respect to taxes levied by the county for mental health and developmental disability related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009.

(25) "Total resources," in the case of county senior services related functions, means the sum of the amounts in divisions (A) (25) (a) and (b) of this section less any reduction required under division (A) (32) of this section.

(a) The sum of the payments received by the county for senior services related functions in calendar year 2010 under division (A) (1) of section 5727.86 and divisions (A) (1) and (2)

of section 5751.22 of the Revised Code as they existed at that 12060  
time; 12061

(b) With respect to taxes levied by the county for senior 12062  
services related purposes, the taxes charged and payable for 12063  
such purposes against all property on the tax list of real and 12064  
public utility property for tax year 2009. 12065

(26) "Total resources," in the case of county children's 12066  
services related functions, means the sum of the amounts in 12067  
divisions (A) (26) (a) and (b) of this section less any reduction 12068  
required under division (A) (32) of this section. 12069

(a) The sum of the payments received by the county for 12070  
children's services related functions in calendar year 2010 12071  
under division (A) (1) of section 5727.86 and divisions (A) (1) 12072  
and (2) of section 5751.22 of the Revised Code as they existed 12073  
at that time; 12074

(b) With respect to taxes levied by the county for 12075  
children's services related purposes, the taxes charged and 12076  
payable for such purposes against all property on the tax list 12077  
of real and public utility property for tax year 2009. 12078

(27) "Total resources," in the case of county public 12079  
health related functions, means the sum of the amounts in 12080  
divisions (A) (27) (a) and (b) of this section less any reduction 12081  
required under division (A) (32) of this section. 12082

(a) The sum of the payments received by the county for 12083  
public health related functions in calendar year 2010 under 12084  
division (A) (1) of section 5727.86 and divisions (A) (1) and (2) 12085  
of section 5751.22 of the Revised Code as they existed at that 12086  
time; 12087

(b) With respect to taxes levied by the county for public 12088

health related purposes, the taxes charged and payable for such 12089  
purposes against all property on the tax list of real and public 12090  
utility property for tax year 2009. 12091

(28) "Total resources," in the case of all county 12092  
functions not included in divisions (A) (24) to (27) of this 12093  
section, means the sum of the amounts in divisions (A) (28) (a) to 12094  
(d) of this section less any reduction required under division 12095  
(A) (32) or (33) of this section. 12096

(a) The sum of the payments received by the county for all 12097  
other purposes in calendar year 2010 under division (A) (1) of 12098  
section 5727.86 and divisions (A) (1) and (2) of section 5751.22 12099  
of the Revised Code as they existed at that time; 12100

(b) The county's percentage share of county undivided 12101  
local government fund allocations as certified to the tax 12102  
commissioner for calendar year 2010 by the county auditor under 12103  
division (J) of section 5747.51 of the Revised Code or division 12104  
(F) of section 5747.53 of the Revised Code multiplied by the 12105  
total amount actually distributed in calendar year 2010 from the 12106  
county undivided local government fund; 12107

(c) With respect to taxes levied by the county for all 12108  
other purposes, the taxes charged and payable for such purposes 12109  
against all property on the tax list of real and public utility 12110  
property for tax year 2009, excluding taxes charged and payable 12111  
for the purpose of paying debt charges; 12112

(d) The sum of the amounts distributed to the county in 12113  
calendar year 2010 for the taxes levied pursuant to sections 12114  
5739.021 and 5741.021 of the Revised Code. 12115

(29) "Total resources," in the case of a municipal 12116  
corporation, means the sum of the amounts in divisions (A) (29) 12117

(a) to (g) of this section less any reduction required under	12118
division (A) (32) or (33) of this section.	12119
(a) The sum of the payments received by the municipal	12120
corporation in calendar year 2010 for current expense levy	12121
losses under division (A) (1) of section 5727.86 and divisions	12122
(A) (1) and (2) of section 5751.22 of the Revised Code as they	12123
existed at that time;	12124
(b) The municipal corporation's percentage share of county	12125
undivided local government fund allocations as certified to the	12126
tax commissioner for calendar year 2010 by the county auditor	12127
under division (J) of section 5747.51 of the Revised Code or	12128
division (F) of section 5747.53 of the Revised Code multiplied	12129
by the total amount actually distributed in calendar year 2010	12130
from the county undivided local government fund;	12131
(c) The sum of the amounts distributed to the municipal	12132
corporation in calendar year 2010 pursuant to section 5747.50 of	12133
the Revised Code;	12134
(d) With respect to taxes levied by the municipal	12135
corporation, the taxes charged and payable against all property	12136
on the tax list of real and public utility property for current	12137
expenses, defined in division (A) (35) of this section, for tax	12138
year 2009;	12139
(e) The amount of admissions tax collected by the	12140
municipal corporation in calendar year 2008, or if such	12141
information has not yet been reported to the tax commissioner,	12142
in the most recent year before 2008 for which the municipal	12143
corporation has reported data to the commissioner;	12144
(f) The amount of income taxes collected by the municipal	12145
corporation in calendar year 2008, or if such information has	12146



not yet been reported to the tax commissioner, in the most 12147  
recent year before 2008 for which the municipal corporation has 12148  
reported data to the commissioner; 12149

(g) The municipal corporation's median estate tax 12150  
collections. 12151

(30) "Total resources," in the case of a township, means 12152  
the sum of the amounts in divisions (A) (30) (a) to (c) of this 12153  
section less any reduction required under division (A) (32) or 12154  
(33) of this section. 12155

(a) The sum of the payments received by the township in 12156  
calendar year 2010 pursuant to division (A) (1) of section 12157  
5727.86 of the Revised Code and divisions (A) (1) and (2) of 12158  
section 5751.22 of the Revised Code as they existed at that 12159  
time, excluding payments received for debt purposes; 12160

(b) The township's percentage share of county undivided 12161  
local government fund allocations as certified to the tax 12162  
commissioner for calendar year 2010 by the county auditor under 12163  
division (J) of section 5747.51 of the Revised Code or division 12164  
(F) of section 5747.53 of the Revised Code multiplied by the 12165  
total amount actually distributed in calendar year 2010 from the 12166  
county undivided local government fund; 12167

(c) With respect to taxes levied by the township, the 12168  
taxes charged and payable against all property on the tax list 12169  
of real and public utility property for tax year 2009 excluding 12170  
taxes charged and payable for the purpose of paying debt 12171  
charges. 12172

(31) "Total resources," in the case of a local taxing unit 12173  
that is not a county, municipal corporation, or township, means 12174  
the sum of the amounts in divisions (A) (31) (a) to (e) of this 12175

section less any reduction required under division (A) (32) of 12176  
this section. 12177

(a) The sum of the payments received by the local taxing 12178  
unit in calendar year 2010 pursuant to division (A) (1) of 12179  
section 5727.86 of the Revised Code and divisions (A) (1) and (2) 12180  
of section 5751.22 of the Revised Code as they existed at that 12181  
time; 12182

(b) The local taxing unit's percentage share of county 12183  
undivided local government fund allocations as certified to the 12184  
tax commissioner for calendar year 2010 by the county auditor 12185  
under division (J) of section 5747.51 of the Revised Code or 12186  
division (F) of section 5747.53 of the Revised Code multiplied 12187  
by the total amount actually distributed in calendar year 2010 12188  
from the county undivided local government fund; 12189

(c) With respect to taxes levied by the local taxing unit, 12190  
the taxes charged and payable against all property on the tax 12191  
list of real and public utility property for tax year 2009 12192  
excluding taxes charged and payable for the purpose of paying 12193  
debt charges; 12194

(d) The amount received from the tax commissioner during 12195  
calendar year 2010 for sales or use taxes authorized under 12196  
sections 5739.023 and 5741.022 of the Revised Code; 12197

(e) For institutions of higher education receiving tax 12198  
revenue from a local levy, as identified in section 3358.02 of 12199  
the Revised Code, the final state share of instruction 12200  
allocation for fiscal year 2010 as calculated by the chancellor 12201  
of higher education and reported to the state controlling board. 12202

(32) If a fixed-rate levy that is a qualifying levy is not 12203  
charged and payable in any year after tax year 2010, "total 12204

resources" used to compute payments to be made under division 12205  
(C) (12) of section 5751.21 or division (A) (1) (b) or (c) of 12206  
section 5751.22 of the Revised Code in the tax years following 12207  
the last year the levy is charged and payable shall be reduced 12208  
to the extent that the payments are attributable to the fixed- 12209  
rate levy loss of that levy as would be computed under division 12210  
(C) (2) of section 5727.85, division (A) (1) of section 5727.85, 12211  
divisions (C) (8) and (9) of section 5751.21, or division (A) (1) 12212  
of section 5751.22 of the Revised Code. 12213

(33) In the case of a county, municipal corporation, 12214  
school district, or township with fixed-rate levy losses 12215  
attributable to a tax levied under section 5705.23 of the 12216  
Revised Code, "total resources" used to compute payments to be 12217  
made under division (C) (3) of section 5727.85, division (A) (1) 12218  
(d) of section 5727.86, division (C) (12) of section 5751.21, or 12219  
division (A) (1) (c) of section 5751.22 of the Revised Code shall 12220  
be reduced by the amounts described in divisions (A) (34) (a) to 12221  
(c) of this section to the extent that those amounts were 12222  
included in calculating the "total resources" of the school 12223  
district or local taxing unit under division (A) (22), (28), 12224  
(29), or (30) of this section. 12225

(34) "Total library resources," in the case of a county, 12226  
municipal corporation, school district, or township public 12227  
library that receives the proceeds of a tax levied under section 12228  
5705.23 of the Revised Code, means the sum of the amounts in 12229  
divisions (A) (34) (a) to (c) of this section less any reduction 12230  
required under division (A) (32) of this section. 12231

(a) The sum of the payments received by the county, 12232  
municipal corporation, school district, or township public 12233  
library in calendar year 2010 pursuant to sections 5727.86 and 12234

5751.22 of the Revised Code, as they existed at that time, for 12235  
fixed-rate levy losses attributable to a tax levied under 12236  
section 5705.23 of the Revised Code for the benefit of the 12237  
public library; 12238

(b) The public library's percentage share of county 12239  
undivided local government fund allocations as certified to the 12240  
tax commissioner for calendar year 2010 by the county auditor 12241  
under division (J) of section 5747.51 of the Revised Code or 12242  
division (F) of section 5747.53 of the Revised Code multiplied 12243  
by the total amount actually distributed in calendar year 2010 12244  
from the county undivided local government fund; 12245

(c) With respect to a tax levied pursuant to section 12246  
5705.23 of the Revised Code for the benefit of the public 12247  
library, the amount of such tax that is charged and payable 12248  
against all property on the tax list of real and public utility 12249  
property for tax year 2009 excluding any tax that is charged and 12250  
payable for the purpose of paying debt charges. 12251

(35) "Municipal current expense property tax levies" means 12252  
all property tax levies of a municipality, except those with the 12253  
following levy names: airport resurfacing; bond or any levy name 12254  
including the word "bond"; capital improvement or any levy name 12255  
including the word "capital"; debt or any levy name including 12256  
the word "debt"; equipment or any levy name including the word 12257  
"equipment," unless the levy is for combined operating and 12258  
equipment; employee termination fund; fire pension or any levy 12259  
containing the word "pension," including police pensions; 12260  
fireman's fund or any practically similar name; sinking fund; 12261  
road improvements or any levy containing the word "road"; fire 12262  
truck or apparatus; flood or any levy containing the word 12263  
"flood"; conservancy district; county health; note retirement; 12264

sewage, or any levy containing the words "sewage" or "sewer"; 12265  
park improvement; parkland acquisition; storm drain; street or 12266  
any levy name containing the word "street"; lighting, or any 12267  
levy name containing the word "lighting"; and water. 12268

(36) "Current expense TPP allocation" means, in the case 12269  
of a school district or joint vocational school district, the 12270  
sum of the payments received by the school district in fiscal 12271  
year 2011 pursuant to divisions (C) (10) and (11) of section 12272  
5751.21 of the Revised Code to the extent paid for current 12273  
expense levies. In the case of a municipal corporation, "current 12274  
expense TPP allocation" means the sum of the payments received 12275  
by the municipal corporation in calendar year 2010 pursuant to 12276  
divisions (A) (1) and (2) of section 5751.22 of the Revised Code 12277  
to the extent paid for municipal current expense property tax 12278  
levies as defined in division (A) (35) of this section, excluding 12279  
any such payments received for current expense levy losses 12280  
attributable to a tax levied under section 5705.23 of the 12281  
Revised Code. If a fixed-rate levy that is a qualifying levy is 12282  
not charged and payable in any year after tax year 2010, 12283  
"current expense TPP allocation" used to compute payments to be 12284  
made under division (C) (12) of section 5751.21 or division (A) 12285  
(1) (b) or (c) of section 5751.22 of the Revised Code in the tax 12286  
years following the last year the levy is charged and payable 12287  
shall be reduced to the extent that the payments are 12288  
attributable to the fixed-rate levy loss of that levy as would 12289  
be computed under divisions (C) (10) and (11) of section 5751.21 12290  
or division (A) (1) of section 5751.22 of the Revised Code. 12291

(37) "TPP allocation" means the sum of payments received 12292  
by a local taxing unit in calendar year 2010 pursuant to 12293  
divisions (A) (1) and (2) of section 5751.22 of the Revised Code, 12294  
excluding any such payments received for fixed-rate levy losses 12295

attributable to a tax levied under section 5705.23 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "TPP allocation" used to compute payments to be made under division (A) (1) (b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under division (A) (1) of that section.

(38) "Total TPP allocation" means, in the case of a school district or joint vocational school district, the sum of the amounts received in fiscal year 2011 pursuant to divisions (C) (10) and (11) and (D) of section 5751.21 of the Revised Code. In the case of a local taxing unit, "total TPP allocation" means the sum of payments received by the unit in calendar year 2010 pursuant to divisions (A) (1), (2), and (3) of section 5751.22 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "total TPP allocation" used to compute payments to be made under division (C) (12) of section 5751.21 or division (A) (1) (b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under divisions (C) (10) and (11) of section 5751.21 or division (A) (1) of section 5751.22 of the Revised Code.

(39) "Non-current expense TPP allocation" means the difference of total TPP allocation minus the sum of current expense TPP allocation and the portion of total TPP allocation constituting reimbursement for debt levies, pursuant to division (D) of section 5751.21 of the Revised Code in the case of a

school district or joint vocational school district and pursuant 12327  
to division (A) (3) of section 5751.22 of the Revised Code in the 12328  
case of a municipal corporation. 12329

(40) "TPP allocation for library purposes" means the sum 12330  
of payments received by a county, municipal corporation, school 12331  
district, or township public library in calendar year 2010 12332  
pursuant to section 5751.22 of the Revised Code for fixed-rate 12333  
levy losses attributable to a tax levied under section 5705.23 12334  
of the Revised Code. If a fixed-rate levy authorized under 12335  
section 5705.23 of the Revised Code that is a qualifying levy is 12336  
not charged and payable in any year after tax year 2010, "TPP 12337  
allocation for library purposes" used to compute payments to be 12338  
made under division (A) (1) (d) of section 5751.22 of the Revised 12339  
Code in the tax years following the last year the levy is 12340  
charged and payable shall be reduced to the extent that the 12341  
payments are attributable to the fixed-rate levy loss of that 12342  
levy as would be computed under division (A) (1) of section 12343  
5751.22 of the Revised Code. 12344

(41) "Threshold per cent" means, in the case of a school 12345  
district or joint vocational school district, two per cent for 12346  
fiscal year 2012 and four per cent for fiscal years 2013 and 12347  
thereafter. In the case of a local taxing unit or public library 12348  
that receives the proceeds of a tax levied under section 5705.23 12349  
of the Revised Code, "threshold per cent" means two per cent for 12350  
tax year 2011, four per cent for tax year 2012, and six per cent 12351  
for tax years 2013 and thereafter. 12352

(B) (1) The commercial activities tax receipts fund is 12353  
hereby created in the state treasury and shall consist of money 12354  
arising from the tax imposed under this chapter. Eighty-five 12355  
one-hundredths of one per cent of the money credited to that 12356

fund shall be credited to the revenue enhancement fund and shall 12357  
 be used to defray the costs incurred by the department of 12358  
 taxation in administering the tax imposed by this chapter and in 12359  
 implementing tax reform measures. The remainder of the money in 12360  
 the commercial activities tax receipts fund shall first be 12361  
 credited to the commercial activity tax motor fuel receipts 12362  
 fund, pursuant to division (B) (2) of this section, and the 12363  
 remainder shall be credited in the following percentages each 12364  
 fiscal year to the general revenue fund, to the school district 12365  
 tangible property tax replacement fund, which is hereby created 12366  
 in the state treasury for the purpose of making the payments 12367  
 described in section 5751.21 of the Revised Code, and to the 12368  
 local government tangible property tax replacement fund, which 12369  
 is hereby created in the state treasury for the purpose of 12370  
 making the payments described in section 5751.22 of the Revised 12371  
 Code, in the following percentages: 12372

12373

	1	2	3	4
A	Fiscal year	General Revenue Fund	School District Tangible Property Tax Replacement Fund	Local Government Tangible Property Tax Replacement Fund
B	2006	67.7%	22.6%	9.7%
C	2007	0%	70.0%	30.0%



D	2008	0%	70.0%	30.0%
E	2009	0%	70.0%	30.0%
F	2010	0%	70.0%	30.0%
G	2011	0%	70.0%	30.0%
H	2012	25.0%	52.5%	22.5%
I	2013 and thereafter	50.0%	35.0%	15.0%

(2) Not later than the twentieth day of February, May, 12374  
August, and November of each year, the commissioner shall 12375  
provide for payment from the commercial activities tax receipts 12376  
fund to the commercial activity tax motor fuel receipts fund an 12377  
amount that bears the same ratio to the balance in the 12378  
commercial activities tax receipts fund that (a) the taxable 12379  
gross receipts attributed to motor fuel used for propelling 12380  
vehicles on public highways as indicated by returns filed by the 12381  
tenth day of that month for a liability that is due and payable 12382  
on or after July 1, 2013, for a tax period ending before July 1, 12383  
2014, bears to (b) all taxable gross receipts as indicated by 12384  
those returns for such liabilities. 12385

(C) Not later than September 15, 2005, the tax 12386  
commissioner shall determine for each school district, joint 12387  
vocational school district, and local taxing unit its machinery 12388  
and equipment, inventory property, furniture and fixtures 12389  
property, and telephone property tax value losses, which are the 12390  
applicable amounts described in divisions (C) (1), (2), (3), and 12391  
(4) of this section, except as provided in division (C) (5) of 12392

this section:	12393
(1) Machinery and equipment property tax value loss is the taxable value of machinery and equipment property as reported by taxpayers for tax year 2004 multiplied by:	12394
	12395
	12396
(a) For tax year 2006, thirty-three and eight-tenths per cent;	12397
	12398
(b) For tax year 2007, sixty-one and three-tenths per cent;	12399
	12400
(c) For tax year 2008, eighty-three per cent;	12401
(d) For tax year 2009 and thereafter, one hundred per cent.	12402
	12403
(2) Inventory property tax value loss is the taxable value of inventory property as reported by taxpayers for tax year 2004 multiplied by:	12404
	12405
	12406
(a) For tax year 2006, a fraction, the numerator of which is five and three-fourths and the denominator of which is twenty-three;	12407
	12408
	12409
(b) For tax year 2007, a fraction, the numerator of which is nine and one-half and the denominator of which is twenty-three;	12410
	12411
	12412
(c) For tax year 2008, a fraction, the numerator of which is thirteen and one-fourth and the denominator of which is twenty-three;	12413
	12414
	12415
(d) For tax year 2009 and thereafter a fraction, the numerator of which is seventeen and the denominator of which is twenty-three.	12416
	12417
	12418
(3) Furniture and fixtures property tax value loss is the	12419

taxable value of furniture and fixture property as reported by	12420
taxpayers for tax year 2004 multiplied by:	12421
(a) For tax year 2006, twenty-five per cent;	12422
(b) For tax year 2007, fifty per cent;	12423
(c) For tax year 2008, seventy-five per cent;	12424
(d) For tax year 2009 and thereafter, one hundred per	12425
cent.	12426
The taxable value of property reported by taxpayers used	12427
in divisions (C) (1), (2), and (3) of this section shall be such	12428
values as determined to be final by the tax commissioner as of	12429
August 31, 2005. Such determinations shall be final except for	12430
any correction of a clerical error that was made prior to August	12431
31, 2005, by the tax commissioner.	12432
(4) Telephone property tax value loss is the taxable value	12433
of telephone property as taxpayers would have reported that	12434
property for tax year 2004 if the assessment rate for all	12435
telephone property for that year were twenty-five per cent,	12436
multiplied by:	12437
(a) For tax year 2006, zero per cent;	12438
(b) For tax year 2007, zero per cent;	12439
(c) For tax year 2008, zero per cent;	12440
(d) For tax year 2009, sixty per cent;	12441
(e) For tax year 2010, eighty per cent;	12442
(f) For tax year 2011 and thereafter, one hundred per	12443
cent.	12444
(5) Division (C) (5) of this section applies to any school	12445

district, joint vocational school district, or local taxing unit 12446  
in a county in which is located a facility currently or formerly 12447  
devoted to the enrichment or commercialization of uranium or 12448  
uranium products, and for which the total taxable value of 12449  
property listed on the general tax list of personal property for 12450  
any tax year from tax year 2001 to tax year 2004 was fifty per 12451  
cent or less of the taxable value of such property listed on the 12452  
general tax list of personal property for the next preceding tax 12453  
year. 12454

In computing the fixed-rate levy losses under divisions 12455  
(D) (1), (2), and (3) of this section for any school district, 12456  
joint vocational school district, or local taxing unit to which 12457  
division (C) (5) of this section applies, the taxable value of 12458  
such property as listed on the general tax list of personal 12459  
property for tax year 2000 shall be substituted for the taxable 12460  
value of such property as reported by taxpayers for tax year 12461  
2004, in the taxing district containing the uranium facility, if 12462  
the taxable value listed for tax year 2000 is greater than the 12463  
taxable value reported by taxpayers for tax year 2004. For the 12464  
purpose of making the computations under divisions (D) (1), (2), 12465  
and (3) of this section, the tax year 2000 valuation is to be 12466  
allocated to machinery and equipment, inventory, and furniture 12467  
and fixtures property in the same proportions as the tax year 12468  
2004 values. For the purpose of the calculations in division (A) 12469  
of section 5751.21 of the Revised Code, the tax year 2004 12470  
taxable values shall be used. 12471

To facilitate the calculations required under division (C) 12472  
of this section, the county auditor, upon request from the tax 12473  
commissioner, shall provide by August 1, 2005, the values of 12474  
machinery and equipment, inventory, and furniture and fixtures 12475  
for all single-county personal property taxpayers for tax year 12476

2004.	12477
(D) Not later than September 15, 2005, the tax	12478
commissioner shall determine for each tax year from 2006 through	12479
2009 for each school district, joint vocational school district,	12480
and local taxing unit its machinery and equipment, inventory,	12481
and furniture and fixtures fixed-rate levy losses, and for each	12482
tax year from 2006 through 2011 its telephone property fixed-	12483
rate levy loss. Except as provided in division (F) of this	12484
section, such losses are the applicable amounts described in	12485
divisions (D) (1), (2), (3), and (4) of this section:	12486
(1) The machinery and equipment fixed-rate levy loss is	12487
the machinery and equipment property tax value loss multiplied	12488
by the sum of the tax rates of fixed-rate qualifying levies.	12489
(2) The inventory fixed-rate loss is the inventory	12490
property tax value loss multiplied by the sum of the tax rates	12491
of fixed-rate qualifying levies.	12492
(3) The furniture and fixtures fixed-rate levy loss is the	12493
furniture and fixture property tax value loss multiplied by the	12494
sum of the tax rates of fixed-rate qualifying levies.	12495
(4) The telephone property fixed-rate levy loss is the	12496
telephone property tax value loss multiplied by the sum of the	12497
tax rates of fixed-rate qualifying levies.	12498
(E) Not later than September 15, 2005, the tax	12499
commissioner shall determine for each school district, joint	12500
vocational school district, and local taxing unit its fixed-sum	12501
levy loss. The fixed-sum levy loss is the amount obtained by	12502
subtracting the amount described in division (E) (2) of this	12503
section from the amount described in division (E) (1) of this	12504
section:	12505

(1) The sum of the machinery and equipment property tax value loss, the inventory property tax value loss, and the furniture and fixtures property tax value loss, and, for 2008 through 2010, the telephone property tax value loss of the district or unit multiplied by the sum of the fixed-sum tax rates of qualifying levies. For 2006 through 2010, this computation shall include all qualifying levies remaining in effect for the current tax year and any school district levies charged and payable under section 5705.194 or 5705.213 of the Revised Code that are qualifying levies not remaining in effect for the current year. For 2011 through 2017 in the case of school district levies charged and payable under section 5705.194 or 5705.213 of the Revised Code and for all years after 2010 in the case of other fixed-sum levies, this computation shall include only qualifying levies remaining in effect for the current year. For purposes of this computation, a qualifying school district levy charged and payable under section 5705.194 or 5705.213 of the Revised Code remains in effect in a year after 2010 only if, for that year, the board of education levies a school district levy charged and payable under section 5705.194, 5705.199, 5705.213, or 5705.219 of the Revised Code for an annual sum at least equal to the annual sum levied by the board in tax year 2004 less the amount of the payment certified under this division for 2006.

(2) The total taxable value in tax year 2004 less the sum of the machinery and equipment, inventory, furniture and fixtures, and telephone property tax value losses in each school district, joint vocational school district, and local taxing unit multiplied by one-half of one mill per dollar.

(3) For the calculations in divisions (E) (1) and (2) of this section, the tax value losses are those that would be

calculated for tax year 2009 under divisions (C) (1), (2), and 12537  
(3) of this section and for tax year 2011 under division (C) (4) 12538  
of this section. 12539

(4) To facilitate the calculation under divisions (D) and 12540  
(E) of this section, not later than September 1, 2005, any 12541  
school district, joint vocational school district, or local 12542  
taxing unit that has a qualifying levy that was approved at an 12543  
election conducted during 2005 before September 1, 2005, shall 12544  
certify to the tax commissioner a copy of the county auditor's 12545  
certificate of estimated property tax millage for such levy as 12546  
required under division (B) of section 5705.03 of the Revised 12547  
Code, which is the rate that shall be used in the calculations 12548  
under such divisions. 12549

If the amount determined under division (E) of this 12550  
section for any school district, joint vocational school 12551  
district, or local taxing unit is greater than zero, that amount 12552  
shall equal the reimbursement to be paid pursuant to division 12553  
(E) of section 5751.21 or division (A) (3) of section 5751.22 of 12554  
the Revised Code, and the one-half of one mill that is 12555  
subtracted under division (E) (2) of this section shall be 12556  
apportioned among all contributing fixed-sum levies in the 12557  
proportion that each levy bears to the sum of all fixed-sum 12558  
levies within each school district, joint vocational school 12559  
district, or local taxing unit. 12560

(F) If a school district levies a tax under section 12561  
5705.219 of the Revised Code, the fixed-rate levy loss for 12562  
qualifying levies, to the extent repealed under that section, 12563  
shall equal the sum of the following amounts in lieu of the 12564  
amounts computed for such levies under division (D) of this 12565  
section: 12566

(1) The sum of the rates of qualifying levies to the extent so repealed multiplied by the sum of the machinery and equipment, inventory, and furniture and fixtures tax value losses for 2009 as determined under that division;

(2) The sum of the rates of qualifying levies to the extent so repealed multiplied by the telephone property tax value loss for 2011 as determined under that division.

The fixed-rate levy losses for qualifying levies to the extent not repealed under section 5705.219 of the Revised Code shall be as determined under division (D) of this section. The revised fixed-rate levy losses determined under this division and division (D) of this section first apply in the year following the first year the district levies the tax under section 5705.219 of the Revised Code.

(G) Not later than October 1, 2005, the tax commissioner shall certify to the department of education for every school district and joint vocational school district the machinery and equipment, inventory, furniture and fixtures, and telephone property tax value losses determined under division (C) of this section, the machinery and equipment, inventory, furniture and fixtures, and telephone fixed-rate levy losses determined under division (D) of this section, and the fixed-sum levy losses calculated under division (E) of this section. The calculations under divisions (D) and (E) of this section shall separately display the levy loss for each levy eligible for reimbursement.

(H) Not later than October 1, 2005, the tax commissioner shall certify the amount of the fixed-sum levy losses to the county auditor of each county in which a school district, joint vocational school district, or local taxing unit with a fixed-sum levy loss reimbursement has territory.



(I) Not later than the twenty-eighth day of February each year beginning in 2011 and ending in 2014, the tax commissioner shall certify to the department of education for each school district first levying a tax under section 5705.219 of the Revised Code in the preceding year the revised fixed-rate levy losses determined under divisions (D) and (F) of this section.

(J) (1) There is hereby created in the state treasury the commercial activity tax motor fuel receipts fund.

(2) (a) On or before June 15, 2014, the director of the Ohio public works commission shall certify to the director of budget and management the amount of debt service paid from the general revenue fund in fiscal years 2013 and 2014 on bonds issued to finance or assist in the financing of the cost of local subdivision public infrastructure capital improvement projects, as provided for in Sections 2k, 2m, 2p, and 2s of Article VIII, Ohio Constitution, that are attributable to costs for construction, reconstruction, maintenance, or repair of public highways and bridges and other statutory highway purposes. That certification shall allocate the total amount of debt service paid from the general revenue fund and attributable to those costs in each of fiscal years 2013 and 2014 according to the applicable section of the Ohio Constitution under which the bonds were originally issued.

(b) On or before June 30, 2014, the director of budget and management shall determine an amount up to but not exceeding the amount certified under division (J) (2) (a) of this section and shall reserve that amount from the cash balance in the commercial activity tax motor fuel receipts fund for transfer to the general revenue fund at times and in amounts to be determined by the director. The director shall transfer the cash

balance in the commercial activity tax motor fuel receipts fund 12627  
in excess of the amount so reserved to the highway operating 12628  
fund on or before June 30, 2014. 12629

(3) (a) On or before the fifteenth day of June of each 12630  
fiscal year beginning with fiscal year 2015, the director of the 12631  
Ohio public works commission shall certify to the director of 12632  
budget and management the amount of debt service paid from the 12633  
general revenue fund in the current fiscal year on bonds issued 12634  
to finance or assist in the financing of the cost of local 12635  
subdivision public infrastructure capital improvement projects, 12636  
as provided for in Sections 2k, 2m, and 2p of Article VIII, Ohio 12637  
Constitution, that are attributable to costs for construction, 12638  
reconstruction, maintenance, or repair of public highways and 12639  
bridges and other statutory highway purposes. That certification 12640  
shall allocate the total amount of debt service paid from the 12641  
general revenue fund and attributable to those costs in the 12642  
current fiscal year according to the applicable section of the 12643  
Ohio Constitution under which the bonds were originally issued. 12644

(b) On or before the thirtieth day of June of each fiscal 12645  
year beginning with fiscal year 2015, the director of budget and 12646  
management shall determine an amount up to but not exceeding the 12647  
amount certified under division (J) (3) (a) of this section and 12648  
shall reserve that amount from the cash balance in the petroleum 12649  
activity tax public highways fund or the commercial activity tax 12650  
motor fuel receipts fund for transfer to the general revenue 12651  
fund at times and in amounts to be determined by the director. 12652  
The director shall transfer the cash balance in the petroleum 12653  
activity tax public highways fund or the commercial activity tax 12654  
motor fuel receipts fund in excess of the amount so reserved to 12655  
the highway operating fund on or before the thirtieth day of 12656  
June of the current fiscal year. 12657

**Section 2.** That existing sections 122.175, 131.44, 131.51, 12658  
319.30, 319.301, 321.24, 323.08, 323.152, 323.155, 323.158, 12659  
351.01, 351.021, 353.06, 718.83, 1509.01, 1509.02, 1509.11, 12660  
1509.34, 1513.08, 1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 12661  
4503.06, 4503.065, 5703.021, 5703.052, 5703.19, 5703.80, 12662  
5709.92, 5709.93, 5715.19, 5715.30, 5739.01, 5739.02, 5739.03, 12663  
5739.05, 5739.08, 5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 12664  
5747.03, 5747.031, 5747.08, 5747.38, 5747.41, 5747.71, 5747.98, 12665  
5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 12666  
5749.11, 5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 12667  
5751.20 of the Revised Code are hereby repealed. 12668

**Section 3.** That sections 319.302, 1509.50, 5739.41, and 12669  
5751.40 of the Revised Code are hereby repealed. 12670

**Section 4.** Within thirty days after the effective date of 12671  
this section, the Director of Budget and Management shall 12672  
transfer the cash balance of the Expanded Sales Tax Holiday Fund 12673  
to the Income Tax Reduction Fund. Upon completion of the 12674  
transfer, the Expanded Sales Tax Holiday Fund is abolished. 12675

**Section 5.** That Section 259.30 of H.B. 33 of the 135th 12676  
General Assembly be amended to read as follows: 12677

**Sec. 259.30.** MINORITY BUSINESS BONDING FUND 12678

Notwithstanding Chapters 122., 169., and 175. of the 12679  
Revised Code, the Director of Development may, upon the 12680  
recommendation of the Minority Development Financing Advisory 12681  
Board, pledge up to \$10,000,000 in the biennium ending June 30, 12682  
2025, of unclaimed funds administered by the Director of 12683  
Commerce and allocated to the Minority Business Bonding Program 12684  
under section 169.05 of the Revised Code. 12685

If needed for the payment of losses arising from the 12686

Minority Business Bonding Program, the Director of Budget and 12687  
Management may, at the request of the Director of Development, 12688  
request that the Director of Commerce transfer unclaimed funds 12689  
that have been reported by holders of unclaimed funds under 12690  
section 169.05 of the Revised Code to the Minority Bonding Fund 12691  
(Fund 4490). The transfer of unclaimed funds shall only occur 12692  
after proceeds of the initial transfer of \$2,700,000 by the 12693  
Controlling Board to the Minority Business Bonding Program have 12694  
been used for that purpose. If expenditures are required for 12695  
payment of losses arising from the Minority Business Bonding 12696  
Program, such expenditures shall be made from appropriation item 12697  
195658, Minority Business Bonding Contingency in the Minority 12698  
Business Bonding Fund, and such amounts are hereby appropriated. 12699

BUSINESS ASSISTANCE PROGRAMS 12700

The foregoing appropriation item 195649, Business 12701  
Assistance Programs, shall be used for administrative expenses 12702  
associated with the operation of loan incentives. 12703

STATE SPECIAL PROJECTS 12704

The State Special Projects Fund (Fund 4F20), may be used 12705  
for the deposit of private-sector funds from utility companies 12706  
and for the deposit of other miscellaneous state funds. State 12707  
moneys so deposited may also be used to match federal funding 12708  
and to support programs of the Community Service Division and 12709  
Business Services Division. 12710

MINORITY BUSINESS ENTERPRISE LOAN 12711

The foregoing appropriation item 195646, Minority Business 12712  
Enterprise Loan, shall be used for awards under the Minority 12713  
Business Enterprise Loan Program and to cover operating expenses 12714  
of the Minority Business Development Division. All repayments 12715

from the Minority Development Financing Advisory Board Loan 12716  
Program shall be deposited in the state treasury to the credit 12717  
of the Minority Business Enterprise Loan Fund (Fund 4W10). 12718

BROADBAND POLE REPLACEMENT AND UNDERGROUNDING PROGRAM 12719

The foregoing appropriation item 1956G9, Broadband Pole 12720  
Replacement and Undergrounding Program, shall be used by the 12721  
Department of Development to support the Broadband Pole 12722  
Replacement and Undergrounding Program under section 191.27 of 12723  
the Revised Code. 12724

ONE TIME PRIORITY PROJECTS 12725

(A) Of the foregoing appropriation item 1956H2, One Time 12726  
Priority Projects, \$10,000,000 in each fiscal year shall be 12727  
allocated to the Foundation for Appalachian Ohio. 12728

(B) Of the foregoing appropriation item 1956H2, One Time 12729  
Priority Projects, \$9,500,000 in each fiscal year shall be 12730  
allocated for the GRIT program to be administered by the 12731  
Governor's Office of Appalachia and the Department of 12732  
Development. The program shall expand the qualified worker 12733  
pipeline, remove barriers to fill local and remote jobs, and 12734  
promote entrepreneurial endeavors in economically distressed and 12735  
at-risk areas within the Appalachian region of Ohio, as defined 12736  
in section 107.21 of the Revised Code, and other like counties 12737  
within the state. The amount set aside for the GRIT program 12738  
under this division shall be used for the following: 12739

(1) In collaboration with private businesses and public 12740  
sector partners, to establish virtual workforce development 12741  
centers and supportive resources and to place unemployed and 12742  
underemployed youth and adults into jobs; 12743

(2) To support the assessment, coaching, wraparound 12744

services, and other career development and training activities 12745  
for both high school youth and adults. 12746

The amount set aside for the GRIT program under this 12747  
division may be used for operating costs. 12748

(C) Of the foregoing appropriation item 1956H2, One Time 12749  
Priority Projects, \$3,000,000 in fiscal year 2024 shall be used 12750  
to support the Mentor Erosion Mitigation Project. Any funds 12751  
distributed for this project under this division shall be 12752  
matched in an amount equal to \$500,000 using city or county 12753  
funding sources. 12754

(D) Of the foregoing appropriation item 1956H2, One Time 12755  
Priority Projects, \$1,835,000 in fiscal year 2024 shall be 12756  
allocated to the Tuscarawas County Commissioners for 12757  
infrastructure improvements or demolition in Tuscarawas County. 12758  
An amount equal to the unexpended, unencumbered portion of the 12759  
amount allocated to Tuscarawas County Commissioners in this 12760  
division at the end of fiscal year 2024 is hereby reappropriated 12761  
for the same purpose in fiscal year 2025. 12762

(E) Of the foregoing appropriation item 1956H2, One Time 12763  
Priority Projects, \$1,000,000 in fiscal year 2024 shall be 12764  
allocated to the Ohio Manufacturing and Innovation Center. 12765

(F) Of the foregoing appropriation item 1956H2, One Time 12766  
Priority Projects, \$500,000 in fiscal year 2024 shall be 12767  
allocated to Mercer County to support the construction of the 12768  
Market Hall. 12769

(G) Of the foregoing appropriation item 1956H2, One Time 12770  
Priority Projects, \$500,000 in fiscal year 2024 shall be used to 12771  
support a study, including the acquisition of any necessary 12772  
equipment, to determine an estimate of storage capacity and 12773

maximum annual yield of the network of aquifers that are in the 12774  
state of Ohio and north of the Maumee River, but that may also 12775  
cross into other states. 12776

(H) Of the foregoing appropriation item 1956H2, One Time 12777  
Priority Projects, \$300,000 in each fiscal year shall be used to 12778  
support the Camp James A. Garfield Joint Military Training 12779  
Center and the Youngstown Air Reserve Station. 12780

(I) Of the foregoing appropriation item 1956H2, One Time 12781  
Priority Projects, \$300,000 in fiscal year 2024 and \$125,000 in 12782  
fiscal year 2025 shall be allocated to the Buckeye Lake Region 12783  
Corporation for operating expenses associated with community 12784  
development activities in the Buckeye Lake region, including, 12785  
but not limited to, development planning, technical assistance 12786  
for small businesses, and community clean energy projects. 12787

(J) Of the foregoing appropriation item 1956H2, One Time 12788  
Priority Projects, \$200,000 in each fiscal year shall be 12789  
allocated to Flying HIGH Inc., in partnership with a local 12790  
economic development organization, to operate integrated 12791  
workforce development services for regional in-demand jobs. This 12792  
portion of the appropriation shall be used for services 12793  
including career coaching, support services to overcome 12794  
employment barriers, primary and behavioral health care, housing 12795  
assistance, pre-apprenticeship vocational training, job 12796  
placement, and post-placement follow-up. 12797

(K) Of the foregoing appropriation item 1956H2, One Time 12798  
Priority Projects, \$200,000 in fiscal year 2024 shall be 12799  
allocated to West Chester Township to support security costs at 12800  
the Voices of America Country Music Fest located in the 12801  
township. 12802

(L) Of the foregoing appropriation item 1956H2, One Time 12803  
Priority Projects, \$200,000 in fiscal year 2024 shall be used 12804  
for Eldora Speedway located in Darke County for improvements or 12805  
assisting with operations. 12806

(M) Of the foregoing appropriation item 1956H2, One Time 12807  
Priority Projects, \$30,000 in fiscal year 2024 shall be used for 12808  
the Armstrong Air and Space Museum. 12809

(N) Of the foregoing appropriation item 1956H2, One Time 12810  
Priority Projects, \$4,000,000 in fiscal year 2024 shall be 12811  
allocated to the Cleveland Water Alliance Sustainable Water 12812  
Technologies Initiative. 12813

(O) Of the foregoing appropriation item 1956H2, One Time 12814  
Priority Projects, \$3,000,000 in FY 2024 shall be used to 12815  
support runway improvements and extensions for the Youngstown- 12816  
Warren Regional Airport in Trumbull County. An amount equal to 12817  
the unexpended, unencumbered portion of this appropriation at 12818  
the end of fiscal year 2024 is hereby reappropriated for the 12819  
same purposes in fiscal year 2025. 12820

(P) Of the foregoing appropriation item 1956H2, One Time 12821  
Priority Projects, \$250,000 in each fiscal year shall be 12822  
allocated to Heritage Ohio to support the Ohio Community 12823  
Revitalization Program. 12824

WELCOME HOME OHIO PROGRAM 12825

The foregoing appropriation item 1956H3, Welcome Home Ohio 12826  
Program, shall be used for grants under the Welcome Home Ohio 12827  
Program established in sections 122.631 through 122.633 of the 12828  
Revised Code. Of the foregoing appropriation item 1956H3, 12829  
Welcome Home Ohio Program, \$25,000,000 in each fiscal year shall 12830  
be used to distribute grants for land banks to purchase 12831



residential property at foreclosure sales under section 122.631 12832  
of the Revised Code. Of the foregoing appropriation item 1956H3, 12833  
Welcome Home ~~Ohio~~ Ohio Program, \$25,000,000 in each fiscal year 12834  
shall be used to distribute grants to rehabilitate or construct 12835  
residential property for income-restricted owners under section 12836  
122.632 of the Revised Code. 12837

On July 1, 2024, or as soon as possible thereafter, the 12838  
Director of Development shall certify to the Director of Budget 12839  
and Management the unexpended, unencumbered balance of the 12840  
appropriation item 1956H3, Welcome Home Ohio Program, at the end 12841  
of fiscal year 2024 to be reappropriated in fiscal year 2025. 12842  
The amount certified is hereby reappropriated to the same 12843  
appropriation item for the same purpose in fiscal year 2025. 12844

WATER AND SEWER QUALITY PROGRAM 12845

The foregoing appropriation item 1956A1, Water and Sewer 12846  
Quality Program, shall be used to award grants under the Water 12847  
and Sewer Quality Program established in Section 259.30 of H.B. 12848  
168 of the 134th General Assembly. This appropriation shall be 12849  
used to fund a new round of grants under which all political 12850  
subdivisions may apply for water and sewer improvements under 12851  
the program. 12852

COUNTY AND INDEPENDENT FAIRS GRANT 12853

The foregoing appropriation item 1956H4, County and 12854  
Independent Fairs Grant, shall be used to award grants to county 12855  
and independent fairs to increase fair access or economic 12856  
impact. The Department of Development shall set an application 12857  
deadline and distribute grants evenly among all grant 12858  
applicants. 12859

BROADBAND DEVELOPMENT GRANTS 12860

On July 1, 2023, or as soon as possible thereafter, the 12861  
Director of Development shall certify to the Director of Budget 12862  
and Management the unexpended, unencumbered balance of the 12863  
appropriation item 195550, Broadband Development Grants, at the 12864  
end of fiscal year 2023 to be reappropriated in fiscal year 12865  
2024. The amount certified is hereby reappropriated to the same 12866  
appropriation item for the same purpose in fiscal year 2024. 12867

On July 1, 2024, or as soon as possible thereafter, the 12868  
Director of Development shall certify to the Director of Budget 12869  
and Management the unexpended, unencumbered balance of the 12870  
appropriation item 195550, Broadband Development Grants, at the 12871  
end of fiscal year 2024 to be reappropriated in fiscal year 12872  
2025. The amount certified is hereby reappropriated to the same 12873  
appropriation item for the same purpose in fiscal year 2025. 12874

ADVANCED ENERGY LOAN PROGRAMS 12875

The foregoing appropriation item 195660, Advanced Energy 12876  
Loan Programs, shall be used to provide financial assistance to 12877  
customers for eligible advanced energy projects for residential, 12878  
commercial, and industrial business, local government, 12879  
educational institution, nonprofit, and agriculture customers. 12880  
The appropriation item may be used to match federal grant 12881  
funding and to pay for the program's administrative costs as 12882  
provided in sections 4928.61 to 4928.63 of the Revised Code and 12883  
rules adopted by the Director of Development. 12884

SPORTS EVENTS GRANTS 12885

The foregoing appropriation item 195496, Sports Events 12886  
Grants, shall be used for grants as described in sections 122.12 12887  
and 122.121 of the Revised Code. 12888

On July 1, 2024, or as soon as possible thereafter, the 12889

Director of Development shall certify to the Director of Budget and Management the amount of the unexpended, unencumbered balance of appropriation item 195496, Sports Events Grants, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

WOMEN OWNED BUSINESS LOAN

The foregoing appropriation item 195632, Women Owned Business Loan, shall be used to operate the Women Owned Business Loan Program.

MINORITY BUSINESS MICRO-LOAN

The foregoing appropriation item 195694, Micro-Loan, shall be used to operate the Minority Business Micro-Loan Program.

TRANSFER FROM THE STATE SMALL BUSINESS CREDIT INITIATIVE FUND TO THE MBD FINANCIAL ASSISTANCE FUND

On July 1, 2023, or as soon as possible thereafter, the Director of Budget and Management may transfer \$15,000,000 cash from the State Small Business Credit Initiative Fund (Fund 3FJ0) to the MBD Financial Assistance Fund (Fund 5XH0). All repayments of loans issued under Fund 5XH0 shall be credited to the fund.

Upon the completion of the original Collateral Enhancement Program, the Director of Development shall certify to the Director of Budget and Management the remaining cash balance in the State Small Business Credit Initiative Fund (Fund 3FJ0). The Director of Budget and Management may transfer the certified amount from Fund 3FJ0 to the MBD Financial Assistance Fund (Fund 5XH0).

ALL OHIO FUTURE FUND

The foregoing appropriation item 195576, All Ohio Future Fund, shall be used for the purposes enumerated in section 126.62 of the Revised Code.

MEAT PROCESSING INVESTMENT PROGRAM 12921

The foregoing appropriation item 195408, Meat Processing Investment Program, shall be used by the Department of Development to award grants under the Ohio Meat Processing Grant Program to custom processors of food animals from farms. The grants shall be used to support the construction of new, or improvements at existing, processing facilities.

BROWNFIELD REMEDIATION 12928

The appropriation item 1956A2, Brownfield Remediation, shall be used to award grants under the Brownfield Remediation Program as described in section 122.6511 of the Revised Code. An amount up to two and one-half per cent of the appropriation item 1956A2, Brownfield Remediation, may be used to pay the administrative costs of the program.

On July 1, 2023, or as soon as possible thereafter, the Director of Development shall certify the unexpended, unencumbered balance of appropriation item 1956A2, Brownfield Remediation, at the end of fiscal year 2023 to be reappropriated in fiscal year 2024. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2024.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of appropriation item 1956A2, Brownfield Remediation, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The

amount certified is hereby reappropriated to the same 12947  
appropriation item for the same purpose in fiscal year 2025. 12948

DEMOLITION AND SITE REVITALIZATION 12949

The appropriation item 1956A3, Demolition and Site 12950  
Revitalization, shall be used to award grants under the Building 12951  
Demolition and Site Revitalization Program as described in 12952  
section 122.6512 of the Revised Code. An amount up to two and 12953  
one-half per cent of the appropriation item 1956A3, Demolition 12954  
and Site Revitalization, may be used to pay the administrative 12955  
costs of the program. 12956

On July 1, 2023, or as soon as possible thereafter, the 12957  
Director of Development shall certify to the Director of Budget 12958  
and Management the unexpended, unencumbered balance of 12959  
appropriation item 1956A3, Demolition and Site Revitalization, 12960  
at the end of fiscal year 2023 to be reappropriated in fiscal 12961  
year 2024. The amount certified is hereby reappropriated to the 12962  
same appropriation item for the same purpose in fiscal year 12963  
2024. 12964

On July 1, 2024, or as soon as possible thereafter, the 12965  
Director of Development shall certify to the Director of Budget 12966  
and Management the unexpended, unencumbered balance of 12967  
appropriation item 1956A3, Demolition and Site Revitalization, 12968  
at the end of fiscal year 2024 to be reappropriated in fiscal 12969  
year 2025. The amount certified is hereby reappropriated to the 12970  
same appropriation item for the same purpose in fiscal year 12971  
2025. 12972

INNOVATION HUBS 12973

The foregoing appropriation item 1956F8, Innovation Hubs, 12974  
shall be allocated to eligible innovation hubs as defined by the 12975

Department of Development. Innovation hubs located within an 12976  
existing innovation district, as defined by the Department of 12977  
Development, are ineligible to receive funding under the 12978  
foregoing appropriation item. 12979

Funding awarded to innovation hubs under the foregoing 12980  
appropriation item may be used for, but not limited to, capital 12981  
expenses to establish an innovation hub near a research-oriented 12982  
anchor institution, recruiting or providing research and 12983  
development opportunities within an innovation hub, or creating 12984  
new or preserving existing jobs and employment opportunities, 12985  
any of which would improve the economic welfare to the 12986  
innovation hub's region. 12987

On July 1, 2024, or as soon as possible thereafter, the 12988  
Director of Development shall certify to the Director of Budget 12989  
and Management the unexpended, unencumbered balance of 12990  
appropriation item 1956F8, Innovation Hubs, at the end of fiscal 12991  
year 2024 to be reappropriated in fiscal year 2025. The amount 12992  
certified is hereby reappropriated to the same appropriation 12993  
item for the same purpose in fiscal year 2025. 12994

VOLUME CAP ADMINISTRATION 12995

The foregoing appropriation item 195654, Volume Cap 12996  
Administration, shall be used for expenses related to the 12997  
administration of the Volume Cap Program. Revenues received by 12998  
the Volume Cap Administration Fund (Fund 6170) shall consist of 12999  
application fees, forfeited deposits, and interest earned from 13000  
the custodial account held by the Treasurer of State. 13001

LOW- AND MODERATE- INCOME HOUSING PROGRAMS 13002

The foregoing appropriation item 195638, Low- and 13003  
Moderate- Income Housing Programs, shall be used to support 13004

housing activities described under Chapter 174. of the Revised 13005  
Code. The Director of Development shall spend not less than 13006  
\$65,000,000 in fiscal year 2025 for these purposes. 13007

On June 30, 2025, or as soon as possible thereafter, the 13008  
Director of Budget and Management shall certify an amount equal 13009  
to the difference of the fiscal year 2025 appropriation for 13010  
appropriation item 195638, Low- and Moderate- Income Housing 13011  
Programs, and the revenue deposited to the credit of the Low- 13012  
and Moderate-income Housing Trust Fund (Fund 6460) in fiscal 13013  
year 2025. If the revenue deposited to the credit of Fund 6460 13014  
is less than the appropriation for fiscal year 2025, the 13015  
Director of Budget and Management shall transfer the certified 13016  
amount from the General Revenue Fund to Fund 6460. Cash 13017  
transfers from the GRF to Fund 6460 do not constitute revenue 13018  
credited to the fund for purposes of this section. 13019

**Section 6.** That existing Section 259.30 of H.B. 33 of the 13020  
135th General Assembly is hereby repealed. 13021

**Section 7.** (A) The amendment by this act of sections 13022  
131.44, 5739.02, 5739.03, and 5739.05 of the Revised Code and 13023  
the portion of section 5739.01 of the Revised Code that relates 13024  
to a sales tax holiday applies on the first day of the first 13025  
month beginning after the effective date of this section. 13026

(B) The amendment by this act of sections 1509.01, 13027  
1509.02, 1509.11, 1509.34, 1513.08, 1513.182, 5703.052, 5703.19, 13028  
5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 13029  
5749.11, 5749.12, 5749.13, 5749.14, and 5749.15 of the Revised 13030  
Code applies on and after the first day of the first calendar 13031  
quarter beginning on or after the effective date of this 13032  
section. 13033

(C) The amendment or enactment by this act of division (C) 13034  
of section 5739.091 and sections 351.01, 351.021, 353.06, 13035  
5739.08, and 5739.09 of the Revised Code applies on and after 13036  
the first day of the first month beginning thirty or more days 13037  
after the effective date of this section. 13038

(D) The amendment by this act of section 5741.01 of the 13039  
Revised Code and the portion of section 5739.01 of the Revised 13040  
Code not described in division (A) of this section applies on 13041  
and after the first day of the first month beginning thirty or 13042  
more days after the effective date of this section. 13043

(E) The amendment by this act of sections 319.30, 319.301, 13044  
321.24, 323.08, 323.152, 323.155, 323.158, 718.83, 3354.24, 13045  
3354.25, 4503.06, 4503.065, 5703.021, 5703.80, 5709.92, 5709.93, 13046  
5715.19, 5715.30, 5747.03, and 5751.20 of the Revised Code 13047  
applies, with respect to real property, to tax years ending on 13048  
or after the effective date of this section and, with respect to 13049  
manufactured and mobile homes, to tax years beginning on or 13050  
after the effective date of this section. 13051

(F) The amendment by this act of sections 5747.01, 13052  
5747.02, 5747.031, 5747.38, and 5747.41 of the Revised Code 13053  
applies to taxable years ending on or after the effective date 13054  
of this section. 13055

(G) The amendment by this act of section 5747.71 of the 13056  
Revised Code applies to taxable years beginning on or after 13057  
January 1, 2025. 13058

(H) The enactment by this act of section 5747.86 of the 13059  
Revised Code applies to claim years, as defined in that section, 13060  
ending on or after the effective date of this section. 13061

**Section 8.** The amendment or repeal by this act of sections 13062



319.302, 5751.01, and 5751.40 of the Revised Code takes effect on January 1, 2026.	13063 13064
The repeal by this act of section 1509.50 of the Revised Code takes effect on the first day of the first calendar quarter beginning on or after the effective date of this section.	13065 13066 13067
The repeal by this act of section 5739.41 of the Revised Code takes effect on the first day of the first month beginning on or after the effective date of this section.	13068 13069 13070
The amendment of section 131.51 of the Revised Code by this act takes effect July 1, 2025.	13071 13072
<b>Section 9.</b> The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the following sections, presented in this act as composites of the sections as amended by the acts indicated, are the resulting versions of the sections in effect prior to the effective date of the sections as presented in this act:	13073 13074 13075 13076 13077 13078 13079 13080
Section 323.152 of the Revised Code as amended by both H.B. 33 and S.B. 43 of the 135th General Assembly.	13081 13082
Section 4503.065 of the Revised Code as amended by both H.B. 33 and S.B. 43 of the 135th General Assembly.	13083 13084
Section 5747.03 of the Revised Code as amended by both H.B. 281 and S.B. 246 of the 134th General Assembly.	13085 13086
<b>Section 10.</b> This act shall be known as A Good Deal for Ohio.	13087 13088