

As Introduced

**136th General Assembly
Regular Session
2025-2026**

S. B. No. 104

Senator Brenner

To amend sections 351.01, 351.021, 353.06, 4735.11, 1
5739.01, 5739.08, 5739.09, 5739.091, and 5741.01 2
and to enact section 5325.01 of the Revised Code 3
to limit the authority of local governments to 4
regulate short-term rental properties, to extend 5
local lodging taxes to short-term rentals, to 6
require collection of those taxes by short-term 7
rental platforms, and to require real estate 8
licenses to be issued electronically. 9

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

Section 1. That sections 351.01, 351.021, 353.06, 4735.11, 10
5739.01, 5739.08, 5739.09, 5739.091, and 5741.01 be amended and 11
section 5325.01 of the Revised Code be enacted to read as 12
follows: 13

Sec. 351.01. As used in this chapter: 14

(A) "Convention facilities authority" means a body 15
corporate and politic created pursuant to section 351.02 of the 16
Revised Code. 17

(B) "Governmental agency" means a department, division, or 18
other unit of the state government or of a municipal 19
corporation, county, township, or other political subdivision of 20

the state; any state university or college, as defined in 21
section 3345.12 of the Revised Code, community college, state 22
community college, university branch, or technical college; any 23
other public corporation or agency having the power to acquire, 24
construct, or operate facilities; the United States or any 25
agency thereof; and any agency, commission, or authority 26
established pursuant to an interstate compact or agreement. 27

(C) "Person" means any individual, firm, partnership, 28
association, or corporation, or any combination of them. 29

(D) "Facility" or "facilities" means any convention, 30
entertainment, or sports facility, or combination of them, 31
located within the territory of the convention facilities 32
authority, together with all hotels, parking facilities, 33
walkways, and other auxiliary facilities, real and personal 34
property, property rights, easements and interests that may be 35
appropriate for, or used in connection with, the operation of 36
the facility. 37

(E) "Cost" means the cost of acquisition of all land, 38
rights-of-way, property rights, easements, franchise rights, and 39
interests required for such acquisition; the cost of demolishing 40
or removing any buildings or structures on land so acquired, 41
including the cost of acquiring any lands to which such 42
buildings or structures may be moved; the cost of acquiring or 43
constructing and equipping a principal office of the convention 44
facilities authority; the cost of diverting highways, 45
interchange of highways, access roads to private property, 46
including the cost of land or easements for such access roads; 47
the cost of public utility and common carrier relocation or 48
duplication; the cost of all machinery, furnishings, and 49
equipment; financing charges; interest prior to and during 50

construction and for no more than eighteen months after 51
completion of construction; expenses of research and development 52
with respect to facilities; legal expenses; expenses of 53
obtaining plans, specifications, engineering surveys, studies, 54
and estimates of cost and revenues; working capital; expenses 55
necessary or incident to determining the feasibility or 56
practicability of acquiring or constructing such facility; 57
administrative expense; and such other expenses as may be 58
necessary or incident to the acquisition or construction of the 59
facility, the financing of such acquisition or construction, 60
including the amount authorized in the resolution of the 61
convention facilities authority providing for the issuance of 62
convention facilities authority revenue bonds to be paid into 63
any special funds from the proceeds of such bonds, the cost of 64
issuing the bonds, and the financing of the placing of such 65
facility in operation. Any obligation, cost, or expense incurred 66
by any governmental agency or person for surveys, borings, 67
preparation of plans and specifications, and other engineering 68
services, or any other cost described above, in connection with 69
the acquisition or construction of a facility may be regarded as 70
part of the cost of such facility and may be reimbursed out of 71
the proceeds of convention facilities authority revenue bonds as 72
authorized by this chapter. 73

(F) "Owner" includes a person having any title or interest 74
in any property, rights, easements, or interests authorized to 75
be acquired by Chapter 351. of the Revised Code. 76

(G) "Revenues" means all rentals and other charges 77
received by the convention facilities authority for the use or 78
services of any facility, the sale of any merchandise, or the 79
operation of any concessions; any gift or grant received with 80
respect to any facility, any moneys received with respect to the 81

lease, sublease, sale, including installment sale or conditional 82
sale, or other disposition of a facility or part thereof; moneys 83
received in repayment of and for interest on any loans made by 84
the authority to a person or governmental agency, whether from 85
the United States or any department, administration, or agency 86
thereof, or otherwise; proceeds of convention facilities 87
authority revenue bonds to the extent the use thereof for 88
payment of principal or of premium, if any, or interest on the 89
bonds is authorized by the authority; proceeds from any 90
insurance, appropriation, or guaranty pertaining to a facility 91
or property mortgaged to secure bonds or pertaining to the 92
financing of the facility; income and profit from the investment 93
of the proceeds of convention facilities authority revenue bonds 94
or of any revenues; contributions of the proceeds of a tax 95
levied pursuant to division (C) of section 5739.09 of the 96
Revised Code; and moneys transmitted to the authority pursuant 97
to division (B) of section 5739.211 and division (B) of section 98
5741.031 of the Revised Code. 99

(H) "Public roads" includes all public highways, roads, 100
and streets in the state, whether maintained by the state, 101
county, city, township, or other political subdivision. 102

(I) "Construction," unless the context indicates a 103
different meaning or intent, includes, but is not limited to, 104
reconstruction, enlargement, improvement, or providing fixtures, 105
furnishings, and equipment. 106

(J) "Convention facilities authority revenue bonds" or 107
"revenue bonds," unless the context indicates a different 108
meaning or intent, includes convention facilities authority 109
revenue notes, convention facilities authority revenue renewal 110
notes, and convention facilities authority revenue refunding 111

bonds.	112
(K) "Convention facilities authority tax anticipation	113
bonds" or "tax anticipation bonds," unless the context indicates	114
a different meaning, includes convention facilities authority	115
tax anticipation bonds, tax anticipation notes, tax anticipation	116
renewal notes, and tax anticipation refunding bonds.	117
(L) "Bonds and notes" means convention facilities	118
authority revenue bonds and convention facilities authority tax	119
anticipation bonds.	120
(M) "Territory of the authority" means all of the area of	121
the county creating the convention facilities authority.	122
(N) "Excise taxes" means any of the taxes levied pursuant	123
to division (B) or (C) of section 351.021 of the Revised Code.	124
"Excise taxes" does not include taxes levied pursuant to section	125
4301.424, 5743.026, or 5743.324 of the Revised Code.	126
(O) "Transaction" means the charge by a hotel <u>or short-</u>	127
<u>term rental property</u> for each occupancy by transient guests of a	128
room or suite of rooms used in a hotel <u>or short-term rental</u>	129
<u>property</u> as a single unit for any period of twenty-four hours or	130
less.	131
(P) "Hotel" <u>"Hotel," "short-term rental property,"</u> and	132
"transient guests" have the same meanings as in section 5739.01	133
of the Revised Code.	134
(Q) "Sports facility" means a facility intended to house	135
major league professional athletic teams.	136
(R) "Constructing" or "construction" includes providing	137
fixtures, furnishings, and equipment.	138
Sec. 351.021. (A) The resolution of the county	139

commissioners creating a convention facilities authority, or any 140
amendment or supplement to that resolution, may authorize the 141
authority to levy one or both of the excise taxes authorized by 142
division (B) of this section to pay the cost of one or more 143
facilities; to pay principal, interest, and premium on 144
convention facilities authority tax anticipation bonds issued to 145
pay those costs; to pay the operating costs of the authority; to 146
pay operating and maintenance costs of those facilities; and to 147
pay the costs of administering the excise tax. 148

(B) The board of directors of a convention facilities 149
authority that has been authorized pursuant to resolution 150
adopted, amended, or supplemented by the board of county 151
commissioners pursuant to division (A) of this section may levy, 152
by resolution adopted on or before December 31, 1988, either or 153
both of the following: 154

(1) Within the territory of the authority, an additional 155
excise tax not to exceed four per cent on each transaction. The 156
excise tax authorized by division (B)(1) of this section shall 157
be in addition to any excise tax levied pursuant to section 158
5739.08 or 5739.09 of the Revised Code, or division (B)(2) of 159
this section. 160

(2) Within that portion of any municipal corporation that 161
is located within the territory of the authority or within the 162
boundaries of any township that is located within the territory 163
of the authority, which municipal corporation or township is 164
levying any portion of the excise tax authorized by division (A) 165
of section 5739.08 of the Revised Code, and with the approval, 166
by ordinance or resolution, of the legislative authority of that 167
municipal corporation or township, an additional excise tax not 168
to exceed nine-tenths of one per cent on each transaction. The 169

excise tax authorized by division (B) (2) of this section may be 170
levied only if, on the effective date of the levy specified in 171
the resolution making the levy, the amount being levied pursuant 172
to division (A) of section 5739.08 of the Revised Code by each 173
municipal corporation or township in which the tax authorized by 174
division (B) (2) of this section will be levied, when added to 175
the amount levied under division (B) (2) of this section, does 176
not exceed three per cent on each transaction. The excise tax 177
authorized by division (B) (2) of this section shall be in 178
addition to any excise tax that is levied pursuant to section 179
5739.08 or 5739.09 of the Revised Code, or division (B) (1) of 180
this section. 181

(C) (1) The board of directors of a convention facilities 182
authority that is located in an eligible Appalachian county; 183
that has been authorized pursuant to resolution adopted, 184
amended, or supplemented by the board of county commissioners 185
pursuant to division (A) of this section; and that is not 186
levying a tax under division (B) (1) or (2) of this section may 187
levy within the territory of the authority, by resolution 188
adopted on or before December 31, 2005, an additional excise tax 189
not to exceed three per cent on each transaction. The excise tax 190
authorized under division (C) (1) of this section shall be in 191
addition to any excise tax levied pursuant to section 5739.08 or 192
5739.09 of the Revised Code. 193

As used in division (C) (1) of this section, "eligible 194
Appalachian county" means a county in this state designated as 195
being in the "Appalachian region" under the "Appalachian 196
Regional Development Act of 1965," 79 Stat. 4, 40 U.S.C. App. 197
403, and having a population less than eighty thousand according 198
to the most recent federal decennial census. 199

(2) Division (C)(2) of this section applies only to a 200
convention facilities authority located in a county with a 201
population, according to the 2000 federal decennial census, of 202
at least one hundred thirty-five thousand and not more than one 203
hundred fifty thousand and containing entirely within its 204
boundaries the territory of a municipal corporation with a 205
population according to that census of more than fifty thousand. 206
The board of directors of such a convention facilities 207
authority, by resolution adopted on or before November 1, 2009, 208
may levy within the territory of the authority an excise tax on 209
transactions by which lodging by a hotel or short-term rental 210
property is or is to be furnished to transient guests at a rate 211
not to exceed three per cent on such transactions for the same 212
purposes for which a tax may be levied under division (B) of 213
this section. The resolution may be adopted only if the board of 214
county commissioners of the county, by resolution, authorizes 215
the levy of the tax. The resolution of the board of county 216
commissioners is subject to referendum as prescribed by sections 217
305.31 to 305.41 of the Revised Code. If, pursuant to those 218
procedures, a referendum is to be held, the board's resolution 219
does not take effect until approved by a majority of electors 220
voting on the question. The convention facilities authority may 221
adopt the resolution authorized by division (C)(2) of this 222
section before the election, but the authority's resolution 223
shall not take effect if the board of commissioners' resolution 224
is not approved at the election. A tax levied under division (C) 225
(2) of this section is in addition to any tax levied under 226
section 5739.09 of the Revised Code. 227

The board of directors of a convention facilities 228
authority that levies an excise tax under division (C)(2) of 229
this section may, by resolution adopted by a majority of the 230

members of the board on or before November 1, 2021, amend the 231
resolution levying the tax to increase the rate of the tax by 232
not more than an additional one per cent on each transaction. 233
The resolution shall provide that all revenue from the increase 234
in rate shall be used for the same purposes for which a tax may 235
be levied under division (B) of this section. The resolution may 236
be adopted only if the board of county commissioners of the 237
county, by resolution, authorizes the rate increase. 238

(3) The board of directors of a convention facilities 239
authority created between July 1, 2019, and December 31, 2019, 240
by resolution adopted on or before December 30, 2020, may levy 241
within the territory of the authority an excise tax on 242
transactions by which lodging by a hotel or short-term rental 243
property is or is to be furnished to transient guests at a rate 244
not to exceed three per cent on such transactions for the 245
purposes described in division (A) of this section. This tax 246
shall be in addition to any excise tax levied pursuant to this 247
section or section 5739.08 or 5739.09 of the Revised Code. The 248
resolution levying the tax shall not take effect sooner than 249
ninety days after the convention facilities authority is 250
created. 251

(D) The authority shall provide for the administration and 252
allocation of an excise tax levied pursuant to division (B) or 253
(C) of this section. All receipts arising from those excise 254
taxes shall be expended for the purposes provided in, and in 255
accordance with this section and section 351.141 of the Revised 256
Code. An excise tax levied under division (B) or (C) of this 257
section shall remain in effect at the rate at which it is levied 258
for at least the duration of the period for which the receipts 259
from the tax have been anticipated and pledged pursuant to 260
section 351.141 of the Revised Code. 261

(E) Except as provided in division (B) (2) of this section, 262
the levy of an excise tax on each transaction pursuant to 263
sections 5739.08 and 5739.09 of the Revised Code does not 264
prevent a convention facilities authority from levying an excise 265
tax pursuant to division (B) or (C) of this section. 266

(F) A convention facilities authority located in a county 267
with a population greater than eighty thousand but less than 268
ninety thousand according to the 2010 federal decennial census 269
that levies a tax under division (B) of this section may amend 270
the resolution levying the tax to allocate a portion of the 271
revenue from the tax for support of tourism-related sites or 272
facilities and programs operated by the county or a municipal 273
corporation within the county in which the authority is located 274
or for the purpose of leasing lands for county fairs, erecting 275
buildings for county fair purposes, making improvements on a 276
county fairground, or for any purpose connected with the use of 277
a county fairground or with the management thereof by the county 278
in which the authority is located. The revenue allocated by the 279
authority for such purposes in a calendar year shall not exceed 280
twenty-five per cent of the total revenue from the tax in the 281
preceding calendar year. Revenue allocated for such purposes 282
that is not fully used by the end of the calendar year may be 283
carried forward for use in subsequent calendar years. Any amount 284
carried forward does not count toward the limitation on the 285
amount that may be allocated for such purposes in succeeding 286
calendar years. 287

Sec. 353.06. As used in this section, "~~hotel~~" "hotel," 288
"short-term rental property," and "transient guests" have the 289
same meanings as in section 5739.01 of the Revised Code. 290

A resolution creating a lake facilities authority under 291

section 353.02 of the Revised Code, or any amendments or 292
supplements thereto, may authorize the authority to levy an 293
excise tax on transactions by which lodging in a hotel or short- 294
term rental property is or is to be furnished to transient 295
guests to pay any costs authorized under this chapter; to pay 296
principal, interest, and premium on lake facilities authority 297
tax anticipation bonds issued to pay those costs; to pay the 298
operating costs of the authority; and to pay the costs of 299
administering the tax. 300

Upon the affirmative vote of at least a majority of the 301
qualified electors in a primary or general election within the 302
impacted lake district voting at an election held for the 303
purpose of authorizing the tax, the board of directors of a lake 304
facilities authority authorized to levy a tax under this section 305
may, by resolution, levy an additional excise tax within the 306
territory of the impacted lake district on all transactions by 307
which lodging in a hotel or short-term rental property is or is 308
to be furnished to transient guests. The rate of the tax, when 309
added to the aggregate rate of excise taxes levied in the 310
impacted lake district pursuant to section 351.021, 5739.08, or 311
5739.09 of the Revised Code, shall not cause the total aggregate 312
rate to exceed five per cent on any such transaction. 313

The lake facilities authority shall provide for the 314
administration and allocation of a tax levied pursuant to this 315
section. All receipts arising from the tax shall be expended for 316
the purposes provided in, and in accordance with, this section. 317
An excise tax levied under this section shall remain in effect 318
at the rate at which it is levied for at least the duration of 319
the period for which the receipts from the tax have been 320
anticipated and pledged pursuant to section 353.08 of the 321
Revised Code. 322

The form of the ballot in an election held on the question 323
of levying a tax proposed pursuant to this section shall be as 324
follows or in any other form acceptable to the secretary of 325
state: 326

"An excise tax on all transactions by which lodging in a 327
hotel is or is to be furnished to transient guests within the 328
territory of the (name of impacted lake district) _____ 329
for the purpose of _____ at a rate of _____ for 330
_____ (number of years the tax is to be levied). 331

	For the Excise Tax
	Against the Excise Tax

"

Sec. 4735.11. ~~The form and size of licenses~~ Licenses 333
~~issued~~ under this chapter shall be issued in an electronic 334
format in a form and size prescribed by the Ohio real estate 335
commission. Each broker's or foreign real estate dealer's 336
license shall show the name and address of the licensee, and in 337
the case of partnership, association, limited liability company, 338
limited liability partnership, and corporation licenses, the 339
name and address of each of the members or officers of the 340
partnership, association, limited liability company, limited 341
liability partnership, or corporation. A real estate 342
salesperson's license or a foreign real estate salesperson's 343
license shall show the name of the real estate broker or foreign 344
real estate dealer with whom the salesperson is or is to be 345
associated. Each license shall be issued under the seal 346
prescribed in section 121.20 of the Revised Code and be signed 347
by the president of the commission. 348

Sec. 5325.01. (A) As used in this section: 349

(1) "Local government" means a township, county, or 350
municipal corporation. 351

(2) "Short-term rental property" means a house, apartment, 352
condominium, cooperative unit, cabin, cottage, or bungalow, or 353
one or more rooms therein, that is, or are, offered to 354
transients or travelers for a fee for a period of thirty days or 355
less, regardless of whether amenities, including meals, daily 356
housekeeping, concierge services, or linen services, are 357
provided. 358

(B) No local government shall adopt or enforce a 359
regulation, requirement, restriction, or other resolution or 360
ordinance concerning short-term rental properties that relates 361
to any of the following: 362

(1) Prohibiting short-term rental properties; 363

(2) Creation of a lottery system to be eligible for short- 364
term rental property registration; 365

(3) Use of zoning requirements to prohibit or limit short- 366
term rental properties in areas that are zoned to allow for 367
residential use; 368

(4) Restricting the number of short-term rental properties 369
a person may operate; 370

(5) A requirement that an owner of a short-term rental 371
property occupy the short-term rental property. 372

(C) A local government may require registration or 373
licensing of short-term rental properties. Any fee associated 374
with a registration or licensing of a short-term rental property 375
is subject to both of the following: 376

(1) The amount of the fee shall not exceed twenty dollars 377

per year for each short-term rental property. 378

(2) Fees collected by the local government shall be used 379
only for the enforcement of regulations on short-term rental 380
properties. 381

Sec. 5739.01. As used in this chapter: 382

(A) "Person" includes individuals, receivers, assignees, 383
trustees in bankruptcy, estates, firms, partnerships, 384
associations, joint-stock companies, joint ventures, clubs, 385
societies, corporations, the state and its political 386
subdivisions, and combinations of individuals of any form. 387

(B) "Sale" and "selling" include all of the following 388
transactions for a consideration in any manner, whether 389
absolutely or conditionally, whether for a price or rental, in 390
money or by exchange, and by any means whatsoever: 391

(1) All transactions by which title or possession, or 392
both, of tangible personal property, is or is to be transferred, 393
or a license to use or consume tangible personal property is or 394
is to be granted; 395

(2) All transactions by which lodging by a hotel is or is 396
to be furnished to transient guests; 397

(3) All transactions by which: 398

(a) An item of tangible personal property is or is to be 399
repaired, except property, the purchase of which would not be 400
subject to the tax imposed by section 5739.02 of the Revised 401
Code; 402

(b) An item of tangible personal property is or is to be 403
installed, except property, the purchase of which would not be 404
subject to the tax imposed by section 5739.02 of the Revised 405

Code or property that is or is to be incorporated into and will 406
become a part of a production, transmission, transportation, or 407
distribution system for the delivery of a public utility 408
service; 409

(c) The service of washing, cleaning, waxing, polishing, 410
or painting a motor vehicle is or is to be furnished; 411

(d) Laundry and dry cleaning services are or are to be 412
provided; 413

(e) Automatic data processing, computer services, or 414
electronic information services are or are to be provided for 415
use in business when the true object of the transaction is the 416
receipt by the consumer of automatic data processing, computer 417
services, or electronic information services rather than the 418
receipt of personal or professional services to which automatic 419
data processing, computer services, or electronic information 420
services are incidental or supplemental. Notwithstanding any 421
other provision of this chapter, such transactions that occur 422
between members of an affiliated group are not sales. An 423
"affiliated group" means two or more persons related in such a 424
way that one person owns or controls the business operation of 425
another member of the group. In the case of corporations with 426
stock, one corporation owns or controls another if it owns more 427
than fifty per cent of the other corporation's common stock with 428
voting rights. 429

(f) Telecommunications service, including prepaid calling 430
service, prepaid wireless calling service, or ancillary service, 431
is or is to be provided, but not including coin-operated 432
telephone service; 433

(g) Landscaping and lawn care service is or is to be 434

provided; 435

(h) Private investigation and security service is or is to 436
be provided; 437

(i) Information services or tangible personal property is 438
provided or ordered by means of a nine hundred telephone call; 439

(j) Building maintenance and janitorial service is or is 440
to be provided; 441

(k) Exterminating service is or is to be provided; 442

(l) Physical fitness facility service is or is to be 443
provided; 444

(m) Recreation and sports club service is or is to be 445
provided; 446

(n) Satellite broadcasting service is or is to be 447
provided; 448

(o) Personal care service is or is to be provided to an 449
individual. As used in this division, "personal care service" 450
includes skin care, the application of cosmetics, manicuring, 451
pedicuring, hair removal, tattooing, body piercing, tanning, 452
massage, and other similar services. "Personal care service" 453
does not include a service provided by or on the order of a 454
licensed physician, certified nurse-midwife, clinical nurse 455
specialist, certified nurse practitioner, or chiropractor, or 456
the cutting, coloring, or styling of an individual's hair. 457

(p) The transportation of persons by motor vehicle or 458
aircraft is or is to be provided, when the transportation is 459
entirely within this state, except for transportation provided 460
by an ambulance service, by a transit bus, as defined in section 461
5735.01 of the Revised Code, and transportation provided by a 462

citizen of the United States holding a certificate of public 463
convenience and necessity issued under 49 U.S.C. 41102; 464

(q) Motor vehicle towing service is or is to be provided. 465
As used in this division, "motor vehicle towing service" means 466
the towing or conveyance of a wrecked, disabled, or illegally 467
parked motor vehicle. 468

(r) Snow removal service is or is to be provided. As used 469
in this division, "snow removal service" means the removal of 470
snow by any mechanized means, but does not include the providing 471
of such service by a person that has less than five thousand 472
dollars in sales of such service during the calendar year. 473

(s) Electronic publishing service is or is to be provided 474
to a consumer for use in business, except that such transactions 475
occurring between members of an affiliated group, as defined in 476
division (B) (3) (e) of this section, are not sales. 477

(4) All transactions by which printed, imprinted, 478
overprinted, lithographic, multilithic, blueprinted, 479
photostatic, or other productions or reproductions of written or 480
graphic matter are or are to be furnished or transferred; 481

(5) The production or fabrication of tangible personal 482
property for a consideration for consumers who furnish either 483
directly or indirectly the materials used in the production of 484
fabrication work; and include the furnishing, preparing, or 485
serving for a consideration of any tangible personal property 486
consumed on the premises of the person furnishing, preparing, or 487
serving such tangible personal property. Except as provided in 488
section 5739.03 of the Revised Code, a construction contract 489
pursuant to which tangible personal property is or is to be 490
incorporated into a structure or improvement on and becoming a 491

part of real property is not a sale of such tangible personal 492
property. The construction contractor is the consumer of such 493
tangible personal property, provided that the sale and 494
installation of carpeting, the sale and installation of 495
agricultural land tile, the sale and erection or installation of 496
portable grain bins, or the provision of landscaping and lawn 497
care service and the transfer of property as part of such 498
service is never a construction contract. 499

As used in division (B) (5) of this section: 500

(a) "Agricultural land tile" means fired clay or concrete 501
tile, or flexible or rigid perforated plastic pipe or tubing, 502
incorporated or to be incorporated into a subsurface drainage 503
system appurtenant to land used or to be used primarily in 504
production by farming, agriculture, horticulture, or 505
floriculture. The term does not include such materials when they 506
are or are to be incorporated into a drainage system appurtenant 507
to a building or structure even if the building or structure is 508
used or to be used in such production. 509

(b) "Portable grain bin" means a structure that is used or 510
to be used by a person engaged in farming or agriculture to 511
shelter the person's grain and that is designed to be 512
disassembled without significant damage to its component parts. 513

(6) All transactions in which all of the shares of stock 514
of a closely held corporation are transferred, or an ownership 515
interest in a pass-through entity, as defined in section 5733.04 516
of the Revised Code, is transferred, if the corporation or pass- 517
through entity is not engaging in business and its entire assets 518
consist of boats, planes, motor vehicles, or other tangible 519
personal property operated primarily for the use and enjoyment 520
of the shareholders or owners; 521

(7) All transactions in which a warranty, maintenance or 522
service contract, or similar agreement by which the vendor of 523
the warranty, contract, or agreement agrees to repair or 524
maintain the tangible personal property of the consumer is or is 525
to be provided; 526

(8) The transfer of copyrighted motion picture films used 527
solely for advertising purposes, except that the transfer of 528
such films for exhibition purposes is not a sale; 529

(9) All transactions by which tangible personal property 530
is or is to be stored, except such property that the consumer of 531
the storage holds for sale in the regular course of business; 532

(10) All transactions in which "guaranteed auto 533
protection" is provided whereby a person promises to pay to the 534
consumer the difference between the amount the consumer receives 535
from motor vehicle insurance and the amount the consumer owes to 536
a person holding title to or a lien on the consumer's motor 537
vehicle in the event the consumer's motor vehicle suffers a 538
total loss under the terms of the motor vehicle insurance policy 539
or is stolen and not recovered, if the protection and its price 540
are included in the purchase or lease agreement; 541

(11) (a) Except as provided in division (B) (11) (b) of this 542
section, all transactions by which health care services are paid 543
for, reimbursed, provided, delivered, arranged for, or otherwise 544
made available by a medicaid health insuring corporation 545
pursuant to the corporation's contract with the state. 546

(b) If the centers for medicare and medicaid services of 547
the United States department of health and human services 548
determines that the taxation of transactions described in 549
division (B) (11) (a) of this section constitutes an impermissible 550

health care-related tax under the "Social Security Act," section 551
1903(w), 42 U.S.C. 1396b(w), and regulations adopted thereunder, 552
the medicaid director shall notify the tax commissioner of that 553
determination. Beginning with the first day of the month 554
following that notification, the transactions described in 555
division (B)(11)(a) of this section are not sales for the 556
purposes of this chapter or Chapter 5741. of the Revised Code. 557
The tax commissioner shall order that the collection of taxes 558
under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 559
5741.021, 5741.022, and 5741.023 of the Revised Code shall cease 560
for transactions occurring on or after that date. 561

(12) All transactions by which a specified digital product 562
is provided for permanent use or less than permanent use, 563
regardless of whether continued payment is required. 564

(13) All transactions by a delivery network company for 565
the company's delivery network services, provided the company 566
has a waiver issued under section 5741.072 of the Revised Code. 567

Except as provided in this section, "sale" and "selling" 568
do not include transfers of interest in leased property where 569
the original lessee and the terms of the original lease 570
agreement remain unchanged, or professional, insurance, or 571
personal service transactions that involve the transfer of 572
tangible personal property as an inconsequential element, for 573
which no separate charges are made. 574

(C) "Vendor" means the person providing the service or by 575
whom the transfer effected or license given by a sale is or is 576
to be made or given and, for sales described in division (B)(3) 577
(i) of this section, the telecommunications service vendor that 578
provides the nine hundred telephone service; if two or more 579
persons are engaged in business at the same place of business 580

under a single trade name in which all collections on account of 581
sales by each are made, such persons shall constitute a single 582
vendor. 583

Physicians, certified nurse-midwives, clinical nurse 584
specialists, certified nurse practitioners, dentists, hospitals, 585
and veterinarians who are engaged in selling tangible personal 586
property as received from others, such as eyeglasses, 587
mouthwashes, dentifrices, or similar articles, are vendors. 588
Veterinarians who are engaged in transferring to others for a 589
consideration drugs, the dispensing of which does not require an 590
order of a licensed veterinarian, physician, certified nurse- 591
midwife, clinical nurse specialist, or certified nurse 592
practitioner under federal law, are vendors. 593

The operator of any peer-to-peer car sharing program shall 594
be considered to be the vendor. 595

(D) (1) "Consumer" means the person for whom the service is 596
provided, to whom the transfer effected or license given by a 597
sale is or is to be made or given, to whom the service described 598
in division (B) (3) (f) or (i) of this section is charged, or to 599
whom the admission is granted. 600

(2) Physicians, certified nurse-midwives, clinical nurse 601
specialists, certified nurse practitioners, dentists, hospitals, 602
and blood banks operated by nonprofit institutions and persons 603
licensed to practice veterinary medicine, surgery, and dentistry 604
are consumers of all tangible personal property and services 605
purchased by them in connection with the practice of medicine, 606
dentistry, the rendition of hospital or blood bank service, or 607
the practice of veterinary medicine, surgery, and dentistry. In 608
addition to being consumers of drugs administered by them or by 609
their assistants according to their direction, veterinarians 610

also are consumers of drugs that under federal law may be 611
dispensed only by or upon the order of a licensed veterinarian, 612
physician, certified nurse-midwife, clinical nurse specialist, 613
or certified nurse practitioner, when transferred by them to 614
others for a consideration to provide treatment to animals as 615
directed by the veterinarian. 616

(3) A person who performs a facility management, or 617
similar service contract for a contractee is a consumer of all 618
tangible personal property and services purchased for use in 619
connection with the performance of such contract, regardless of 620
whether title to any such property vests in the contractee. The 621
purchase of such property and services is not subject to the 622
exception for resale under division (E) of this section. 623

(4) (a) In the case of a person who purchases printed 624
matter for the purpose of distributing it or having it 625
distributed to the public or to a designated segment of the 626
public, free of charge, that person is the consumer of that 627
printed matter, and the purchase of that printed matter for that 628
purpose is a sale. 629

(b) In the case of a person who produces, rather than 630
purchases, printed matter for the purpose of distributing it or 631
having it distributed to the public or to a designated segment 632
of the public, free of charge, that person is the consumer of 633
all tangible personal property and services purchased for use or 634
consumption in the production of that printed matter. That 635
person is not entitled to claim exemption under division (B) (42) 636
(f) of section 5739.02 of the Revised Code for any material 637
incorporated into the printed matter or any equipment, supplies, 638
or services primarily used to produce the printed matter. 639

(c) The distribution of printed matter to the public or to 640

a designated segment of the public, free of charge, is not a 641
sale to the members of the public to whom the printed matter is 642
distributed or to any persons who purchase space in the printed 643
matter for advertising or other purposes. 644

(5) A person who makes sales of any of the services listed 645
in division (B)(3) of this section is the consumer of any 646
tangible personal property used in performing the service. The 647
purchase of that property is not subject to the resale exception 648
under division (E) of this section. 649

(6) A person who engages in highway transportation for 650
hire is the consumer of all packaging materials purchased by 651
that person and used in performing the service, except for 652
packaging materials sold by such person in a transaction 653
separate from the service. 654

(7) In the case of a transaction for health care services 655
under division (B)(11) of this section, a medicaid health 656
insuring corporation is the consumer of such services. The 657
purchase of such services by a medicaid health insuring 658
corporation is not subject to the exception for resale under 659
division (E) of this section or to the exemptions provided under 660
divisions (B)(12), (18), (19), and (22) of section 5739.02 of 661
the Revised Code. 662

(E) "Retail sale" and "sales at retail" include all sales, 663
except those in which the purpose of the consumer is to resell 664
the thing transferred or benefit of the service provided, by a 665
person engaging in business, in the form in which the same is, 666
or is to be, received by the person. 667

(F) "Business" includes any activity engaged in by any 668
person with the object of gain, benefit, or advantage, either 669

direct or indirect. "Business" does not include the activity of 670
a person in managing and investing the person's own funds. 671

(G) "Engaging in business" means commencing, conducting, 672
or continuing in business, and liquidating a business when the 673
liquidator thereof holds itself out to the public as conducting 674
such business. Making a casual sale is not engaging in business. 675

(H) (1) (a) "Price," except as provided in divisions (H) (2), 676
(3), and (4) of this section, means the total amount of 677
consideration, including cash, credit, property, and services, 678
for which tangible personal property or services are sold, 679
leased, or rented, valued in money, whether received in money or 680
otherwise, without any deduction for any of the following: 681

(i) The vendor's cost of the property sold; 682

(ii) The cost of materials used, labor or service costs, 683
interest, losses, all costs of transportation to the vendor, all 684
taxes imposed on the vendor, including the tax imposed under 685
Chapter 5751. of the Revised Code, and any other expense of the 686
vendor; 687

(iii) Charges by the vendor for any services necessary to 688
complete the sale; 689

(iv) Delivery charges. As used in this division, "delivery 690
charges" means charges by the vendor for preparation and 691
delivery to a location designated by the consumer of tangible 692
personal property or a service, including transportation, 693
shipping, postage, handling, crating, and packing. 694

(v) Installation charges; 695

(vi) Credit for any trade-in. 696

(b) "Price" includes consideration received by the vendor 697

from a third party, if the vendor actually receives the 698
consideration from a party other than the consumer, and the 699
consideration is directly related to a price reduction or 700
discount on the sale; the vendor has an obligation to pass the 701
price reduction or discount through to the consumer; the amount 702
of the consideration attributable to the sale is fixed and 703
determinable by the vendor at the time of the sale of the item 704
to the consumer; and one of the following criteria is met: 705

(i) The consumer presents a coupon, certificate, or other 706
document to the vendor to claim a price reduction or discount 707
where the coupon, certificate, or document is authorized, 708
distributed, or granted by a third party with the understanding 709
that the third party will reimburse any vendor to whom the 710
coupon, certificate, or document is presented; 711

(ii) The consumer identifies the consumer's self to the 712
seller as a member of a group or organization entitled to a 713
price reduction or discount. A preferred customer card that is 714
available to any patron does not constitute membership in such a 715
group or organization. 716

(iii) The price reduction or discount is identified as a 717
third party price reduction or discount on the invoice received 718
by the consumer, or on a coupon, certificate, or other document 719
presented by the consumer. 720

(c) "Price" does not include any of the following: 721

(i) Discounts, including cash, term, or coupons that are 722
not reimbursed by a third party that are allowed by a vendor and 723
taken by a consumer on a sale; 724

(ii) Interest, financing, and carrying charges from credit 725
extended on the sale of tangible personal property or services, 726

if the amount is separately stated on the invoice, bill of sale, 727
or similar document given to the purchaser; 728

(iii) Any taxes legally imposed directly on the consumer 729
that are separately stated on the invoice, bill of sale, or 730
similar document given to the consumer. For the purpose of this 731
division, the tax imposed under Chapter 5751. of the Revised 732
Code is not a tax directly on the consumer, even if the tax or a 733
portion thereof is separately stated. 734

(iv) Notwithstanding divisions (H) (1) (b) (i) to (iii) of 735
this section, any discount allowed by an automobile manufacturer 736
to its employee, or to the employee of a supplier, on the 737
purchase of a new motor vehicle from a new motor vehicle dealer 738
in this state. 739

(v) The dollar value of a gift card that is not sold by a 740
vendor or purchased by a consumer and that is redeemed by the 741
consumer in purchasing tangible personal property or services if 742
the vendor is not reimbursed and does not receive compensation 743
from a third party to cover all or part of the gift card value. 744
For the purposes of this division, a gift card is not sold by a 745
vendor or purchased by a consumer if it is distributed pursuant 746
to an awards, loyalty, or promotional program. Past and present 747
purchases of tangible personal property or services by the 748
consumer shall not be treated as consideration exchanged for a 749
gift card. 750

(2) In the case of a sale of any new motor vehicle by a 751
new motor vehicle dealer, as defined in section 4517.01 of the 752
Revised Code, in which another motor vehicle is accepted by the 753
dealer as part of the consideration received, "price" has the 754
same meaning as in division (H) (1) of this section, reduced by 755
the credit afforded the consumer by the dealer for the motor 756

vehicle received in trade. 757

(3) In the case of a sale of any watercraft or outboard 758
motor by a watercraft dealer licensed in accordance with section 759
1547.543 of the Revised Code, in which another watercraft, 760
watercraft and trailer, or outboard motor is accepted by the 761
dealer as part of the consideration received, "price" has the 762
same meaning as in division (H)(1) of this section, reduced by 763
the credit afforded the consumer by the dealer for the 764
watercraft, watercraft and trailer, or outboard motor received 765
in trade. As used in this division, "watercraft" includes an 766
outdrive unit attached to the watercraft. 767

(4) In the case of transactions for health care services 768
under division (B)(11) of this section, "price" means the amount 769
of managed care premiums received each month by a medicaid 770
health insuring corporation. 771

(I) "Receipts" means the total amount of the prices of the 772
sales of vendors, provided that the dollar value of gift cards 773
distributed pursuant to an awards, loyalty, or promotional 774
program, and cash discounts allowed and taken on sales at the 775
time they are consummated are not included, minus any amount 776
deducted as a bad debt pursuant to section 5739.121 of the 777
Revised Code. "Receipts" does not include the sale price of 778
property returned or services rejected by consumers when the 779
full sale price and tax are refunded either in cash or by 780
credit. 781

(J) "Place of business" means any location at which a 782
person engages in business. 783

(K) "Premises" includes any real property or portion 784
thereof upon which any person engages in selling tangible 785

personal property at retail or making retail sales and also 786
includes any real property or portion thereof designated for, or 787
devoted to, use in conjunction with the business engaged in by 788
such person. 789

(L) "Casual sale" means a sale of an item of tangible 790
personal property that was obtained by the person making the 791
sale, through purchase or otherwise, for the person's own use 792
and was previously subject to any state's taxing jurisdiction on 793
its sale or use, and includes such items acquired for the 794
seller's use that are sold by an auctioneer employed directly by 795
the person for such purpose, provided the location of such sales 796
is not the auctioneer's permanent place of business. As used in 797
this division, "permanent place of business" includes any 798
location where such auctioneer has conducted more than two 799
auctions during the year. 800

(M) "Hotel" means every establishment kept, used, 801
maintained, advertised, or held out to the public to be a place 802
where sleeping accommodations are offered to guests, in which 803
five or more rooms are used for the accommodation of such 804
guests, whether the rooms are in one or several structures, 805
~~except as otherwise provided in section 5739.091 of the Revised~~ 806
~~Code.~~ 807

(N) "Transient guests" means persons occupying a room or 808
rooms for sleeping accommodations for less than thirty 809
consecutive days. 810

(O) "Making retail sales" means the effecting of 811
transactions wherein one party is obligated to pay the price and 812
the other party is obligated to provide a service or to transfer 813
title to or possession of the item sold. "Making retail sales" 814
does not include the preliminary acts of promoting or soliciting 815

the retail sales, other than the distribution of printed matter 816
which displays or describes and prices the item offered for 817
sale, nor does it include delivery of a predetermined quantity 818
of tangible personal property or transportation of property or 819
personnel to or from a place where a service is performed. 820

(P) "Used directly in the rendition of a public utility 821
service" means that property that is to be incorporated into and 822
will become a part of the consumer's production, transmission, 823
transportation, or distribution system and that retains its 824
classification as tangible personal property after such 825
incorporation; fuel or power used in the production, 826
transmission, transportation, or distribution system; and 827
tangible personal property used in the repair and maintenance of 828
the production, transmission, transportation, or distribution 829
system, including only such motor vehicles as are specially 830
designed and equipped for such use. Tangible personal property 831
and services used primarily in providing highway transportation 832
for hire are not used directly in the rendition of a public 833
utility service. In this definition, "public utility" includes a 834
citizen of the United States holding, and required to hold, a 835
certificate of public convenience and necessity issued under 49 836
U.S.C. 41102. 837

(Q) "Refining" means removing or separating a desirable 838
product from raw or contaminated materials by distillation or 839
physical, mechanical, or chemical processes. 840

(R) "Assembly" and "assembling" mean attaching or fitting 841
together parts to form a product, but do not include packaging a 842
product. 843

(S) "Manufacturing operation" means a process in which 844
materials are changed, converted, or transformed into a 845

different state or form from which they previously existed and 846
includes refining materials, assembling parts, and preparing raw 847
materials and parts by mixing, measuring, blending, or otherwise 848
committing such materials or parts to the manufacturing process. 849
"Manufacturing operation" does not include packaging. 850

(T) "Fiscal officer" means, with respect to a regional 851
transit authority, the secretary-treasurer thereof, and with 852
respect to a county that is a transit authority, the fiscal 853
officer of the county transit board if one is appointed pursuant 854
to section 306.03 of the Revised Code or the county auditor if 855
the board of county commissioners operates the county transit 856
system. 857

(U) "Transit authority" means a regional transit authority 858
created pursuant to section 306.31 of the Revised Code or a 859
county in which a county transit system is created pursuant to 860
section 306.01 of the Revised Code. For the purposes of this 861
chapter, a transit authority must extend to at least the entire 862
area of a single county. A transit authority that includes 863
territory in more than one county must include all the area of 864
the most populous county that is a part of such transit 865
authority. County population shall be measured by the most 866
recent census taken by the United States census bureau. 867

(V) "Legislative authority" means, with respect to a 868
regional transit authority, the board of trustees thereof, and 869
with respect to a county that is a transit authority, the board 870
of county commissioners. 871

(W) "Territory of the transit authority" means all of the 872
area included within the territorial boundaries of a transit 873
authority as they from time to time exist. Such territorial 874
boundaries must at all times include all the area of a single 875

county or all the area of the most populous county that is a 876
part of such transit authority. County population shall be 877
measured by the most recent census taken by the United States 878
census bureau. 879

(X) "Providing a service" means providing or furnishing 880
anything described in division (B) (3) of this section for 881
consideration. 882

(Y) (1) (a) "Automatic data processing" means processing of 883
others' data, including keypunching or similar data entry 884
services together with verification thereof, or providing access 885
to computer equipment for the purpose of processing data. 886

(b) "Computer services" means providing services 887
consisting of specifying computer hardware configurations and 888
evaluating technical processing characteristics, computer 889
programming, and training of computer programmers and operators, 890
provided in conjunction with and to support the sale, lease, or 891
operation of taxable computer equipment or systems. 892

(c) "Electronic information services" means providing 893
access to computer equipment by means of telecommunications 894
equipment for the purpose of either of the following: 895

(i) Examining or acquiring data stored in or accessible to 896
the computer equipment; 897

(ii) Placing data into the computer equipment to be 898
retrieved by designated recipients with access to the computer 899
equipment. 900

"Electronic information services" does not include 901
electronic publishing. 902

(d) "Automatic data processing, computer services, or 903

electronic information services" shall not include personal or 904
professional services. 905

(2) As used in divisions (B) (3) (e) and (Y) (1) of this 906
section, "personal and professional services" means all services 907
other than automatic data processing, computer services, or 908
electronic information services, including but not limited to: 909

(a) Accounting and legal services such as advice on tax 910
matters, asset management, budgetary matters, quality control, 911
information security, and auditing and any other situation where 912
the service provider receives data or information and studies, 913
alters, analyzes, interprets, or adjusts such material; 914

(b) Analyzing business policies and procedures; 915

(c) Identifying management information needs; 916

(d) Feasibility studies, including economic and technical 917
analysis of existing or potential computer hardware or software 918
needs and alternatives; 919

(e) Designing policies, procedures, and custom software 920
for collecting business information, and determining how data 921
should be summarized, sequenced, formatted, processed, 922
controlled, and reported so that it will be meaningful to 923
management; 924

(f) Developing policies and procedures that document how 925
business events and transactions are to be authorized, executed, 926
and controlled; 927

(g) Testing of business procedures; 928

(h) Training personnel in business procedure applications; 929

(i) Providing credit information to users of such 930

information by a consumer reporting agency, as defined in the 931
"Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 932
U.S.C. 1681a(f), or as hereafter amended, including but not 933
limited to gathering, organizing, analyzing, recording, and 934
furnishing such information by any oral, written, graphic, or 935
electronic medium; 936

(j) Providing debt collection services by any oral, 937
written, graphic, or electronic means; 938

(k) Providing digital advertising services; 939

(l) Providing services to electronically file any federal, 940
state, or local individual income tax return, report, or other 941
related document or schedule with a federal, state, or local 942
government entity or to electronically remit a payment of any 943
such individual income tax to such an entity. For the purpose of 944
this division, "individual income tax" does not include federal, 945
state, or local taxes withheld by an employer from an employee's 946
compensation. 947

The services listed in divisions (Y) (2) (a) to (l) of this 948
section are not automatic data processing or computer services. 949

(Z) "Highway transportation for hire" means the 950
transportation of personal property belonging to others for 951
consideration by any of the following: 952

(1) The holder of a permit or certificate issued by this 953
state or the United States authorizing the holder to engage in 954
transportation of personal property belonging to others for 955
consideration over or on highways, roadways, streets, or any 956
similar public thoroughfare; 957

(2) A person who engages in the transportation of personal 958
property belonging to others for consideration over or on 959

highways, roadways, streets, or any similar public thoroughfare 960
but who could not have engaged in such transportation on 961
December 11, 1985, unless the person was the holder of a permit 962
or certificate of the types described in division (Z)(1) of this 963
section; 964

(3) A person who leases a motor vehicle to and operates it 965
for a person described by division (Z)(1) or (2) of this 966
section. 967

"Highway transportation for hire" does not include 968
delivery network services. 969

(AA)(1) "Telecommunications service" means the electronic 970
transmission, conveyance, or routing of voice, data, audio, 971
video, or any other information or signals to a point, or 972
between or among points. "Telecommunications service" includes 973
such transmission, conveyance, or routing in which computer 974
processing applications are used to act on the form, code, or 975
protocol of the content for purposes of transmission, 976
conveyance, or routing without regard to whether the service is 977
referred to as voice-over internet protocol service or is 978
classified by the federal communications commission as enhanced 979
or value-added. "Telecommunications service" does not include 980
any of the following: 981

(a) Data processing and information services that allow 982
data to be generated, acquired, stored, processed, or retrieved 983
and delivered by an electronic transmission to a consumer where 984
the consumer's primary purpose for the underlying transaction is 985
the processed data or information; 986

(b) Installation or maintenance of wiring or equipment on 987
a customer's premises; 988

(c) Tangible personal property;	989
(d) Advertising, including directory advertising;	990
(e) Billing and collection services provided to third parties;	991 992
(f) Internet access service;	993
(g) Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance, and routing of such services by the programming service provider. Radio and television audio and video programming services include, but are not limited to, cable service, as defined in 47 U.S.C. 522(6), and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 C.F.R. 20.3;	994 995 996 997 998 999 1000 1001
(h) Ancillary service;	1002
(i) Digital products delivered electronically, including software, music, video, reading materials, or ring tones.	1003 1004
(2) "Ancillary service" means a service that is associated with or incidental to the provision of telecommunications service, including conference bridging service, detailed telecommunications billing service, directory assistance, vertical service, and voice mail service. As used in this division:	1005 1006 1007 1008 1009 1010
(a) "Conference bridging service" means an ancillary service that links two or more participants of an audio or video conference call, including providing a telephone number. "Conference bridging service" does not include telecommunications services used to reach the conference bridge.	1011 1012 1013 1014 1015
(b) "Detailed telecommunications billing service" means an	1016

ancillary service of separately stating information pertaining 1017
to individual calls on a customer's billing statement. 1018

(c) "Directory assistance" means an ancillary service of 1019
providing telephone number or address information. 1020

(d) "Vertical service" means an ancillary service that is 1021
offered in connection with one or more telecommunications 1022
services, which offers advanced calling features that allow 1023
customers to identify callers and manage multiple calls and call 1024
connections, including conference bridging service. 1025

(e) "Voice mail service" means an ancillary service that 1026
enables the customer to store, send, or receive recorded 1027
messages. "Voice mail service" does not include any vertical 1028
services that the customer may be required to have in order to 1029
utilize the voice mail service. 1030

(3) "900 service" means an inbound toll telecommunications 1031
service purchased by a subscriber that allows the subscriber's 1032
customers to call in to the subscriber's prerecorded 1033
announcement or live service, and which is typically marketed 1034
under the name "900 service" and any subsequent numbers 1035
designated by the federal communications commission. "900 1036
service" does not include the charge for collection services 1037
provided by the seller of the telecommunications service to the 1038
subscriber, or services or products sold by the subscriber to 1039
the subscriber's customer. 1040

(4) "Prepaid calling service" means the right to access 1041
exclusively telecommunications services, which must be paid for 1042
in advance and which enables the origination of calls using an 1043
access number or authorization code, whether manually or 1044
electronically dialed, and that is sold in predetermined units 1045

or dollars of which the number declines with use in a known 1046
amount. 1047

(5) "Prepaid wireless calling service" means a 1048
telecommunications service that provides the right to utilize 1049
mobile telecommunications service as well as other non- 1050
telecommunications services, including the download of digital 1051
products delivered electronically, and content and ancillary 1052
services, that must be paid for in advance and that is sold in 1053
predetermined units or dollars of which the number declines with 1054
use in a known amount. 1055

(6) "Value-added non-voice data service" means a 1056
telecommunications service in which computer processing 1057
applications are used to act on the form, content, code, or 1058
protocol of the information or data primarily for a purpose 1059
other than transmission, conveyance, or routing. 1060

(7) "Coin-operated telephone service" means a 1061
telecommunications service paid for by inserting money into a 1062
telephone accepting direct deposits of money to operate. 1063

(8) "Customer" has the same meaning as in section 5739.034 1064
of the Revised Code. 1065

(BB) "Laundry and dry cleaning services" means removing 1066
soil or dirt from towels, linens, articles of clothing, or other 1067
fabric items that belong to others and supplying towels, linens, 1068
articles of clothing, or other fabric items. "Laundry and dry 1069
cleaning services" does not include the provision of self- 1070
service facilities for use by consumers to remove soil or dirt 1071
from towels, linens, articles of clothing, or other fabric 1072
items. 1073

(CC) "Magazines distributed as controlled circulation 1074

publications" means magazines containing at least twenty-four 1075
pages, at least twenty-five per cent editorial content, issued 1076
at regular intervals four or more times a year, and circulated 1077
without charge to the recipient, provided that such magazines 1078
are not owned or controlled by individuals or business concerns 1079
which conduct such publications as an auxiliary to, and 1080
essentially for the advancement of the main business or calling 1081
of, those who own or control them. 1082

(DD) "Landscaping and lawn care service" means the 1083
services of planting, seeding, sodding, removing, cutting, 1084
trimming, pruning, mulching, aerating, applying chemicals, 1085
watering, fertilizing, and providing similar services to 1086
establish, promote, or control the growth of trees, shrubs, 1087
flowers, grass, ground cover, and other flora, or otherwise 1088
maintaining a lawn or landscape grown or maintained by the owner 1089
for ornamentation or other nonagricultural purpose. However, 1090
"landscaping and lawn care service" does not include the 1091
providing of such services by a person who has less than five 1092
thousand dollars in sales of such services during the calendar 1093
year. 1094

(EE) "Private investigation and security service" means 1095
the performance of any activity for which the provider of such 1096
service is required to be licensed pursuant to Chapter 4749. of 1097
the Revised Code, or would be required to be so licensed in 1098
performing such services in this state, and also includes the 1099
services of conducting polygraph examinations and of monitoring 1100
or overseeing the activities on or in, or the condition of, the 1101
consumer's home, business, or other facility by means of 1102
electronic or similar monitoring devices. "Private investigation 1103
and security service" does not include special duty services 1104
provided by off-duty police officers, deputy sheriffs, and other 1105

peace officers regularly employed by the state or a political 1106
subdivision. 1107

(FF) "Information services" means providing conversation, 1108
giving consultation or advice, playing or making a voice or 1109
other recording, making or keeping a record of the number of 1110
callers, and any other service provided to a consumer by means 1111
of a nine hundred telephone call, except when the nine hundred 1112
telephone call is the means by which the consumer makes a 1113
contribution to a recognized charity. 1114

(GG) "Research and development" means designing, creating, 1115
or formulating new or enhanced products, equipment, or 1116
manufacturing processes, and also means conducting scientific or 1117
technological inquiry and experimentation in the physical 1118
sciences with the goal of increasing scientific knowledge which 1119
may reveal the bases for new or enhanced products, equipment, or 1120
manufacturing processes. 1121

(HH) "Qualified research and development equipment" means 1122
either of the following: 1123

(1) Capitalized tangible personal property, and leased 1124
personal property that would be capitalized if purchased, used 1125
by a person primarily to perform research and development; 1126

(2) Any tangible personal property used by a megaproject 1127
operator primarily to perform research and development at the 1128
site of a megaproject that satisfies the criteria described in 1129
division (A) (11) (a) (ii) of section 122.17 of the Revised Code 1130
during the period that the megaproject operator has an agreement 1131
for such megaproject with the tax credit authority under 1132
division (D) of that section that remains in effect and has not 1133
expired or been terminated. 1134

"Qualified research and development equipment" does not 1135
include tangible personal property primarily used in testing, as 1136
defined in division (A) (4) of section 5739.011 of the Revised 1137
Code, or used for recording or storing test results, unless such 1138
property is primarily used by the consumer in testing the 1139
product, equipment, or manufacturing process being created, 1140
designed, or formulated by the consumer in the research and 1141
development activity or in recording or storing such test 1142
results. 1143

(II) "Building maintenance and janitorial service" means 1144
cleaning the interior or exterior of a building and any tangible 1145
personal property located therein or thereon, including any 1146
services incidental to such cleaning for which no separate 1147
charge is made. However, "building maintenance and janitorial 1148
service" does not include the providing of such service by a 1149
person who has less than five thousand dollars in sales of such 1150
service during the calendar year. As used in this division, 1151
"cleaning" does not include sanitation services necessary for an 1152
establishment described in 21 U.S.C. 608 to comply with rules 1153
and regulations adopted pursuant to that section. 1154

(JJ) "Exterminating service" means eradicating or 1155
attempting to eradicate vermin infestations from a building or 1156
structure, or the area surrounding a building or structure, and 1157
includes activities to inspect, detect, or prevent vermin 1158
infestation of a building or structure. 1159

(KK) "Physical fitness facility service" means all 1160
transactions by which a membership is granted, maintained, or 1161
renewed, including initiation fees, membership dues, renewal 1162
fees, monthly minimum fees, and other similar fees and dues, by 1163
a physical fitness facility such as an athletic club, health 1164

spa, or gymnasium, which entitles the member to use the facility 1165
for physical exercise. 1166

(LL) "Recreation and sports club service" means all 1167
transactions by which a membership is granted, maintained, or 1168
renewed, including initiation fees, membership dues, renewal 1169
fees, monthly minimum fees, and other similar fees and dues, by 1170
a recreation and sports club, which entitles the member to use 1171
the facilities of the organization. "Recreation and sports club" 1172
means an organization that has ownership of, or controls or 1173
leases on a continuing, long-term basis, the facilities used by 1174
its members and includes an aviation club, gun or shooting club, 1175
yacht club, card club, swimming club, tennis club, golf club, 1176
country club, riding club, amateur sports club, or similar 1177
organization. 1178

(MM) "Livestock" means farm animals commonly raised for 1179
food, food production, or other agricultural purposes, 1180
including, but not limited to, cattle, sheep, goats, swine, 1181
poultry, and captive deer. "Livestock" does not include 1182
invertebrates, amphibians, reptiles, domestic pets, animals for 1183
use in laboratories or for exhibition, or other animals not 1184
commonly raised for food or food production. 1185

(NN) "Livestock structure" means a building or structure 1186
used exclusively for the housing, raising, feeding, or 1187
sheltering of livestock, and includes feed storage or handling 1188
structures and structures for livestock waste handling. 1189

(OO) "Horticulture" means the growing, cultivation, and 1190
production of flowers, fruits, herbs, vegetables, sod, 1191
mushrooms, and nursery stock. As used in this division, "nursery 1192
stock" has the same meaning as in section 927.51 of the Revised 1193
Code. 1194

(PP) "Horticulture structure" means a building or 1195
structure used exclusively for the commercial growing, raising, 1196
or overwintering of horticultural products, and includes the 1197
area used for stocking, storing, and packing horticultural 1198
products when done in conjunction with the production of those 1199
products. 1200

(QQ) "Newspaper" means an unbound publication bearing a 1201
title or name that is regularly published, at least as 1202
frequently as biweekly, and distributed from a fixed place of 1203
business to the public in a specific geographic area, and that 1204
contains a substantial amount of news matter of international, 1205
national, or local events of interest to the general public. 1206

(RR) (1) "Feminine hygiene products" means tampons, panty 1207
liners, menstrual cups, sanitary napkins, and other similar 1208
tangible personal property designed for feminine hygiene in 1209
connection with the human menstrual cycle, but does not include 1210
grooming and hygiene products. 1211

(2) "Grooming and hygiene products" means soaps and 1212
cleaning solutions, shampoo, toothpaste, mouthwash, 1213
antiperspirants, and sun tan lotions and screens, regardless of 1214
whether any of these products are over-the-counter drugs. 1215

(3) "Over-the-counter drugs" means a drug that contains a 1216
label that identifies the product as a drug as required by 21 1217
C.F.R. 201.66, which label includes a drug facts panel or a 1218
statement of the active ingredients with a list of those 1219
ingredients contained in the compound, substance, or 1220
preparation. 1221

(SS) (1) "Lease" or "rental" means any transfer of the 1222
possession or control of tangible personal property for a fixed 1223

or indefinite term, for consideration. "Lease" or "rental" 1224
includes future options to purchase or extend, and agreements 1225
described in 26 U.S.C. 7701(h) (1) covering motor vehicles and 1226
trailers where the amount of consideration may be increased or 1227
decreased by reference to the amount realized upon the sale or 1228
disposition of the property. "Lease" or "rental" does not 1229
include: 1230

(a) A transfer of possession or control of tangible 1231
personal property under a security agreement or a deferred 1232
payment plan that requires the transfer of title upon completion 1233
of the required payments; 1234

(b) A transfer of possession or control of tangible 1235
personal property under an agreement that requires the transfer 1236
of title upon completion of required payments and payment of an 1237
option price that does not exceed the greater of one hundred 1238
dollars or one per cent of the total required payments; 1239

(c) Providing tangible personal property along with an 1240
operator for a fixed or indefinite period of time, if the 1241
operator is necessary for the property to perform as designed. 1242
For purposes of this division, the operator must do more than 1243
maintain, inspect, or set up the tangible personal property. 1244

(2) "Lease" and "rental," as defined in division (SS) of 1245
this section, shall not apply to leases or rentals that exist 1246
before June 26, 2003. 1247

(3) "Lease" and "rental" have the same meaning as in 1248
division (SS) (1) of this section regardless of whether a 1249
transaction is characterized as a lease or rental under 1250
generally accepted accounting principles, the Internal Revenue 1251
Code, Title XIII of the Revised Code, or other federal, state, 1252

or local laws. 1253

(TT) "Mobile telecommunications service" has the same 1254
meaning as in the "Mobile Telecommunications Sourcing Act," Pub. 1255
L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as 1256
amended, and, on and after August 1, 2003, includes related fees 1257
and ancillary services, including universal service fees, 1258
detailed billing service, directory assistance, service 1259
initiation, voice mail service, and vertical services, such as 1260
caller ID and three-way calling. 1261

(UU) "Certified service provider" has the same meaning as 1262
in section 5740.01 of the Revised Code. 1263

(VV) "Satellite broadcasting service" means the 1264
distribution or broadcasting of programming or services by 1265
satellite directly to the subscriber's receiving equipment 1266
without the use of ground receiving or distribution equipment, 1267
except the subscriber's receiving equipment or equipment used in 1268
the uplink process to the satellite, and includes all service 1269
and rental charges, premium channels or other special services, 1270
installation and repair service charges, and any other charges 1271
having any connection with the provision of the satellite 1272
broadcasting service. 1273

(WW) "Tangible personal property" means personal property 1274
that can be seen, weighed, measured, felt, or touched, or that 1275
is in any other manner perceptible to the senses. For purposes 1276
of this chapter and Chapter 5741. of the Revised Code, "tangible 1277
personal property" includes motor vehicles, electricity, water, 1278
gas, steam, and prewritten computer software. 1279

(XX) "Municipal gas utility" means a municipal corporation 1280
that owns or operates a system for the distribution of natural 1281

gas. 1282

(YY) "Computer" means an electronic device that accepts 1283
information in digital or similar form and manipulates it for a 1284
result based on a sequence of instructions. 1285

(ZZ) "Computer software" means a set of coded instructions 1286
designed to cause a computer or automatic data processing 1287
equipment to perform a task. 1288

(AAA) "Delivered electronically" means delivery of 1289
computer software from the seller to the purchaser by means 1290
other than tangible storage media. 1291

(BBB) "Prewritten computer software" means computer 1292
software, including prewritten upgrades, that is not designed 1293
and developed by the author or other creator to the 1294
specifications of a specific purchaser. The combining of two or 1295
more prewritten computer software programs or prewritten 1296
portions thereof does not cause the combination to be other than 1297
prewritten computer software. "Prewritten computer software" 1298
includes software designed and developed by the author or other 1299
creator to the specifications of a specific purchaser when it is 1300
sold to a person other than the purchaser. If a person modifies 1301
or enhances computer software of which the person is not the 1302
author or creator, the person shall be deemed to be the author 1303
or creator only of such person's modifications or enhancements. 1304
Prewritten computer software or a prewritten portion thereof 1305
that is modified or enhanced to any degree, where such 1306
modification or enhancement is designed and developed to the 1307
specifications of a specific purchaser, remains prewritten 1308
computer software; provided, however, that where there is a 1309
reasonable, separately stated charge or an invoice or other 1310
statement of the price given to the purchaser for the 1311

modification or enhancement, the modification or enhancement 1312
shall not constitute prewritten computer software. 1313

(CCC) (1) "Food" means substances, whether in liquid, 1314
concentrated, solid, frozen, dried, or dehydrated form, that are 1315
sold for ingestion or chewing by humans and are consumed for 1316
their taste or nutritional value. "Food" does not include 1317
alcoholic beverages, dietary supplements, soft drinks, or 1318
tobacco. 1319

(2) As used in division (CCC) (1) of this section: 1320

(a) "Dietary supplements" means any product, other than 1321
tobacco, that is intended to supplement the diet and that is 1322
intended for ingestion in tablet, capsule, powder, softgel, 1323
gelcap, or liquid form, or, if not intended for ingestion in 1324
such a form, is not represented as conventional food for use as 1325
a sole item of a meal or of the diet; that is required to be 1326
labeled as a dietary supplement, identifiable by the "supplement 1327
facts" box found on the label, as required by 21 C.F.R. 101.36; 1328
and that contains one or more of the following dietary 1329
ingredients: 1330

(i) A vitamin; 1331

(ii) A mineral; 1332

(iii) An herb or other botanical; 1333

(iv) An amino acid; 1334

(v) A dietary substance for use by humans to supplement 1335
the diet by increasing the total dietary intake; 1336

(vi) A concentrate, metabolite, constituent, extract, or 1337
combination of any ingredient described in divisions (CCC) (2) (a) 1338

(i) to (v) of this section. 1339

(b) "Soft drinks" means nonalcoholic beverages that 1340
contain natural or artificial sweeteners. "Soft drinks" does not 1341
include beverages that contain milk or milk products, soy, rice, 1342
or similar milk substitutes, or that contains greater than fifty 1343
per cent vegetable or fruit juice by volume. 1344

(DDD) "Drug" means a compound, substance, or preparation, 1345
and any component of a compound, substance, or preparation, 1346
other than food, dietary supplements, or alcoholic beverages 1347
that is recognized in the official United States pharmacopoeia, 1348
official homeopathic pharmacopoeia of the United States, or 1349
official national formulary, and supplements to them; is 1350
intended for use in the diagnosis, cure, mitigation, treatment, 1351
or prevention of disease; or is intended to affect the structure 1352
or any function of the body. 1353

(EEE) "Prescription" means an order, formula, or recipe 1354
issued in any form of oral, written, electronic, or other means 1355
of transmission by a duly licensed practitioner authorized by 1356
the laws of this state to issue a prescription. 1357

(FFF) "Durable medical equipment" means equipment, 1358
including repair and replacement parts for such equipment, that 1359
can withstand repeated use, is primarily and customarily used to 1360
serve a medical purpose, generally is not useful to a person in 1361
the absence of illness or injury, and is not worn in or on the 1362
body. "Durable medical equipment" does not include mobility 1363
enhancing equipment. 1364

(GGG) "Mobility enhancing equipment" means equipment, 1365
including repair and replacement parts for such equipment, that 1366
is primarily and customarily used to provide or increase the 1367
ability to move from one place to another and is appropriate for 1368
use either in a home or a motor vehicle, that is not generally 1369

used by persons with normal mobility, and that does not include 1370
any motor vehicle or equipment on a motor vehicle normally 1371
provided by a motor vehicle manufacturer. "Mobility enhancing 1372
equipment" does not include durable medical equipment. 1373

(HHH) "Prosthetic device" means a replacement, corrective, 1374
or supportive device, including repair and replacement parts for 1375
the device, worn on or in the human body to artificially replace 1376
a missing portion of the body, prevent or correct physical 1377
deformity or malfunction, or support a weak or deformed portion 1378
of the body. As used in this division, before July 1, 2019, 1379
"prosthetic device" does not include corrective eyeglasses, 1380
contact lenses, or dental prosthesis. On or after July 1, 2019, 1381
"prosthetic device" does not include dental prosthesis but does 1382
include corrective eyeglasses or contact lenses. 1383

(III) (1) "Fractional aircraft ownership program" means a 1384
program in which persons within an affiliated group sell and 1385
manage fractional ownership program aircraft, provided that at 1386
least one hundred airworthy aircraft are operated in the program 1387
and the program meets all of the following criteria: 1388

(a) Management services are provided by at least one 1389
program manager within an affiliated group on behalf of the 1390
fractional owners. 1391

(b) Each program aircraft is owned or possessed by at 1392
least one fractional owner. 1393

(c) Each fractional owner owns or possesses at least a 1394
one-sixteenth interest in at least one fixed-wing program 1395
aircraft. 1396

(d) A dry-lease aircraft interchange arrangement is in 1397
effect among all of the fractional owners. 1398

(e) Multi-year program agreements are in effect regarding 1399
the fractional ownership, management services, and dry-lease 1400
aircraft interchange arrangement aspects of the program. 1401

(2) As used in division (III)(1) of this section: 1402

(a) "Affiliated group" has the same meaning as in division 1403
(B)(3)(e) of this section. 1404

(b) "Fractional owner" means a person that owns or 1405
possesses at least a one-sixteenth interest in a program 1406
aircraft and has entered into the agreements described in 1407
division (III)(1)(e) of this section. 1408

(c) "Fractional ownership program aircraft" or "program 1409
aircraft" means a turbojet aircraft that is owned or possessed 1410
by a fractional owner and that has been included in a dry-lease 1411
aircraft interchange arrangement and agreement under divisions 1412
(III)(1)(d) and (e) of this section, or an aircraft a program 1413
manager owns or possesses primarily for use in a fractional 1414
aircraft ownership program. 1415

(d) "Management services" means administrative and 1416
aviation support services furnished under a fractional aircraft 1417
ownership program in accordance with a management services 1418
agreement under division (III)(1)(e) of this section, and 1419
offered by the program manager to the fractional owners, 1420
including, at a minimum, the establishment and implementation of 1421
safety guidelines; the coordination of the scheduling of the 1422
program aircraft and crews; program aircraft maintenance; 1423
program aircraft insurance; crew training for crews employed, 1424
furnished, or contracted by the program manager or the 1425
fractional owner; the satisfaction of record-keeping 1426
requirements; and the development and use of an operations 1427

manual and a maintenance manual for the fractional aircraft 1428
ownership program. 1429

(e) "Program manager" means the person that offers 1430
management services to fractional owners pursuant to a 1431
management services agreement under division (III) (1) (e) of this 1432
section. 1433

(JJJ) "Electronic publishing" means providing access to 1434
one or more of the following primarily for business customers, 1435
including the federal government or a state government or a 1436
political subdivision thereof, to conduct research: news; 1437
business, financial, legal, consumer, or credit materials; 1438
editorials, columns, reader commentary, or features; photos or 1439
images; archival or research material; legal notices, identity 1440
verification, or public records; scientific, educational, 1441
instructional, technical, professional, trade, or other literary 1442
materials; or other similar information which has been gathered 1443
and made available by the provider to the consumer in an 1444
electronic format. Providing electronic publishing includes the 1445
functions necessary for the acquisition, formatting, editing, 1446
storage, and dissemination of data or information that is the 1447
subject of a sale. 1448

(KKK) "Medicaid health insuring corporation" means a 1449
health insuring corporation that holds a certificate of 1450
authority under Chapter 1751. of the Revised Code and is under 1451
contract with the department of medicaid pursuant to section 1452
5167.10 of the Revised Code. 1453

(LLL) "Managed care premium" means any premium, 1454
capitation, or other payment a medicaid health insuring 1455
corporation receives for providing or arranging for the 1456
provision of health care services to its members or enrollees 1457

residing in this state. 1458

(MMM) "Captive deer" means deer and other cervidae that 1459
have been legally acquired, or their offspring, that are 1460
privately owned for agricultural or farming purposes. 1461

(NNN) "Gift card" means a document, card, certificate, or 1462
other record, whether tangible or intangible, that may be 1463
redeemed by a consumer for a dollar value when making a purchase 1464
of tangible personal property or services. 1465

(OOO) "Specified digital product" means an electronically 1466
transferred digital audiovisual work, digital audio work, or 1467
digital book. 1468

As used in division (OOO) of this section: 1469

(1) "Digital audiovisual work" means a series of related 1470
images that, when shown in succession, impart an impression of 1471
motion, together with accompanying sounds, if any. 1472

(2) "Digital audio work" means a work that results from 1473
the fixation of a series of musical, spoken, or other sounds, 1474
including digitized sound files that are downloaded onto a 1475
device and that may be used to alert the customer with respect 1476
to a communication. 1477

(3) "Digital book" means a work that is generally 1478
recognized in the ordinary and usual sense as a book. 1479

(4) "Electronically transferred" means obtained by the 1480
purchaser by means other than tangible storage media. 1481

(PPP) "Digital advertising services" means providing 1482
access, by means of telecommunications equipment, to computer 1483
equipment that is used to enter, upload, download, review, 1484
manipulate, store, add, or delete data for the purpose of 1485

electronically displaying, delivering, placing, or transferring 1486
promotional advertisements to potential customers about products 1487
or services or about industry or business brands. 1488

(QQQ) "Peer-to-peer car sharing program" has the same 1489
meaning as in section 4516.01 of the Revised Code. 1490

(RRR) "Megaproject" and "megaproject operator" have the 1491
same meanings as in section 122.17 of the Revised Code. 1492

(SSS) (1) "Diaper" means an absorbent garment worn by 1493
humans who are incapable of, or have difficulty, controlling 1494
their bladder or bowel movements. 1495

(2) "Children's diaper" means a diaper marketed to be worn 1496
by children. 1497

(3) "Adult diaper" means a diaper other than a children's 1498
diaper. 1499

(TTT) "Sales tax holiday" means three or more dates on 1500
which sales of all eligible tangible personal property are 1501
exempt from the taxes levied under sections 5739.02, 5739.021, 1502
5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of 1503
the Revised Code. 1504

(UUU) "Eligible tangible personal property" means any item 1505
of tangible personal property that meets both of the following 1506
requirements: 1507

(1) The price of the item does not exceed five hundred 1508
dollars; 1509

(2) The item is not a watercraft or outboard motor 1510
required to be titled pursuant to Chapter 1548. of the Revised 1511
Code, a motor vehicle, an alcoholic beverage, tobacco, a vapor 1512
product as defined in section 5743.01 of the Revised Code, or an 1513

item that contains marijuana as defined in section 3796.01 of 1514
the Revised Code. 1515

(VVV) "Alcoholic beverages" means beverages that are 1516
suitable for human consumption and contain one-half of one per 1517
cent or more of alcohol by volume. 1518

(WWW) "Tobacco" means cigarettes, cigars, chewing or pipe 1519
tobacco, or any other item that contains tobacco. 1520

(XXX) (1) "Delivery network company" means a person that 1521
operates a business platform, including a web site or mobile 1522
application, to facilitate delivery network services. 1523

(2) "Delivery network courier" means an individual 1524
connected to a consumer through a delivery network company and 1525
who provides delivery network services to that consumer. 1526

(3) "Delivery network services" means both of the 1527
following when performed as part of a single transaction: 1528

(a) Pickup of a local product by a delivery network 1529
courier from a local merchant that is not under common ownership 1530
or control of the delivery network company through which the 1531
transaction was initiated, and which may include selection, 1532
collection, and purchase of the local product; 1533

(b) Delivery by the delivery network courier of that local 1534
product to a location designated by the consumer that is not 1535
more than seventy-five miles from the local merchant's place of 1536
business where the pickup described in division (XXX) (3) (a) of 1537
this section occurs. 1538

(4) "Local merchant" means a person engaged in selling 1539
local products from a temporary or fixed place of business in 1540
this state, including a kitchen, restaurant, grocery store, 1541

retail store, or convenience store. 1542

(5) "Local product" means any tangible personal property, 1543
including food, but excluding freight, mail, or a package to 1544
which postage is affixed. 1545

(YYY) "Short-term rental platform" means a person that 1546
operates a business platform that uses any online-enabled 1547
application, software, web site, or system to connect owners of 1548
short-term rental properties to transient guests to enable the 1549
lodging of guests for consideration. 1550

(ZZZ) "Short-term rental property" has the same meaning as 1551
in section 5325.01 of the Revised Code. 1552

Sec. 5739.08. (A) A municipal corporation or township may 1553
levy an excise tax for any lawful purpose not to exceed three 1554
per cent on transactions by which lodging by a hotel or short- 1555
term rental property is or is to be furnished to transient 1556
guests in addition to the tax levied by section 5739.02 of the 1557
Revised Code. If a municipal corporation or township repeals a 1558
tax imposed under division (A) of this section, and a county in 1559
which the municipal corporation or township has territory has a 1560
tax imposed under division (M) of section 5739.09 of the Revised 1561
Code in effect, the municipal corporation or township may not 1562
reimpose its tax as long as that county tax remains in effect. A 1563
municipal corporation or township in which a tax is levied under 1564
division (B) (2) of section 351.021 of the Revised Code may not 1565
increase the rate of its tax levied under division (A) of this 1566
section to any rate that would cause the total taxes levied 1567
under both of those divisions to exceed three per cent on any 1568
lodging transaction within the municipal corporation or 1569
township. 1570

(B) The legislative authority of a municipal corporation 1571
or the board of trustees of a township that is not wholly or 1572
partly located in a county that has in effect a resolution 1573
levying an excise tax pursuant to division (A) of section 1574
5739.09 of the Revised Code may, by ordinance or resolution, 1575
levy an additional excise tax not to exceed three per cent on 1576
transactions by which lodging by a hotel or short-term rental 1577
property is or is to be furnished to transient guests. The 1578
legislative authority of the municipal corporation or the board 1579
of trustees of the township shall deposit at least fifty per 1580
cent of the revenue from the tax levied pursuant to this 1581
division into a separate fund, which shall be spent solely to 1582
make contributions to convention and visitors' bureaus operating 1583
within the county in which the municipal corporation or township 1584
is wholly or partly located, and the balance of that revenue 1585
shall be deposited in the general fund. The municipal 1586
corporation or township shall establish all regulations 1587
necessary to provide for the administration and allocation of 1588
the tax. The regulations may prescribe the time for payment of 1589
the tax, and may provide for the imposition of a penalty or 1590
interest, or both, for late payments, provided that the penalty 1591
does not exceed ten per cent of the amount of tax due, and the 1592
rate at which interest accrues does not exceed the rate per 1593
annum prescribed pursuant to section 5703.47 of the Revised 1594
Code. The levy of a tax under this division is in addition to 1595
any tax imposed on the same transaction by a municipal 1596
corporation or a township under division (A) of this section. 1597

(C) (1) As used in division (C) of this section, "cost" has 1598
the same meaning as in section 351.01 of the Revised Code, and 1599
"convention center" has the same meaning as in section 307.695 1600
of the Revised Code. 1601

(2) The legislative authority of the most populous 1602
municipal corporation located wholly or partly in a county in 1603
which the board of county commissioners has levied a tax under 1604
division (D) of section 5739.09 of the Revised Code may amend, 1605
on or before September 30, 2002, that municipal corporation's 1606
ordinance or resolution that levies an excise tax on 1607
transactions by which lodging by a hotel or short-term rental 1608
property is or is to be furnished to transient guests, to 1609
provide for all of the following: 1610

(a) That the rate of the tax shall be increased by not 1611
more than an additional one per cent on each transaction; 1612

(b) That all of the revenue from the increase in rate 1613
shall be pledged and contributed to a convention facilities 1614
authority established by the board of county commissioners under 1615
Chapter 351. of the Revised Code on or before May 15, 2002, and 1616
be used to pay costs of constructing, expanding, maintaining, 1617
operating, or promoting a convention center in the county, 1618
including paying bonds, or notes issued in anticipation of 1619
bonds, as provided by that chapter; 1620

(c) That the increase in rate shall not be subject to 1621
diminution by initiative or referendum or by law while any 1622
bonds, or notes in anticipation of bonds, issued by the 1623
authority under Chapter 351. of the Revised Code to which the 1624
revenue is pledged, remain outstanding in accordance with their 1625
terms, unless provision is made by law, by the board of county 1626
commissioners, or by the legislative authority, for an adequate 1627
substitute therefor that is satisfactory to the trustee if a 1628
trust agreement secures the bonds. 1629

(3) The legislative authority of a municipal corporation 1630
that, pursuant to division (C) (2) of this section, has amended 1631

its ordinance or resolution to increase the rate of the tax 1632
authorized by division (B) of this section may further amend the 1633
ordinance or resolution to provide that the revenue referred to 1634
in division (C) (2) (b) of this section shall be pledged and 1635
contributed both to a convention facilities authority to pay the 1636
costs of constructing, expanding, maintaining, or operating one 1637
or more convention centers in the county, including paying 1638
bonds, or notes issued in anticipation of bonds, as provided in 1639
Chapter 351. of the Revised Code, and to a convention and 1640
visitors' bureau to pay the costs of promoting one or more 1641
convention centers in the county. 1642

(D) As used in division (D) of this section, "eligible 1643
municipal corporation" means a municipal corporation that, on 1644
September 29, 2017, levied a tax under division (B) of this 1645
section at a rate of three per cent and that is located in a 1646
county that, on that date, levied a tax under division (A) of 1647
section 5739.09 of the Revised Code at a rate of three per cent 1648
and that has, according to the most recent federal decennial 1649
census, a population exceeding three hundred thousand but not 1650
greater than three hundred fifty thousand. 1651

The legislative authority of an eligible municipal 1652
corporation may amend, on or before December 31, 2017, that 1653
municipal corporation's ordinance or resolution that levies an 1654
excise tax on transactions by which lodging by a hotel or short- 1655
term rental property is or is to be furnished to transient 1656
guests, to provide for the following: 1657

(1) That the rate of the tax shall be increased by not 1658
more than an additional three per cent on each transaction; 1659

(2) That all of the revenue from the increase in rate 1660
shall be used by the municipal corporation for economic 1661

development and tourism-related purposes. 1662

(E) (1) As used in division (E) of this section, "cost" and 1663
"facility" have the same meanings as in section 351.01 of the 1664
Revised Code, except that "facility" does not include a "sports 1665
facility," as that term is defined in that section, other than a 1666
facility intended to house a major league soccer team. 1667

(2) The legislative authority of a municipal corporation 1668
that has a population exceeding three hundred thousand but less 1669
than three hundred fifty thousand and that has adopted a 1670
resolution or ordinance levying a tax authorized by division (A) 1671
of this section may amend the resolution or ordinance to provide 1672
that all or a portion of the revenue referred to in division (A) 1673
of this section may be pledged and contributed to a convention 1674
facilities authority or a port authority to pay the costs of 1675
acquiring, constructing, renovating, expanding, maintaining, or 1676
operating one or more facilities in the county, including paying 1677
bonds, or notes issued in anticipation of bonds, or paying the 1678
expenses of maintaining, operating, or promoting one or more 1679
facilities. 1680

(3) The legislative authority of any municipal corporation 1681
that, pursuant to division (C) (2) of this section, has amended a 1682
resolution or ordinance levying the tax authorized by division 1683
(D) of section 5739.09 of the Revised Code may further amend the 1684
resolution or ordinance to provide that all or a portion of the 1685
revenue referred to in division (C) (2) (b) of this section may be 1686
pledged and contributed to an issuing authority, as defined in 1687
section 5739.093 of the Revised Code, to pay the costs of 1688
acquiring, constructing, renovating, expanding, maintaining, or 1689
operating one or more facilities in the county, including paying 1690
bonds, or notes issued in anticipation of bonds, or paying the 1691

expenses of maintaining, operating, or promoting one or more 1692
facilities. 1693

Sec. 5739.09. (A) (1) A board of county commissioners may, 1694
by resolution adopted by a majority of the members of the board, 1695
levy an excise tax not to exceed three per cent on transactions 1696
by which lodging by a hotel or short-term rental property is or 1697
is to be furnished to transient guests. The board shall 1698
establish all regulations necessary to provide for the 1699
administration and allocation of the tax. The regulations may 1700
prescribe the time for payment of the tax, and may provide for 1701
the imposition of a penalty or interest, or both, for late 1702
payments, provided that the penalty does not exceed ten per cent 1703
of the amount of tax due, and the rate at which interest accrues 1704
does not exceed the rate per annum prescribed pursuant to 1705
section 5703.47 of the Revised Code. Except as otherwise 1706
provided in this section, the regulations shall provide, after 1707
deducting the real and actual costs of administering the tax, 1708
for the return to each municipal corporation or township that 1709
does not levy an excise tax on the transactions, a uniform 1710
percentage of the tax collected in the municipal corporation or 1711
in the unincorporated portion of the township from each 1712
transaction, not to exceed thirty-three and one-third per cent. 1713
Except as provided in this section, the remainder of the revenue 1714
arising from the tax shall be deposited in a separate fund and 1715
shall be spent either (a) to make contributions to the 1716
convention and visitors' bureau operating within the county, 1717
including a pledge and contribution of any portion of the 1718
remainder pursuant to an agreement authorized by section 307.678 1719
or 307.695 of the Revised Code or (b) to pay, if authorized in 1720
the regulations, for public safety services in a resort area 1721
designated under section 5739.101 of the Revised Code. 1722

(2) If the board of county commissioners of an eligible
county as defined in section 307.678 or 307.695 of the Revised
Code adopts a resolution amending a resolution levying a tax
under division (A) of this section to provide that revenue from
the tax shall be used by the board as described in either
division (D) of section 307.678 or division (H) of section
307.695 of the Revised Code, the remainder of the revenue shall
be used as described in the resolution making that amendment.

(3) Except as provided in division (B), (C), (D), (E),
(F), (G), (H), (I), (J), (K), or (Q) of this section, on and
after May 10, 1994, a board of county commissioners may not levy
an excise tax pursuant to division (A) of this section in any
municipal corporation or township located wholly or partly
within the county that has in effect an ordinance or resolution
levying an excise tax pursuant to division (B) of section
5739.08 of the Revised Code.

(4) The board of a county that has levied a tax under
division (M) of this section may, by resolution adopted within
ninety days after July 15, 1985, by a majority of the members of
the board, amend the resolution levying a tax under division (A)
of this section to provide for a portion of that tax to be
pledged and contributed in accordance with an agreement entered
into under section 307.695 of the Revised Code. A tax, any
revenue from which is pledged pursuant to such an agreement,
shall remain in effect at the rate at which it is imposed for
the duration of the period for which the revenue from the tax
has been so pledged.

(5) The board of county commissioners of an eligible
county as defined in section 307.695 of the Revised Code may, by
resolution adopted by a majority of the members of the board,

amend a resolution levying a tax under division (A) of this 1753
section to provide that the revenue from the tax shall be used 1754
by the board as described in division (H) of section 307.695 of 1755
the Revised Code, in which case the tax shall remain in effect 1756
at the rate at which it was imposed for the duration of any 1757
agreement entered into by the board under section 307.695 of the 1758
Revised Code, the duration during which any securities issued by 1759
the board under that section are outstanding, or the duration of 1760
the period during which the board owns a project as defined in 1761
section 307.695 of the Revised Code, whichever duration is 1762
longest. 1763

(6) The board of county commissioners of an eligible 1764
county as defined in section 307.678 of the Revised Code may, by 1765
resolution, amend a resolution levying a tax under division (A) 1766
of this section to provide that revenue from the tax, not to 1767
exceed five hundred thousand dollars each year, may be used as 1768
described in division (E) of section 307.678 of the Revised 1769
Code. 1770

(7) Notwithstanding division (A) of this section, the 1771
board of county commissioners of a county described in division 1772
(H) (1) of this section may, by resolution, amend a resolution 1773
levying a tax under division (A) of this section to provide that 1774
all or a portion of the revenue from the tax, including any 1775
revenue otherwise required to be returned to townships or 1776
municipal corporations under that division, may be used or 1777
pledged for the payment of debt service on securities issued to 1778
pay the costs of constructing, operating, and maintaining sports 1779
facilities described in division (H) (2) of this section. 1780

(8) The board of county commissioners of a county 1781
described in division (I) of this section may, by resolution, 1782

amend a resolution levying a tax under division (A) of this 1783
section to provide that all or a portion of the revenue from the 1784
tax may be used for the purposes described in section 307.679 of 1785
the Revised Code. 1786

(B) A board of county commissioners that levies an excise 1787
tax under division (A) of this section on June 30, 1997, at a 1788
rate of three per cent, and that has pledged revenue from the 1789
tax to an agreement entered into under section 307.695 of the 1790
Revised Code or, in the case of the board of county 1791
commissioners of an eligible county as defined in section 1792
307.695 of the Revised Code, has amended a resolution levying a 1793
tax under division (M) of this section to provide that proceeds 1794
from the tax shall be used by the board as described in division 1795
(H) of section 307.695 of the Revised Code, may, at any time by 1796
a resolution adopted by a majority of the members of the board, 1797
amend the resolution levying a tax under division (A) of this 1798
section to provide for an increase in the rate of that tax up to 1799
seven per cent on each transaction; to provide that revenue from 1800
the increase in the rate shall be used as described in division 1801
(H) of section 307.695 of the Revised Code or be spent solely to 1802
make contributions to the convention and visitors' bureau 1803
operating within the county to be used specifically for 1804
promotion, advertising, and marketing of the region in which the 1805
county is located; and to provide that the rate in excess of the 1806
three per cent levied under division (A) of this section shall 1807
remain in effect at the rate at which it is imposed for the 1808
duration of the period during which any agreement is in effect 1809
that was entered into under section 307.695 of the Revised Code 1810
by the board of county commissioners levying a tax under 1811
division (A) of this section, the duration of the period during 1812
which any securities issued by the board under division (I) of 1813

section 307.695 of the Revised Code are outstanding, or the 1814
duration of the period during which the board owns a project as 1815
defined in section 307.695 of the Revised Code, whichever 1816
duration is longest. The amendment also shall provide that no 1817
portion of that revenue need be returned to townships or 1818
municipal corporations as would otherwise be required under 1819
division (A) of this section. 1820

(C) (1) As used in division (C) of this section, "cost" and 1821
"facility" have the same meanings as in section 351.01 of the 1822
Revised Code, and "convention center" has the same meaning as in 1823
section 307.695 of the Revised Code. 1824

(2) A board of county commissioners that levies a tax 1825
under division (A) of this section on March 18, 1999, at a rate 1826
of three per cent may, by resolution adopted not later than 1827
forty-five days after March 18, 1999, amend the resolution 1828
levying the tax to provide for all of the following: 1829

(a) That the rate of the tax shall be increased by not 1830
more than an additional four per cent on each transaction; 1831

(b) That all of the revenue from the increase in the rate 1832
shall be pledged and contributed to a convention facilities 1833
authority established by the board of county commissioners under 1834
Chapter 351. of the Revised Code on or before November 15, 1998, 1835
and used to pay costs of constructing, maintaining, operating, 1836
and promoting a facility in the county, including paying bonds, 1837
or notes issued in anticipation of bonds, as provided by that 1838
chapter; 1839

(c) That no portion of the revenue arising from the 1840
increase in rate need be returned to municipal corporations or 1841
townships as otherwise required under division (A) of this 1842

section; 1843

(d) That the increase in rate shall not be subject to 1844
diminution by initiative or referendum or by law while any 1845
bonds, or notes in anticipation of bonds, issued by the 1846
authority under Chapter 351. of the Revised Code to which the 1847
revenue is pledged, remain outstanding in accordance with their 1848
terms, unless provision is made by law or by the board of county 1849
commissioners for an adequate substitute therefor that is 1850
satisfactory to the trustee if a trust agreement secures the 1851
bonds. 1852

(3) Division (C) of this section does not apply to the 1853
board of county commissioners of any county in which a 1854
convention center or facility exists or is being constructed on 1855
November 15, 1998, or of any county in which a convention 1856
facilities authority levies a tax pursuant to section 351.021 of 1857
the Revised Code on that date. 1858

(D) (1) As used in division (D) of this section, "cost" has 1859
the same meaning as in section 351.01 of the Revised Code, and 1860
"convention center" has the same meaning as in section 307.695 1861
of the Revised Code. 1862

(2) A board of county commissioners that levies a tax 1863
under division (A) of this section on June 30, 2002, at a rate 1864
of three per cent may, by resolution adopted not later than 1865
September 30, 2002, amend the resolution levying the tax to 1866
provide for all of the following: 1867

(a) That the rate of the tax shall be increased by not 1868
more than an additional three and one-half per cent on each 1869
transaction; 1870

(b) That all of the revenue from the increase in rate 1871

shall be pledged and contributed to a convention facilities 1872
authority established by the board of county commissioners under 1873
Chapter 351. of the Revised Code on or before May 15, 2002, and 1874
be used to pay costs of constructing, expanding, maintaining, 1875
operating, or promoting a convention center in the county, 1876
including paying bonds, or notes issued in anticipation of 1877
bonds, as provided by that chapter; 1878

(c) That no portion of the revenue arising from the 1879
increase in rate need be returned to municipal corporations or 1880
townships as otherwise required under division (A) of this 1881
section; 1882

(d) That the increase in rate shall not be subject to 1883
diminution by initiative or referendum or by law while any 1884
bonds, or notes in anticipation of bonds, issued by the 1885
authority under Chapter 351. of the Revised Code to which the 1886
revenue is pledged, remain outstanding in accordance with their 1887
terms, unless provision is made by law or by the board of county 1888
commissioners for an adequate substitute therefor that is 1889
satisfactory to the trustee if a trust agreement secures the 1890
bonds. 1891

(3) Any board of county commissioners that, pursuant to 1892
division (D) (2) of this section, has amended a resolution 1893
levying the tax authorized by division (A) of this section may 1894
further amend the resolution to provide that the revenue 1895
referred to in division (D) (2) (b) of this section shall be 1896
pledged and contributed both to a convention facilities 1897
authority to pay the costs of constructing, expanding, 1898
maintaining, or operating one or more convention centers in the 1899
county, including paying bonds, or notes issued in anticipation 1900
of bonds, as provided in Chapter 351. of the Revised Code, and 1901

to a convention and visitors' bureau to pay the costs of 1902
promoting one or more convention centers in the county. 1903

(E) (1) As used in division (E) of this section: 1904

(a) "Port authority" means a port authority created under 1905
Chapter 4582. of the Revised Code. 1906

(b) "Port authority military-use facility" means port 1907
authority facilities on which or adjacent to which is located an 1908
installation of the armed forces of the United States, a reserve 1909
component thereof, or the national guard and at least part of 1910
which is made available for use, for consideration, by the armed 1911
forces of the United States, a reserve component thereof, or the 1912
national guard. 1913

(2) For the purpose of contributing revenue to pay 1914
operating expenses of a port authority that operates a port 1915
authority military-use facility, the board of county 1916
commissioners of a county that created, participated in the 1917
creation of, or has joined such a port authority may do one or 1918
both of the following: 1919

(a) Amend a resolution previously adopted under division 1920
(A) of this section to designate some or all of the revenue from 1921
the tax levied under the resolution to be used for that purpose, 1922
notwithstanding that division; 1923

(b) Amend a resolution previously adopted under division 1924
(A) of this section to increase the rate of the tax by not more 1925
than an additional two per cent and use the revenue from the 1926
increase exclusively for that purpose. 1927

(3) If a board of county commissioners amends a resolution 1928
to increase the rate of a tax as authorized in division (E) (2) 1929
(b) of this section, the board also may amend the resolution to 1930

specify that the increase in rate of the tax does not apply to 1931
"hotels," as otherwise defined in section 5739.01 of the Revised 1932
Code, having fewer rooms used for the accommodation of guests 1933
than a number of rooms specified by the board. This limitation 1934
on the hotels to which the tax applies does not apply on and 1935
after the first day of the first month starting thirty or more 1936
days after the effective date of this amendment. 1937

(F) (1) A board of county commissioners of a county 1938
organized under a county charter adopted pursuant to Article X, 1939
Section 3, Ohio Constitution, and that levies an excise tax 1940
under division (A) of this section at a rate of three per cent 1941
and levies an additional excise tax under division (O) of this 1942
section at a rate of one and one-half per cent may, by 1943
resolution adopted not later than January 1, 2008, by a majority 1944
of the members of the board, amend the resolution levying a tax 1945
under division (A) of this section to provide for an increase in 1946
the rate of that tax by not more than an additional one per cent 1947
on transactions by which lodging by a hotel or short-term rental 1948
property is or is to be furnished to transient guests. 1949
Notwithstanding divisions (A) and (O) of this section, the 1950
resolution shall provide that all of the revenue from the 1951
increase in rate, after deducting the real and actual costs of 1952
administering the tax, shall be used to pay the costs of 1953
improving, expanding, equipping, financing, or operating a 1954
convention center by a convention and visitors' bureau in the 1955
county. 1956

(2) The increase in rate shall remain in effect for the 1957
period specified in the resolution, not to exceed ten years, and 1958
may be extended for an additional period of time not to exceed 1959
ten years thereafter by a resolution adopted by a majority of 1960
the members of the board. 1961

(3) The increase in rate shall be subject to the 1962
regulations adopted under division (A) of this section, except 1963
that the resolution may provide that no portion of the revenue 1964
from the increase in the rate shall be returned to townships or 1965
municipal corporations as would otherwise be required under that 1966
division. 1967

(G) (1) Division (G) of this section applies only to a 1968
county with a population greater than sixty-five thousand and 1969
less than seventy thousand according to the most recent federal 1970
decennial census and in which, on December 31, 2006, an excise 1971
tax is levied under division (A) of this section at a rate not 1972
less than and not greater than three per cent, and in which the 1973
most recent increase in the rate of that tax was enacted or took 1974
effect in November 1984. 1975

(2) The board of county commissioners of a county to which 1976
division (G) of this section applies, by resolution adopted by a 1977
majority of the members of the board, may increase the rate of 1978
the tax by not more than one per cent on transactions by which 1979
lodging by a hotel or short-term rental property is or is to be 1980
furnished to transient guests. The increase in rate shall be for 1981
the purpose of paying expenses deemed necessary by the 1982
convention and visitors' bureau operating in the county to 1983
promote travel and tourism. 1984

(3) The increase in rate shall remain in effect for the 1985
period specified in the resolution, not to exceed twenty years, 1986
provided that the increase in rate may not continue beyond the 1987
time when the purpose for which the increase is levied ceases to 1988
exist. If revenue from the increase in rate is pledged to the 1989
payment of debt charges on securities, the increase in rate is 1990
not subject to diminution by initiative or referendum or by law 1991

for so long as the securities are outstanding, unless provision 1992
is made by law or by the board of county commissioners for an 1993
adequate substitute for that revenue that is satisfactory to the 1994
trustee if a trust agreement secures payment of the debt 1995
charges. 1996

(4) The increase in rate shall be subject to the 1997
regulations adopted under division (A) of this section, except 1998
that the resolution may provide that no portion of the revenue 1999
from the increase in the rate shall be returned to townships or 2000
municipal corporations as would otherwise be required under 2001
division (A) of this section. 2002

(5) A resolution adopted under division (G) of this 2003
section is subject to referendum under sections 305.31 to 305.99 2004
of the Revised Code. 2005

(H) (1) Division (H) of this section applies only to a 2006
county satisfying all of the following: 2007

(a) The population of the county is greater than one 2008
hundred seventy-five thousand and less than two hundred twenty- 2009
five thousand according to the most recent federal decennial 2010
census. 2011

(b) An amusement park with an average yearly attendance in 2012
excess of two million guests is located in the county. 2013

(c) On December 31, 2014, an excise tax was levied in the 2014
county under division (A) of this section at a rate of three per 2015
cent. 2016

(2) The board of county commissioners of a county to which 2017
division (H) of this section applies, by resolution adopted by a 2018
majority of the members of the board, may increase the rate of 2019
the tax by not more than one per cent on transactions by which 2020

lodging by a hotel or short-term rental property is or is to be 2021
furnished to transient guests. The increase in rate shall be 2022
used to pay the costs of constructing and maintaining facilities 2023
owned by the county or by a port authority created under Chapter 2024
4582. of the Revised Code, and designed to host sporting events 2025
and expenses deemed necessary by the convention and visitors' 2026
bureau operating in the county to promote travel and tourism 2027
with reference to the sports facilities, and to pay or pledge to 2028
the payment of debt service on securities issued to pay the 2029
costs of constructing, operating, and maintaining the sports 2030
facilities. 2031

(3) The increase in rate shall remain in effect for the 2032
period specified in the resolution. If revenue from the increase 2033
in rate is pledged to the payment of debt charges on securities, 2034
the increase in rate is not subject to diminution by initiative 2035
or referendum or by law for so long as the securities are 2036
outstanding, unless provision is made by law or by the board of 2037
county commissioners for an adequate substitute for that revenue 2038
that is satisfactory to the trustee if a trust agreement secures 2039
payment of the debt charges. 2040

(4) The increase in rate shall be subject to the 2041
regulations adopted under division (A) of this section, except 2042
that the resolution may provide that no portion of the revenue 2043
from the increase in the rate shall be returned to townships or 2044
municipal corporations as would otherwise be required under 2045
division (A) of this section. 2046

(I) (1) The board of county commissioners of a county with 2047
a population greater than seventy-five thousand and less than 2048
seventy-eight thousand, by resolution adopted by a majority of 2049
the members of the board not later than October 15, 2015, may 2050

increase the rate of the tax by not more than one per cent on 2051
transactions by which lodging by a hotel or short-term rental 2052
property is or is to be furnished to transient guests. The 2053
increase in rate shall be for the purposes described in section 2054
307.679 of the Revised Code or for the promotion of travel and 2055
tourism in the county, including travel and tourism to sports 2056
facilities. 2057

(2) The increase in rate shall remain in effect for the 2058
period specified in the resolution and as necessary to fulfill 2059
the county's obligations under a cooperative agreement entered 2060
into under section 307.679 of the Revised Code. If the 2061
resolution is adopted by the board before September 29, 2015, 2062
but after that enactment becomes law, the increase in rate shall 2063
become effective beginning on September 29, 2015. If revenue 2064
from the increase in rate is pledged to the payment of debt 2065
charges on securities, or to substitute for other revenues 2066
pledged to the payment of such debt, the increase in rate is not 2067
subject to diminution by initiative or referendum or by law for 2068
so long as the securities are outstanding, unless provision is 2069
made by law or by the board of county commissioners for an 2070
adequate substitute for that revenue that is satisfactory to the 2071
trustee if a trust agreement secures payment of the debt 2072
charges. 2073

(3) The increase in rate shall be subject to the 2074
regulations adopted under division (A) of this section, except 2075
that no portion of the revenue from the increase in the rate 2076
shall be returned to townships or municipal corporations as 2077
would otherwise be required under division (A) of this section. 2078

(J) (1) Division (J) of this section applies only to 2079
counties satisfying either of the following: 2080

(a) A county that, on July 1, 2015, does not levy an
excise tax under division (A) of this section and that has a
population of at least thirty-nine thousand but not more than
forty thousand according to the 2010 federal decennial census;

(b) A county that, on July 1, 2015, levies an excise tax
under division (A) of this section at a rate of three per cent
and that has a population of at least seventy-one thousand but
not more than seventy-five thousand according to 2010 federal
decennial census.

(2) The board of county commissioners of a county to which
division (J) of this section applies, by resolution adopted by a
majority of the members of the board, may levy an excise tax at
a rate not to exceed three per cent on transactions by which
lodging by a hotel or short-term rental property is or is to be
furnished to transient guests for the purpose of acquiring,
constructing, equipping, or repairing permanent improvements, as
defined in section 133.01 of the Revised Code.

(3) If the board does not levy a tax under division (A) of
this section, the board shall establish regulations necessary to
provide for the administration of the tax, which may prescribe
the time for payment of the tax and the imposition of penalty or
interest subject to the limitations on penalty and interest
provided in division (A) of this section. No portion of the
revenue shall be returned to townships or municipal corporations
in the county unless otherwise provided by resolution of the
board.

(4) The tax shall apply throughout the territory of the
county, including in any township or municipal corporation
levying an excise tax under division (A) or (B) of section
5739.08 of the Revised Code. The levy of the tax is subject to

referendum as provided under section 305.31 of the Revised Code. 2111

(5) The tax shall remain in effect for the period 2112
specified in the resolution. If revenue from the increase in 2113
rate is pledged to the payment of debt charges on securities, 2114
the increase in rate is not subject to diminution by initiative 2115
or referendum or by law for so long as the securities are 2116
outstanding unless provision is made by law or by the board for 2117
an adequate substitute for that revenue that is satisfactory to 2118
the trustee if a trust agreement secures payment of the debt 2119
charges. 2120

(K) (1) The board of county commissioners of an eligible 2121
county, as defined in section 307.678 of the Revised Code, that 2122
levies an excise tax under division (A) of this section on July 2123
1, 2017, at a rate of three per cent may, by resolution adopted 2124
by a majority of the members of the board, amend the resolution 2125
levying the tax to increase the rate of the tax by not more than 2126
an additional three per cent on each transaction. 2127

(2) No portion of the revenue shall be returned to 2128
townships or municipal corporations in the county unless 2129
otherwise provided by resolution of the board. Otherwise, the 2130
revenue from the increase in the rate shall be distributed and 2131
used in the same manner described under division (A) of this 2132
section or distributed or used to provide credit enhancement 2133
facilities as authorized under section 307.678 of the Revised 2134
Code. 2135

(3) The increase in rate shall remain in effect for the 2136
period specified in the resolution. If revenue from the increase 2137
in rate is pledged to the payment of debt charges on securities, 2138
the increase in rate is not subject to diminution by initiative 2139
or referendum or by law for so long as the securities are 2140

outstanding unless provision is made by law or by the board for 2141
an adequate substitute for that revenue that is satisfactory to 2142
the trustee if a trust agreement secures payment of the debt 2143
charges. 2144

(L) (1) As used in division (L) of this section: 2145

(a) "Eligible county" means a county that has a population 2146
greater than one hundred ninety thousand and less than two 2147
hundred thousand according to the 2010 federal decennial census 2148
and that levies an excise tax under division (A) of this section 2149
at a rate of three per cent. 2150

(b) "Professional sports facility" means a sports facility 2151
that is intended to house major or minor league professional 2152
athletic teams, including a stadium, together with all parking 2153
facilities, walkways, and other auxiliary facilities, real and 2154
personal property, property rights, easements, and interests 2155
that may be appropriate for, or used in connection with, the 2156
operation of the facility. 2157

(2) Subject to division (L) (3) of this section, the board 2158
of county commissioners of an eligible county, by resolution 2159
adopted by a majority of the members of the board, may increase 2160
the rate of the tax by not more than one per cent on 2161
transactions by which lodging by a hotel or short-term rental 2162
property is or is to be furnished to transient guests. Revenue 2163
from the increase in rate shall be used for the purposes of 2164
paying the costs of constructing, improving, and maintaining a 2165
professional sports facility in the county and paying expenses 2166
considered necessary by the convention and visitors' bureau 2167
operating in the county to promote travel and tourism with 2168
respect to that professional sports facility. The tax shall take 2169
effect only after the convention and visitors' bureau enters 2170

into a contract for the construction, improvement, or 2171
maintenance of a professional sports facility that is or will be 2172
located on property acquired, in whole or in part, with revenue 2173
from the increased rate, and thereafter shall remain in effect 2174
for the period specified in the resolution. If revenue from the 2175
increase in rate is pledged to the payment of debt charges on 2176
securities, the increase in rate is not subject to diminution by 2177
initiative or referendum or by law for so long as the securities 2178
are outstanding, unless a provision is made by law or by the 2179
board of county commissioners for an adequate substitute for 2180
that revenue that is satisfactory to the trustee if a trust 2181
agreement secures payment of the debt charges. The increase in 2182
rate shall be subject to the regulations adopted under division 2183
(A) of this section, except that the resolution may provide that 2184
no portion of the revenue from the increase in the rate shall be 2185
returned to townships or municipal corporations as would 2186
otherwise be required under division (A) of this section. 2187

(3) If, on December 31, 2019, the convention and visitors' 2188
bureau has not entered into a contract for the construction, 2189
improvement, or maintenance of a professional sports facility 2190
that is or will be located on property acquired, in whole or in 2191
part, with revenue from the increased rate, the authority to 2192
levy the tax under division (L) (2) of this section is hereby 2193
repealed on that date. 2194

(M) (1) For the purposes described in section 307.695 of 2195
the Revised Code and to cover the costs of administering the 2196
tax, a board of county commissioners of a county where a tax 2197
imposed under division (A) of this section is in effect may, by 2198
resolution adopted within ninety days after July 15, 1985, by a 2199
majority of the members of the board, levy an additional excise 2200
tax not to exceed three per cent on transactions by which 2201

lodging by a hotel or short-term rental property is or is to be 2202
furnished to transient guests. The tax authorized by division 2203
(M) of this section shall be in addition to any tax that is 2204
levied pursuant to divisions (A) to (L) of this section, but it 2205
shall not apply to transactions subject to a tax levied by a 2206
municipal corporation or township pursuant to section 5739.08 of 2207
the Revised Code. 2208

(2) The board shall establish all regulations necessary to 2209
provide for the administration and allocation of the tax. The 2210
regulations may prescribe the time for payment of the tax, and 2211
may provide for the imposition of a penalty or interest, or 2212
both, for late payments, provided that the penalty does not 2213
exceed ten per cent of the amount of tax due, and the rate at 2214
which interest accrues does not exceed the rate per annum 2215
prescribed pursuant to section 5703.47 of the Revised Code. 2216

(3) All revenues arising from the tax shall be expended in 2217
accordance with section 307.695 of the Revised Code. The board 2218
of county commissioners of an eligible county as defined in 2219
section 307.695 of the Revised Code may, by resolution adopted 2220
by a majority of the members of the board, amend the resolution 2221
levying a tax under this division to provide that the revenue 2222
from the tax shall be used by the board as described in division 2223
(H) of section 307.695 of the Revised Code. 2224

(4) A tax imposed under this division shall remain in 2225
effect at the rate at which it is imposed for the duration of 2226
the period during which any agreement entered into by the board 2227
under section 307.695 of the Revised Code is in effect, the 2228
duration of the period during which any securities issued by the 2229
board under division (I) of section 307.695 of the Revised Code 2230
are outstanding, or the duration of the period during which the 2231

board owns a project as defined in section 307.695 of the 2232
Revised Code, whichever duration is longest. 2233

(N) (1) For the purpose of providing contributions under 2234
division (B) (1) of section 307.671 of the Revised Code to enable 2235
the acquisition, construction, and equipping of a port authority 2236
educational and cultural facility in the county and, to the 2237
extent provided for in the cooperative agreement authorized by 2238
that section, for the purpose of paying debt service charges on 2239
bonds, or notes in anticipation of bonds, described in division 2240
(B) (1) (b) of that section, a board of county commissioners, by 2241
resolution adopted within ninety days after December 22, 1992, 2242
by a majority of the members of the board, may levy an 2243
additional excise tax not to exceed one and one-half per cent on 2244
transactions by which lodging by a hotel or short-term rental 2245
property is or is to be furnished to transient guests. The 2246
excise tax authorized by division (N) of this section shall be 2247
in addition to any tax that is levied pursuant to divisions (A) 2248
to (M) of this section, to any excise tax levied pursuant to 2249
section 5739.08 of the Revised Code, and to any excise tax 2250
levied pursuant to section 351.021 of the Revised Code. 2251

(2) The board of county commissioners shall establish all 2252
regulations necessary to provide for the administration and 2253
allocation of the tax that are not inconsistent with this 2254
section or section 307.671 of the Revised Code. The regulations 2255
may prescribe the time for payment of the tax, and may provide 2256
for the imposition of a penalty or interest, or both, for late 2257
payments, provided that the penalty does not exceed ten per cent 2258
of the amount of tax due, and the rate at which interest accrues 2259
does not exceed the rate per annum prescribed pursuant to 2260
section 5703.47 of the Revised Code. 2261

(3) All revenues arising from the tax shall be expended in 2262
accordance with section 307.671 of the Revised Code and division 2263
(N) of this section. The levy of a tax imposed under division 2264
(N) of this section may not commence prior to the first day of 2265
the month next following the execution of the cooperative 2266
agreement authorized by section 307.671 of the Revised Code by 2267
all parties to that agreement. 2268

(4) The tax shall remain in effect at the rate at which it 2269
is imposed for the period of time described in division (C) of 2270
section 307.671 of the Revised Code for which the revenue from 2271
the tax has been pledged by the county to the corporation 2272
pursuant to that section, but, to any extent provided for in the 2273
cooperative agreement, for no lesser period than the period of 2274
time required for payment of the debt service charges on bonds, 2275
or notes in anticipation of bonds, described in division (B)(1) 2276
(b) of that section. 2277

(O)(1) For the purpose of paying the costs of acquiring, 2278
constructing, equipping, and improving a municipal educational 2279
and cultural facility, including debt service charges on bonds 2280
provided for in division (B) of section 307.672 of the Revised 2281
Code, and for any additional purposes determined by the county 2282
in the resolution levying the tax or amendments to the 2283
resolution, including subsequent amendments providing for paying 2284
costs of acquiring, constructing, renovating, rehabilitating, 2285
equipping, and improving a port authority educational and 2286
cultural performing arts facility, as defined in section 307.674 2287
of the Revised Code, and including debt service charges on bonds 2288
provided for in division (B) of section 307.674 of the Revised 2289
Code, the legislative authority of a county, by resolution 2290
adopted within ninety days after June 30, 1993, by a majority of 2291
the members of the legislative authority, may levy an additional 2292

excise tax not to exceed one and one-half per cent on 2293
transactions by which lodging by a hotel or short-term rental 2294
property is or is to be furnished to transient guests. The 2295
excise tax authorized by division (O) of this section shall be 2296
in addition to any tax that is levied pursuant to divisions (A) 2297
to (N) of this section, to any excise tax levied pursuant to 2298
section 5739.08 of the Revised Code, and to any excise tax 2299
levied pursuant to section 351.021 of the Revised Code. 2300

(2) The legislative authority of the county shall 2301
establish all regulations necessary to provide for the 2302
administration and allocation of the tax. The regulations may 2303
prescribe the time for payment of the tax, and may provide for 2304
the imposition of a penalty or interest, or both, for late 2305
payments, provided that the penalty does not exceed ten per cent 2306
of the amount of tax due, and the rate at which interest accrues 2307
does not exceed the rate per annum prescribed pursuant to 2308
section 5703.47 of the Revised Code. 2309

(3) All revenues arising from the tax shall be expended in 2310
accordance with section 307.672 of the Revised Code and this 2311
division. The levy of a tax imposed under this division shall 2312
not commence prior to the first day of the month next following 2313
the execution of the cooperative agreement authorized by section 2314
307.672 of the Revised Code by all parties to that agreement. 2315
The tax shall remain in effect at the rate at which it is 2316
imposed for the period of time determined by the legislative 2317
authority of the county. That period of time shall not exceed 2318
fifteen years, except that the legislative authority of a county 2319
with a population of less than two hundred fifty thousand 2320
according to the most recent federal decennial census, by 2321
resolution adopted by a majority of its members before the 2322
original tax expires, may extend the duration of the tax for an 2323

additional period of time. The additional period of time by 2324
which a legislative authority extends a tax levied under 2325
division (O) of this section shall not exceed fifteen years. 2326

(P)(1) The legislative authority of a county that has 2327
levied a tax under division (O) of this section may, by 2328
resolution adopted within one hundred eighty days after January 2329
4, 2001, by a majority of the members of the legislative 2330
authority, amend the resolution levying a tax under that 2331
division to provide for the use of the proceeds of that tax, to 2332
the extent that it is no longer needed for its original purpose 2333
as determined by the parties to a cooperative agreement 2334
amendment pursuant to division (D) of section 307.672 of the 2335
Revised Code, to pay costs of acquiring, constructing, 2336
renovating, rehabilitating, equipping, and improving a port 2337
authority educational and cultural performing arts facility, 2338
including debt service charges on bonds provided for in division 2339
(B) of section 307.674 of the Revised Code, and to pay all 2340
obligations under any guaranty agreements, reimbursement 2341
agreements, or other credit enhancement agreements described in 2342
division (C) of section 307.674 of the Revised Code. 2343

(2) The resolution may also provide for the extension of 2344
the tax at the same rate for the longer of the period of time 2345
determined by the legislative authority of the county, but not 2346
to exceed an additional twenty-five years, or the period of time 2347
required to pay all debt service charges on bonds provided for 2348
in division (B) of section 307.672 of the Revised Code and on 2349
port authority revenue bonds provided for in division (B) of 2350
section 307.674 of the Revised Code. 2351

(3) All revenues arising from the amendment and extension 2352
of the tax shall be expended in accordance with section 307.674 2353

of the Revised Code and divisions (O) and (P) of this section. 2354

(Q) (1) As used in division (Q) of this section: 2355

(a) "Convention facilities authority" has the same meaning 2356
as in section 351.01 of the Revised Code. 2357

(b) "Convention center" has the same meaning as in section 2358
307.695 of the Revised Code. 2359

(2) Notwithstanding any contrary provision of division (N) 2360
of this section, the legislative authority of a county with a 2361
population of one million or more according to the most recent 2362
federal decennial census that has levied a tax under division 2363
(N) of this section may, by resolution adopted by a majority of 2364
the members of the legislative authority, provide for the 2365
extension of such levy and may provide that the proceeds of that 2366
tax, to the extent that they are no longer needed for their 2367
original purpose as defined by a cooperative agreement entered 2368
into under section 307.671 of the Revised Code, shall be 2369
deposited into the county general revenue fund. The resolution 2370
shall provide for the extension of the tax at a rate not to 2371
exceed the rate specified in division (N) of this section for a 2372
period of time determined by the legislative authority of the 2373
county, but not to exceed an additional forty years. 2374

(3) The legislative authority of a county with a 2375
population of one million or more that has levied a tax under 2376
division (A) of this section may, by resolution adopted by a 2377
majority of the members of the legislative authority, increase 2378
the rate of the tax levied by such county under division (A) of 2379
this section to a rate not to exceed five per cent on 2380
transactions by which lodging by a hotel or short-term rental 2381
property is or is to be furnished to transient guests. 2382

Notwithstanding any contrary provision of division (A) of this 2383
section, the resolution may provide that all collections 2384
resulting from the rate levied in excess of three per cent, 2385
after deducting the real and actual costs of administering the 2386
tax, shall be deposited in the county general fund. 2387

(4) The legislative authority of a county with a 2388
population of one million or more that has levied a tax under 2389
division (A) of this section may, by resolution adopted on or 2390
before August 30, 2004, by a majority of the members of the 2391
legislative authority, provide that all or a portion of the 2392
proceeds of the tax levied under division (A) of this section, 2393
after deducting the real and actual costs of administering the 2394
tax and the amounts required to be returned to townships and 2395
municipal corporations with respect to the first three per cent 2396
levied under division (A) of this section, shall be deposited in 2397
the county general fund, provided that such proceeds shall be 2398
used to satisfy any pledges made in connection with an agreement 2399
entered into under section 307.695 of the Revised Code. 2400

(5) No amount collected from a tax levied, extended, or 2401
required to be deposited in the county general fund under 2402
division (Q) of this section shall be contributed to a 2403
convention facilities authority, corporation, or other entity 2404
created after July 1, 2003, for the principal purpose of 2405
constructing, improving, expanding, equipping, financing, or 2406
operating a convention center unless the mayor of the municipal 2407
corporation in which the convention center is to be operated by 2408
that convention facilities authority, corporation, or other 2409
entity has consented to the creation of that convention 2410
facilities authority, corporation, or entity. Notwithstanding 2411
any contrary provision of section 351.04 of the Revised Code, if 2412
a tax is levied by a county under division (Q) of this section, 2413

the board of county commissioners of that county may determine 2414
the manner of selection, the qualifications, the number, and 2415
terms of office of the members of the board of directors of any 2416
convention facilities authority, corporation, or other entity 2417
described in division (Q) (5) of this section. 2418

(6) (a) No amount collected from a tax levied, extended, or 2419
required to be deposited in the county general fund under 2420
division (Q) of this section may be used for any purpose other 2421
than paying the direct and indirect costs of constructing, 2422
improving, expanding, equipping, financing, or operating a 2423
convention center and for the real and actual costs of 2424
administering the tax, unless, prior to the adoption of the 2425
resolution of the legislative authority of the county 2426
authorizing the levy, extension, increase, or deposit, the 2427
county and the mayor of the most populous municipal corporation 2428
in that county have entered into an agreement as to the use of 2429
such amounts, provided that such agreement has been approved by 2430
a majority of the mayors of the other municipal corporations in 2431
that county. The agreement shall provide that the amounts to be 2432
used for purposes other than paying the convention center or 2433
administrative costs described in division (Q) (6) (a) of this 2434
section be used only for the direct and indirect costs of 2435
capital improvements, including the financing of capital 2436
improvements, except that the agreement may subsequently be 2437
amended by the parties that have entered into that agreement to 2438
authorize such amounts to instead be used for any costs related 2439
to the promotion or support of tourism or tourism-related 2440
programs. 2441

(b) If the county in which the tax is levied has an 2442
association of mayors and city managers, the approval of that 2443
association of an agreement described in division (Q) (6) (a) of 2444

this section shall be considered to be the approval of the 2445
majority of the mayors of the other municipal corporations for 2446
purposes of that division. 2447

(7) Each year, the auditor of state shall conduct an audit 2448
of the uses of any amounts collected from taxes levied, 2449
extended, or deposited under division (Q) of this section and 2450
shall prepare a report of the auditor of state's findings. The 2451
auditor of state shall submit the report to the legislative 2452
authority of the county that has levied, extended, or deposited 2453
the tax, the speaker of the house of representatives, the 2454
president of the senate, and the leaders of the minority parties 2455
of the house of representatives and the senate. 2456

(R) (1) As used in division (R) of this section: 2457

(a) "Convention facilities authority" has the same meaning 2458
as in section 351.01 of the Revised Code. 2459

(b) "Convention center" has the same meaning as in section 2460
307.695 of the Revised Code. 2461

(2) Notwithstanding any contrary provision of division (N) 2462
of this section, the legislative authority of a county with a 2463
population of one million two hundred thousand or more according 2464
to the most recent federal decennial census or the most recent 2465
annual population estimate published or released by the United 2466
States census bureau at the time the resolution is adopted 2467
placing the levy on the ballot, that has levied a tax under 2468
division (N) of this section may, by resolution adopted by a 2469
majority of the members of the legislative authority, provide 2470
for the extension of such levy and may provide that the proceeds 2471
of that tax, to the extent that the proceeds are no longer 2472
needed for their original purpose as defined by a cooperative 2473

agreement entered into under section 307.671 of the Revised Code 2474
and after deducting the real and actual costs of administering 2475
the tax, shall be used for paying the direct and indirect costs 2476
of constructing, improving, expanding, equipping, financing, or 2477
operating a convention center. The resolution shall provide for 2478
the extension of the tax at a rate not to exceed the rate 2479
specified in division (N) of this section for a period of time 2480
determined by the legislative authority of the county, but not 2481
to exceed an additional forty years. 2482

(3) The legislative authority of a county with a 2483
population of one million two hundred thousand or more that has 2484
levied a tax under division (A) of this section may, by 2485
resolution adopted by a majority of the members of the 2486
legislative authority, increase the rate of the tax levied by 2487
such county under division (A) of this section to a rate not to 2488
exceed five per cent on transactions by which lodging by a hotel 2489
or short-term rental property is or is to be furnished to 2490
transient guests. Notwithstanding any contrary provision of 2491
division (A) of this section, the resolution shall provide that 2492
all collections resulting from the rate levied in excess of 2493
three per cent, after deducting the real and actual costs of 2494
administering the tax, shall be used for paying the direct and 2495
indirect costs of constructing, improving, expanding, equipping, 2496
financing, or operating a convention center. 2497

(4) The legislative authority of a county with a 2498
population of one million two hundred thousand or more that has 2499
levied a tax under division (A) of this section may, by 2500
resolution adopted on or before July 1, 2008, by a majority of 2501
the members of the legislative authority, provide that all or a 2502
portion of the proceeds of the tax levied under division (A) of 2503
this section, after deducting the real and actual costs of 2504

administering the tax and the amounts required to be returned to 2505
townships and municipal corporations with respect to the first 2506
three per cent levied under division (A) of this section, shall 2507
be used to satisfy any pledges made in connection with an 2508
agreement entered into under section 307.695 of the Revised Code 2509
or shall otherwise be used for paying the direct and indirect 2510
costs of constructing, improving, expanding, equipping, 2511
financing, or operating a convention center. 2512

(5) Any amount collected from a tax levied or extended 2513
under division (R) of this section may be contributed to a 2514
convention facilities authority created before July 1, 2005, but 2515
no amount collected from a tax levied or extended under division 2516
(R) of this section may be contributed to a convention 2517
facilities authority, corporation, or other entity created after 2518
July 1, 2005, unless the mayor of the municipal corporation in 2519
which the convention center is to be operated by that convention 2520
facilities authority, corporation, or other entity has consented 2521
to the creation of that convention facilities authority, 2522
corporation, or entity. 2523

(S) As used in division (S) of this section, "soldiers' 2524
memorial" means a memorial constructed and funded under Chapter 2525
345. of the Revised Code. 2526

The board of county commissioners of a county with a 2527
population between one hundred three thousand and one hundred 2528
seven thousand according to the most recent federal decennial 2529
census, by resolution adopted by a majority of the members of 2530
the board within six months after September 15, 2014, may levy a 2531
tax not to exceed three per cent on transactions by which a 2532
hotel or short-term rental property is or is to be furnished to 2533
transient guests. The purpose of the tax shall be to pay the 2534

costs of expanding, maintaining, or operating a soldiers' 2535
memorial and the costs of administering the tax. All revenue 2536
arising from the tax shall be credited to one or more special 2537
funds in the county treasury and shall be spent solely for the 2538
purposes of paying those costs. 2539

The board of county commissioners shall adopt all rules 2540
necessary to provide for the administration of the tax subject 2541
to the same limitations on imposing penalty or interest under 2542
division (A) of this section. 2543

(T) As used in division (T) of this section: 2544

(1) "Eligible county" means a county in which a county 2545
agricultural society or independent agricultural society is 2546
organized under section 1711.01 or 1711.02 of the Revised Code, 2547
provided the agricultural society owns a facility or site in the 2548
county at which an annual harness horse race is conducted where 2549
one-day attendance equals at least forty thousand attendees. 2550

(2) "Permanent improvements," "debt charges," and 2551
"financing costs" have the same meanings as in section 133.01 of 2552
the Revised Code. 2553

(3) "Costs of permanent improvements" include all costs 2554
allowed in section 133.15 of the Revised Code. 2555

A board of county commissioners of an eligible county, by 2556
resolution adopted by a majority of the members of the board, 2557
may levy an excise tax at the rate of up to three per cent on 2558
transactions by which lodging by a hotel or short-term rental 2559
property is or is to be furnished to transient guests for the 2560
purpose of paying the costs of permanent improvements at sites 2561
at which one or more agricultural societies conduct fairs or 2562
exhibits, including paying financing costs and debt charges on 2563

bonds, or notes in anticipation of bonds, paying the costs of 2564
maintaining or operating such permanent improvements, and paying 2565
the costs of administering the tax. 2566

A resolution adopted under division (T) of this section, 2567
other than a resolution that only extends the period of time for 2568
which the tax is levied, shall direct the board of elections to 2569
submit the question of the proposed lodging tax to the electors 2570
of the county at a special election held on the date specified 2571
by the board in the resolution, provided that the election 2572
occurs not less than ninety days after a certified copy of the 2573
resolution is transmitted to the board of elections. A 2574
resolution submitted to the electors under division (T) of this 2575
section shall not go into effect unless it is approved by a 2576
majority of those voting upon it. The resolution takes effect on 2577
the date the board of county commissioners receives notification 2578
from the board of elections of an affirmative vote. 2579

The tax shall remain in effect for the period specified in 2580
the resolution, not to exceed five years, and may be extended 2581
for an additional period of years that is at least the number of 2582
years required for payment of the debt charges on bonds or notes 2583
in anticipation of bonds authorized under this division but not 2584
in excess of fifteen years thereafter by a resolution adopted by 2585
a majority of the members of the board. A resolution extending 2586
the period of time for which the tax is in effect is not subject 2587
to approval of the electors of the county, but is subject to 2588
referendum under sections 305.31 to 305.99 of the Revised Code. 2589
All revenue arising from the tax shall be credited to one or 2590
more special funds in the county treasury and shall be spent 2591
solely for the purposes of paying the costs of such permanent 2592
improvements, including paying financing costs and debt charges 2593
on bonds, or notes in anticipation of bonds, and maintaining or 2594

operating the improvements. Revenue allocated for the use of a 2595
county agricultural society may be credited to the county 2596
agricultural society fund created in section 1711.16 of the 2597
Revised Code upon appropriation by the board. If revenue is 2598
credited to that fund, it shall be expended only as provided in 2599
that section. 2600

The board of county commissioners shall adopt all rules 2601
necessary to provide for the administration of the tax. The 2602
rules may prescribe the time for payment of the tax, and may 2603
provide for the imposition or penalty or interest, or both, for 2604
late payments, provided that the penalty does not exceed ten per 2605
cent of the amount of tax due, and the rate at which interest 2606
accrues does not exceed the rate per annum prescribed in section 2607
5703.47 of the Revised Code. 2608

The board of county commissioners may issue bonds, or 2609
notes in anticipation thereof, pursuant to Chapter 133. of the 2610
Revised Code, for the purpose of paying the costs of permanent 2611
improvements as authorized in this division and pledge the 2612
revenue arising from the tax for that purpose. The board of 2613
county commissioners may pledge or contribute the revenue 2614
arising from the tax levied under this division to a port 2615
authority created under Chapter 4582. of the Revised Code, and 2616
the port authority may issue bonds, or notes in anticipation 2617
thereof, pursuant to that chapter, for the purpose of paying the 2618
costs of permanent improvements as authorized in this division. 2619

(U) As used in division (U) of this section, "eligible 2620
county" means a county in which a tax is levied under division 2621
(A) of this section at a rate of three per cent and whose 2622
territory includes a part of Lake Erie the shoreline of which 2623
represents at least fifty per cent of the linear length of the 2624

county's border with other counties of this state. 2625

The board of county commissioners of an eligible county 2626
that has entered into an agreement with a port authority in the 2627
county under section 4582.56 of the Revised Code may levy an 2628
additional lodging tax on transactions by which lodging by a 2629
hotel or short-term rental property is or is to be furnished to 2630
transient guests for the purpose of financing lakeshore 2631
improvement projects constructed or financed by the port 2632
authority under that section. The resolution levying the tax 2633
shall specify the purpose of the tax, the rate of the tax, which 2634
shall not exceed two per cent, and the number of years the tax 2635
will be levied or that it will be levied for a continuing period 2636
of time. The tax shall be administered pursuant to the 2637
regulations adopted by the board under division (A) of this 2638
section, except that all the proceeds of the tax levied under 2639
this division shall be pledged to the payment of the costs, 2640
including debt charges, of lakeshore improvements undertaken by 2641
a port authority pursuant to the agreement under section 4582.56 2642
of the Revised Code. No revenue from the tax may be used to pay 2643
the current expenses of the port authority. 2644

A resolution levying a tax under division (U) of this 2645
section is subject to referendum under sections 305.31 to 305.41 2646
and 305.99 of the Revised Code. 2647

(V) (1) As used in division (V) of this section: 2648

(a) "Tourism development district" means a district 2649
designated by a municipal corporation under section 715.014 of 2650
the Revised Code or by a township under section 503.56 of the 2651
Revised Code. 2652

(b) "Lodging tax" means a tax levied pursuant to this 2653

section or section 5739.08 of the Revised Code. 2654

(c) "Tourism development district lodging tax proceeds" 2655
means all proceeds of a lodging tax derived from transactions by 2656
which lodging by a hotel or short-term rental property located 2657
in a tourism development district is or is to be provided to 2658
transient guests. 2659

(d) "Eligible county" has the same meaning as in section 2660
307.678 of the Revised Code. 2661

(2) (a) Notwithstanding division (A) of this section, the 2662
board of county commissioners, board of township trustees, or 2663
legislative authority of any county, township, or municipal 2664
corporation that levies a lodging tax on September 29, 2017, and 2665
in which any part of a tourism development district is located 2666
on or after that date shall amend the ordinance or resolution 2667
levying the tax to require either of the following: 2668

(i) In the case of a tax levied by a county, that all 2669
tourism development district lodging tax proceeds from that tax 2670
be used exclusively to foster and develop tourism in the tourism 2671
development district; 2672

(ii) In the case of a tax levied by a township or 2673
municipal corporation, that all tourism development district 2674
lodging tax proceeds from that tax be used exclusively to foster 2675
and develop tourism in the tourism development district. 2676

(b) Notwithstanding division (A) of this section, any 2677
ordinance or resolution levying a lodging tax adopted on or 2678
after September 29, 2017, by a county, township, or municipal 2679
corporation in which any part of a tourism development district 2680
is located on or after that date shall require that all tourism 2681
development district lodging tax proceeds from that tax be used 2682

exclusively to foster and develop tourism in the tourism 2683
development district. 2684

(c) A county shall not use any of the proceeds described 2685
in division (V) (2) (a) (i) or (V) (2) (b) of this section unless the 2686
convention and visitors' bureau operating within the county 2687
approves the manner in which such proceeds are used to foster 2688
and develop tourism in the tourism development district. Upon 2689
obtaining such approval, the county may pay such proceeds to the 2690
bureau to use for the agreed-upon purpose. 2691

A municipal corporation or township shall not use any of 2692
the proceeds described in division (V) (2) (a) (ii) or (V) (2) (b) of 2693
this section unless the convention and visitors' bureau 2694
operating within the municipal corporation or township approves 2695
the manner in which such proceeds are used to foster and develop 2696
tourism in the tourism development district. Upon obtaining such 2697
approval, the municipal corporation or township may pay such 2698
proceeds to the bureau to use for the agreed-upon purpose. 2699

(3) (a) Notwithstanding division (A) of this section, the 2700
board of county commissioners of an eligible county that levies 2701
a lodging tax on March 23, 2018, may amend the resolution 2702
levying that tax to require that all or a portion of the 2703
proceeds of that tax otherwise required to be spent solely to 2704
make contributions to the convention and visitors' bureau 2705
operating within the county shall be used to foster and develop 2706
tourism in a tourism development district. 2707

(b) Notwithstanding division (A) of this section, the 2708
board of county commissioners of an eligible county that adopts 2709
a resolution levying a lodging tax on or after March 23, 2018, 2710
may require that all or a portion of the proceeds of that tax 2711
otherwise required to be spent solely to make contributions to 2712

the convention and visitors' bureau operating within the county 2713
pursuant to division (A) of this section shall be used to foster 2714
and develop tourism in a tourism development district. 2715

(c) A county shall not use any of the proceeds in the 2716
manner described in division (V) (3) (a) or (b) of this section 2717
unless the convention and visitors' bureau operating within the 2718
county approves the manner in which such proceeds are used to 2719
foster and develop tourism in the tourism development district. 2720
Upon obtaining such approval, the county may pay such proceeds 2721
to the bureau to use for the agreed upon purpose. 2722

(W) (1) As used in division (W) of this section: 2723

(a) "Eligible county" means a county with a population 2724
greater than three hundred thousand and less than three hundred 2725
fifty thousand that levies a tax under division (A) of this 2726
section at a rate of three per cent; 2727

(b) "Cost" and "facility" have the same meanings as in 2728
section 351.01 of the Revised Code. 2729

(2) A board of county commissioners of an eligible county, 2730
by resolution adopted by a majority of the members of the board, 2731
may levy an excise tax at the rate of up to three per cent on 2732
transactions by which lodging by a hotel or short-term rental 2733
property is or is to be furnished to transient guests. All of 2734
the revenue from the tax shall be used to pay the costs of 2735
administering the tax or pledged and contributed to a convention 2736
facilities authority established by the board of county 2737
commissioners under Chapter 351. of the Revised Code and used by 2738
the authority to pay the cost of constructing a facility in the 2739
county, including paying bonds, or notes issued in anticipation 2740
of bonds, as provided by that chapter, or paying the expenses of 2741

maintaining, operating, or promoting such a facility. No portion 2742
of the revenue arising from the tax need be returned to 2743
municipal corporations or townships as required for taxes levied 2744
under division (A) of this section. 2745

(3) A resolution adopted under division (W) of this 2746
section shall direct the board of elections to submit the 2747
question of the proposed lodging tax to the electors of the 2748
county at a special election held on the date specified by the 2749
board in the resolution, provided that the election occurs not 2750
less than ninety days after a certified copy of the resolution 2751
is transmitted to the board of elections. A resolution submitted 2752
to the electors under division (W) of this section shall not go 2753
into effect unless it is approved by a majority of those voting 2754
upon it. The resolution takes effect on the date the board of 2755
county commissioners receives notification from the board of 2756
elections of an affirmative vote. 2757

(4) Once the tax is approved by the electors of the county 2758
pursuant to division (W) (3) of this section, it shall not be 2759
subject to diminution by initiative or referendum or by law 2760
while any bonds, or notes in anticipation of bonds, issued by 2761
the authority under Chapter 351. of the Revised Code to which 2762
the revenue is pledged, remain outstanding in accordance with 2763
their terms, unless provision is made by law or by the board of 2764
county commissioners for an adequate substitute therefore that 2765
is satisfactory to the trustee if a trust agreement secures the 2766
bonds. 2767

(5) The tax authorized by division (W) of this section 2768
shall be in addition to any other tax that is levied pursuant to 2769
this section. 2770

(X) (1) As used in division (X) of this section: 2771

(a) "Convention facilities authority," "cost," and 2772
"facility" have the same meanings as in section 351.01 of the 2773
Revised Code, except that "facility" does not include a "sports 2774
facility," as that term is defined in that section, other than a 2775
facility intended to house a major league soccer team. 2776

(b) "Eligible county" means a county with a population 2777
greater than eight hundred thousand but less than one million 2778
that levies a tax under division (A) of this section. 2779

(c) "Port authority" means a port authority created under 2780
Chapter 4582. of the Revised Code. 2781

(2) A board of county commissioners or the legislative 2782
authority of an eligible county may, by resolution adopted by a 2783
majority of the members of the board or legislative authority, 2784
levy an excise tax at a rate not to exceed one per cent on 2785
transactions by which lodging by a hotel or short-term rental 2786
property is or is to be furnished to transient guests. All 2787
revenue arising from the tax shall be used to pay the costs of 2788
administering the tax or pledged and contributed to the 2789
convention and visitors' bureau operating within the applicable 2790
eligible county, a convention facilities authority within the 2791
applicable eligible county, or a port authority and used by the 2792
convention and visitors' bureau, the convention facilities 2793
authority, or the port authority to pay the cost of acquiring, 2794
constructing, renovating, expanding, maintaining, or operating 2795
one or more facilities in the county, including paying bonds, or 2796
notes issued in anticipation of bonds, or paying the expenses of 2797
maintaining, operating, or promoting one or more facilities. No 2798
portion of the revenue arising from the tax need be returned to 2799
municipal corporations or townships as required for taxes levied 2800
under division (A) of this section. 2801

(3) The tax authorized by division (X) of this section 2802
shall be in addition to any other tax that is levied pursuant to 2803
this section. 2804

(4) Any board of county commissioners of an eligible 2805
county that, pursuant to division (D)(2) of this section, has 2806
amended a resolution levying the tax authorized by division (A) 2807
of this section may further amend the resolution to provide that 2808
all or a portion of the revenue referred to in division (D)(2) 2809
(b) of this section and division (A) of this section may be 2810
pledged and contributed to pay the costs of acquiring, 2811
constructing, renovating, expanding, maintaining, or operating 2812
one or more facilities in the county, including paying bonds, or 2813
notes issued in anticipation of bonds, or paying the expenses of 2814
maintaining, operating, or promoting one or more facilities. 2815

Sec. 5739.091. (A) ~~For the purposes of a tax levied by a~~ 2816
~~county, township, or municipal corporation under section 5739.08~~ 2817
~~or 5739.09 of the Revised Code, a~~ As used in this section: 2818

(1) "Legislative authority" means a board of county 2819
commissioners, board of township trustees, ~~or the legislative~~ 2820
authority of a municipal corporation ~~may adopt a resolution or~~ 2821
~~ordinance at any time specifying that "hotel," as otherwise~~ 2822
~~defined in section 5739.01 of the Revised Code, includes the~~ 2823
~~following:—~~ 2824

~~(1) Establishments in which fewer than five rooms are used~~ 2825
~~for the accommodation of guests;~~ 2826

~~(2) Establishments at which rooms are used for the~~ 2827
~~accommodation of guests regardless of whether each room is~~ 2828
~~accessible through its own keyed entry or several rooms are~~ 2829
~~accessible through the same keyed entry; and, in determining the~~ 2830

~~number of rooms, all rooms are included regardless of the number
of structures in which the rooms are situated or the number of
parcels of land on which the structures are located if the
structures are under the same ownership and the structures are
not identified in advertisements of the accommodations as
distinct establishments. For the purposes of division (A) (2) of
this section, two or more structures are under the same
ownership if they are owned by the same person, or if they are
owned by two or more persons the majority of the ownership
interests of which are owned by the same person.~~

~~(B) The resolution or ordinance may apply to a tax imposed
pursuant to section 5739.08 or 5739.09 of the Revised Code prior
to the adoption of the resolution or ordinance if the resolution
or ordinance so states, but the tax shall not apply to
transactions by which lodging by such an establishment is
provided to transient guests prior to the adoption of the
resolution or ordinance.~~ the board of directors of a convention
facilities authority, or the board of directors of a lake
facilities authority.

(2) "Existing lodging tax" means a tax levied under
section 351.021, 353.06, 5739.08, or 5739.09 of the Revised Code
and in effect on the day before the first day of the first month
beginning thirty days after the effective date of this
amendment.

(B) A legislative authority shall not levy an existing
lodging tax on or after the first day of the first month
beginning thirty days after the effective date of this amendment
unless the legislative authority amends the resolution or
ordinance levying the tax to comply with the enactment of
division (C) of this section and the amendment of sections

351.01, 351.021, 353.06, 5739.08, and 5739.09 of the Revised 2861
Code by this act. That amendment to such a resolution or 2862
ordinance is not subject to a referendum, as prescribed by 2863
sections 305.31 to 305.41 of the Revised Code, and shall take 2864
effect without elector approval, notwithstanding the terms and 2865
requirements applicable to the adoption of the resolution or 2866
ordinance levying the existing lodging tax. 2867

(C) A legislative authority shall require the operator of 2868
a short-term rental platform to collect and remit the tax levied 2869
under section 351.021, 353.06, 5739.08, or 5739.09 of the 2870
Revised Code on all transactions by which lodging by a hotel or 2871
short-term rental property is or is to be furnished to transient 2872
guests through use of the platform. 2873

Sec. 5741.01. As used in this chapter: 2874

(A) "Person" includes individuals, receivers, assignees, 2875
trustees in bankruptcy, estates, firms, partnerships, 2876
associations, joint-stock companies, joint ventures, clubs, 2877
societies, corporations, business trusts, governments, and 2878
combinations of individuals of any form. 2879

(B) "Storage" means and includes any keeping or retention 2880
in this state for use or other consumption in this state. 2881

(C) "Use" means and includes the exercise of any right or 2882
power incidental to the ownership of the thing used. A thing is 2883
also "used" in this state if its consumer gives or otherwise 2884
distributes it, without charge, to recipients in this state. 2885

(D) "Purchase" means acquired or received for a 2886
consideration, whether such acquisition or receipt was effected 2887
by a transfer of title, or of possession, or of both, or a 2888
license to use or consume; whether such transfer was absolute or 2889

conditional, and by whatever means the transfer was effected; 2890
and whether the consideration was money, credit, barter, or 2891
exchange. Purchase includes production, even though the article 2892
produced was used, stored, or consumed by the producer. The 2893
transfer of copyrighted motion picture films for exhibition 2894
purposes is not a purchase, except such films as are used solely 2895
for advertising purposes. 2896

(E) "Seller" means the person from whom a purchase is 2897
made, and includes every person engaged in this state or 2898
elsewhere in the business of selling tangible personal property 2899
or providing a service for storage, use, or other consumption or 2900
benefit in this state; and when, in the opinion of the tax 2901
commissioner, it is necessary for the efficient administration 2902
of this chapter, to regard any salesperson, representative, 2903
peddler, or canvasser as the agent of a dealer, distributor, 2904
supervisor, or employer under whom the person operates, or from 2905
whom the person obtains tangible personal property, sold by the 2906
person for storage, use, or other consumption in this state, 2907
irrespective of whether or not the person is making such sales 2908
on the person's own behalf, or on behalf of such dealer, 2909
distributor, supervisor, or employer, the commissioner may 2910
regard the person as such agent, and may regard such dealer, 2911
distributor, supervisor, or employer as the seller. 2912

Except as provided in sections 5741.071 and 5747.072 of 2913
the Revised Code, a marketplace facilitator shall be treated as 2914
the "seller" with respect to all sales facilitated by the 2915
marketplace facilitator on behalf of one or more marketplace 2916
sellers on and after the first day of the first month that 2917
begins at least thirty days after the marketplace facilitator 2918
first has substantial nexus with this state. Otherwise, "seller" 2919
does not include any person to the extent the person provides a 2920

communications medium, such as, but not limited to, newspapers, 2921
magazines, radio, television, or cable television, by means of 2922
which sellers solicit purchases of their goods or services. 2923

(F) "Consumer" means any person who has purchased tangible 2924
personal property or has been provided a service for storage, 2925
use, or other consumption or benefit in this state. "Consumer" 2926
does not include a person who receives, without charge, tangible 2927
personal property or a service. 2928

A person who performs a facility management or similar 2929
service contract for a contractee is a consumer of all tangible 2930
personal property and services purchased for use in connection 2931
with the performance of such contract, regardless of whether 2932
title to any such property vests in the contractee. The purchase 2933
of such property and services is not subject to the exception 2934
for resale under division (E) of section 5739.01 of the Revised 2935
Code. 2936

(G) (1) "Price," except as provided in divisions (G) (2) to 2937
(6) of this section, has the same meaning as in division (H) (1) 2938
of section 5739.01 of the Revised Code. 2939

(2) In the case of watercraft, outboard motors, or new 2940
motor vehicles, "price" has the same meaning as in divisions (H) 2941
(2) and (3) of section 5739.01 of the Revised Code. 2942

(3) In the case of a nonresident business consumer that 2943
purchases and uses tangible personal property outside this state 2944
and subsequently temporarily stores, uses, or otherwise consumes 2945
such tangible personal property in the conduct of business in 2946
this state, the consumer or the tax commissioner may determine 2947
the price based on the value of the temporary storage, use, or 2948
other consumption, in lieu of determining the price pursuant to 2949

division (G) (1) of this section. A price determination made by 2950
the consumer is subject to review and redetermination by the 2951
commissioner. 2952

(4) In the case of tangible personal property held in this 2953
state as inventory for sale or lease, and that is temporarily 2954
stored, used, or otherwise consumed in a taxable manner, the 2955
price is the value of the temporary use. A price determination 2956
made by the consumer is subject to review and redetermination by 2957
the commissioner. 2958

(5) In the case of tangible personal property originally 2959
purchased and used by the consumer outside this state, and that 2960
becomes permanently stored, used, or otherwise consumed in this 2961
state more than six months after its acquisition by the 2962
consumer, the consumer or the commissioner may determine the 2963
price based on the current value of such tangible personal 2964
property, in lieu of determining the price pursuant to division 2965
(G) (1) of this section. A price determination made by the 2966
consumer is subject to review and redetermination by the 2967
commissioner. 2968

(6) If a consumer produces tangible personal property for 2969
sale and removes that property from inventory for the consumer's 2970
own use, the price is the produced cost of that tangible 2971
personal property. 2972

(H) "Nexus with this state" means that the seller engages 2973
in continuous and widespread solicitation of purchases from 2974
residents of this state or otherwise purposefully directs its 2975
business activities at residents of this state. 2976

(I) (1) "Substantial nexus with this state" means that the 2977
seller has sufficient contact with this state, in accordance 2978

with Section 8 of Article I of the Constitution of the United 2979
States, to allow the state to require the seller to collect and 2980
remit use tax on sales of tangible personal property or services 2981
made to consumers in this state. 2982

(2) "Substantial nexus with this state" is presumed to 2983
exist when the seller does any of the following: 2984

(a) Uses an office, distribution facility, warehouse, 2985
storage facility, or similar place of business within this 2986
state, whether operated by the seller or any other person, other 2987
than a common carrier acting in its capacity as a common 2988
carrier. 2989

(b) Regularly uses employees, agents, representatives, 2990
solicitors, installers, repairers, salespersons, or other 2991
persons in this state for the purpose of conducting the business 2992
of the seller or either to engage in a business with the same or 2993
a similar industry classification as the seller selling a 2994
similar product or line of products as the seller, or to use 2995
trademarks, service marks, or trade names in this state that are 2996
the same or substantially similar to those used by the seller. 2997

(c) Uses any person, other than a common carrier acting in 2998
its capacity as a common carrier, in this state for any of the 2999
following purposes: 3000

(i) Receiving or processing orders of the seller's goods 3001
or services; 3002

(ii) Using that person's employees or facilities in this 3003
state to advertise, promote, or facilitate sales by the seller 3004
to customers; 3005

(iii) Delivering, installing, assembling, or performing 3006
maintenance services for the seller's customers; 3007

(iv) Facilitating the seller's delivery of tangible 3008
personal property to customers in this state by allowing the 3009
seller's customers to pick up property sold by the seller at an 3010
office, distribution facility, warehouse, storage facility, or 3011
similar place of business. 3012

(d) Makes regular deliveries of tangible personal property 3013
into this state by means other than common carrier. 3014

(e) Has an affiliated person that has substantial nexus 3015
with this state. 3016

(f) Owns tangible personal property that is rented or 3017
leased to a consumer in this state, or offers tangible personal 3018
property, on approval, to consumers in this state. 3019

(g) Has gross receipts in excess of one hundred thousand 3020
dollars in the current or preceding calendar year from the sale 3021
of tangible personal property for storage, use, or consumption 3022
in this state or from providing services the benefit of which is 3023
realized in this state. 3024

(h) Engages, in the current or preceding calendar year, in 3025
two hundred or more separate transactions selling tangible 3026
personal property for storage, use, or consumption in this state 3027
or providing services the benefit of which is realized in this 3028
state. 3029

(i) Is a short-term rental platform that furnishes lodging 3030
in short-term rental properties located in this state to 3031
transient guests. 3032

(3) A seller presumed to have substantial nexus with this 3033
state under divisions (I) (2) (a) to (f), (g), and (h) of this 3034
section may rebut that presumption by demonstrating that 3035
activities described in any of those divisions that are 3036

conducted by a person in this state on the seller's behalf are 3037
not significantly associated with the seller's ability to 3038
establish or maintain a market in this state for the seller's 3039
sales. 3040

(4) A marketplace facilitator is presumed to have 3041
substantial nexus with this state if either of the following 3042
apply in the current or preceding calendar year: 3043

(a) The aggregate gross receipts derived from sales of 3044
tangible personal property for storage, use, or consumption in 3045
this state or services the benefit of which is realized in this 3046
state, including sales made by the marketplace facilitator on 3047
its own behalf and sales facilitated by the marketplace 3048
facilitator on behalf of one or more marketplace sellers, exceed 3049
one hundred thousand dollars; 3050

(b) The marketplace facilitator engages in on its own 3051
behalf, or facilitates on behalf of one or more marketplace 3052
sellers, two hundred or more separate transactions selling 3053
tangible personal property for storage, use, or consumption in 3054
this state or services the benefit of which is realized in this 3055
state. 3056

(5) A seller that does not have substantial nexus with 3057
this state, and any affiliated person of the seller, before 3058
selling or leasing tangible personal property or services to a 3059
state agency, shall register with the tax commissioner in the 3060
same manner as a seller described in division (A)(1) of section 3061
5741.17 of the Revised Code. 3062

(6) As used in division (I) of this section: 3063

(a) "Affiliated person" means any person that is a member 3064
of the same controlled group of corporations as the seller or 3065

any other person that, notwithstanding the form of organization, 3066
bears the same ownership relationship to the seller as a 3067
corporation that is a member of the same controlled group of 3068
corporations. 3069

(b) "Controlled group of corporations" has the same 3070
meaning as in section 1563(a) of the Internal Revenue Code. 3071

(c) "State agency" has the same meaning as in section 1.60 3072
of the Revised Code. 3073

(J) "Fiscal officer" means, with respect to a regional 3074
transit authority, the secretary-treasurer thereof, and with 3075
respect to a county which is a transit authority, the fiscal 3076
officer of the county transit board appointed pursuant to 3077
section 306.03 of the Revised Code or, if the board of county 3078
commissioners operates the county transit system, the county 3079
auditor. 3080

(K) "Territory of the transit authority" means all of the 3081
area included within the territorial boundaries of a transit 3082
authority as they from time to time exist. Such territorial 3083
boundaries must at all times include all the area of a single 3084
county or all the area of the most populous county which is a 3085
part of such transit authority. County population shall be 3086
measured by the most recent census taken by the United States 3087
census bureau. 3088

(L) "Transit authority" means a regional transit authority 3089
created pursuant to section 306.31 of the Revised Code or a 3090
county in which a county transit system is created pursuant to 3091
section 306.01 of the Revised Code. For the purposes of this 3092
chapter, a transit authority must extend to at least the entire 3093
area of a single county. A transit authority which includes 3094

territory in more than one county must include all the area of 3095
the most populous county which is a part of such transit 3096
authority. County population shall be measured by the most 3097
recent census taken by the United States census bureau. 3098

(M) "Providing a service" has the same meaning as in 3099
section 5739.01 of the Revised Code. 3100

(N) "Other consumption" includes receiving the benefits of 3101
a service. 3102

(O) "Lease" or "rental" has the same meaning as in section 3103
5739.01 of the Revised Code. 3104

(P) "Certified service provider" has the same meaning as 3105
in section 5740.01 of the Revised Code. 3106

(Q) "Marketplace facilitator" means a person that owns, 3107
operates, or controls a physical or electronic marketplace 3108
through which retail sales or delivery network services, or 3109
both, are facilitated on behalf of one or more marketplace 3110
sellers, or an affiliate of such a person. "Marketplace 3111
facilitator" does not include a person that provides advertising 3112
services, including tangible personal property or services 3113
listed for sale, if the advertising service platform or forum 3114
does not engage directly or indirectly through one or more 3115
affiliated persons in the activities described in division (T) 3116
(2) of this section. 3117

(R) "Marketplace seller" means a person on behalf of which 3118
a marketplace facilitator facilitates the sale of tangible 3119
personal property for storage, use, or consumption in this state 3120
or services the benefit of which are realized in this state, 3121
regardless of whether or not the person has a substantial nexus 3122
with this state. 3123

(S) "Electronic marketplace" includes digital distribution 3124
services, digital distribution platforms, online portals, 3125
application stores, computer software applications, in-app 3126
purchase mechanisms, or other digital products. 3127

(T) A sale is "facilitated" by a marketplace facilitator 3128
on behalf of a marketplace seller if it satisfies divisions (T) 3129
(1), (2), and (3) of this section: 3130

(1) The marketplace facilitator, directly or indirectly, 3131
does any of the following: 3132

(a) Lists, makes available, or advertises the tangible 3133
personal property or services that are the subject of the sale 3134
in a physical or electronic marketplace owned, operated, or 3135
controlled by the marketplace facilitator; 3136

(b) Transmits or otherwise communicates an offer or 3137
acceptance of the sale between the marketplace seller and the 3138
purchaser in a shop, store, booth, catalog, internet site, or 3139
other similar forum; 3140

(c) Owns, rents, licenses, makes available, or operates 3141
any electronic or physical infrastructure or any property, 3142
process, method, copyright, trademark, or patent that connects 3143
the marketplace seller to the purchaser for the purpose of 3144
making sales; 3145

(d) Provides the marketplace in which the sale was made or 3146
otherwise facilitates the sale regardless of ownership or 3147
control of the tangible personal property or services that are 3148
the subject of the sale; 3149

(e) Provides software development or research and 3150
development services directly related to a physical or 3151
electronic marketplace that is involved in one or more of the 3152

activities described in division (T)(1) of this section; 3153

(f) Provides fulfillment or storage services for the 3154
marketplace seller that are related to the tangible personal 3155
property or services that are the subject of the sale; 3156

(g) Sets the price of the sale on behalf of the 3157
marketplace seller; 3158

(h) Provides or offers customer service to the marketplace 3159
seller or the marketplace seller's customers, or accepts or 3160
assists with taking orders, returns, or exchanges of the 3161
tangible personal property or services that are the subject of 3162
the sale; 3163

(i) Brands or otherwise identifies the sale as a sale of 3164
the marketplace facilitator. 3165

(2) The marketplace facilitator, directly or indirectly, 3166
does any of the following: 3167

(a) Collects the price of the tangible personal property 3168
or services sold to the consumer; 3169

(b) Provides payment processing services for the sale; 3170

(c) Collects payment in connection with the sale from the 3171
consumer through terms and conditions, agreements, or 3172
arrangements with a third party, and transmits that payment to 3173
the marketplace seller, regardless of whether the person 3174
collecting and transmitting such payment receives compensation 3175
or other consideration in exchange for the service; 3176

(d) Provides virtual currency that consumers are allowed 3177
or required to use to purchase the tangible personal property or 3178
services that are the subject of the sale. 3179

(3) The subject of the sale is tangible personal property 3180
or services other than lodging by a hotel that is or is to be 3181
furnished to transient guests. 3182

(U) "Delivery network company," "delivery network 3183
services," and "local merchant" have the same meanings as in 3184
section 5739.01 of the Revised Code. 3185

(V) "Short-term rental platform," "short-term rental 3186
property," and "transient guest" have the same meanings as in 3187
section 5739.01 of the Revised Code. 3188

Section 2. That existing sections 351.01, 351.021, 353.06, 3189
4735.11, 5739.01, 5739.08, 5739.09, 5739.091, and 5741.01 of the 3190
Revised Code are hereby repealed. 3191

Section 3. The amendment or enactment by this act of 3192
division (C) of section 5739.091 and sections 351.01, 351.021, 3193
353.06, 5739.08, and 5739.09 of the Revised Code applies on and 3194
after the first day of the first month beginning thirty days 3195
after the effective date of this section. 3196

The amendment by this act of sections 5739.01 and 5741.01 3197
of the Revised Code applies on and after the first day of the 3198
first month beginning thirty or more days after the effective 3199
date of this section. 3200

Section 4. Section 5739.01 of the Revised Code is 3201
presented in this act as a composite of the section as amended 3202
by both H.B. 315 and S.B. 196 of the 135th General Assembly. The 3203
General Assembly, applying the principle stated in division (B) 3204
of section 1.52 of the Revised Code that amendments are to be 3205
harmonized if reasonably capable of simultaneous operation, 3206
finds that the composite is the resulting version of the section 3207
in effect prior to the effective date of the section as 3208

presented in this act.

3209