As Introduced

136th General Assembly
Regular Session
2025-2026

S. B. No. 190

Senators Blessing, Smith

To amend sections 122.175, 131.44, 131.51, 319.30, 319.301, 319.54, 321.24, 321.26, 323.08, 323.152, 323.155, 323.158, 351.01, 351.021, 353.06, 718.83, 1509.01, 1509.02, 1509.11, 1509.34, 1513.08, 1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 4503.06, 4503.065, 5703.021, 5703.052, 5703.19, 5703.80, 5709.92, 5709.93, 5715.19, 5715.30, 5739.01, 5739.02, 5739.03, 5739.05, 5739.08, 5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 5747.03, 5747.031, 5747.08, 5747.10, 5747.38, 5747.41, 5747.71, 5747.98, 5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 5751.20; to enact section 5747.87; and to repeal sections 319.302, 1509.50, 5739.41, and 5751.40 of the Revised Code and to amend Section 259.30 of H.B. 33 of the 135th General Assembly to modify the law governing property, income, sales and use, severance, and lodging taxes; to provide breakfast and lunch at no cost to public and chartered nonpublic school students; to increase the Local Government Fund; to modify funding for the Low- and Moderate-income Housing Trust Fund; and to name this act A Good Deal for Ohio.

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

Section 1. That sections 122.175, 131.44, 131.51, 319.30, 319.301, 319.54, 321.24, 321.26, 323.08, 323.152, 323.155, 323.158, 351.01, 351.021, 353.06, 718.83, 1509.01, 1509.02, 1509.11, 1509.34, 1513.08, 1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 4503.06, 4503.065, 5703.021, 5703.052, 5703.19, 5703.80, 5709.92, 5709.93, 5715.19, 5715.30, 5739.01, 5739.02, 5739.03, 5739.05, 5739.08, 5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 5747.03, 5747.031, 5747.08, 5747.10, 5747.38, 5747.41, 5747.71, 5747.98, 5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 5751.20 be amended and section 5747.87 of the Revised Code be enacted to read as follows:

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

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

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

(b) Payments made to a related member as defined in section 5733.042 of the Revised Code or to a consolidated elected taxpayer or a combined taxpayer as defined in section 5751.01 of the Revised Code.

(2) "Computer data center" means a facility used or to be used primarily to house computer data center equipment used or

to be used in conducting one or more computer data center businesses, as determined by the tax credit authority.

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

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

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

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

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

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

(a) One or more taxpayers operating a computer data center business at the project site will, in the aggregate, make payments for a capital investment project of at least one hundred million dollars at the project site during one of the following cumulative periods:

(i) For projects beginning in 2013, six consecutive calendar years;

(ii) For projects beginning in 2014, four consecutive calendar years;

(iii) For projects beginning in or after 2015, three consecutive calendar years.

(b) One or more taxpayers operating a computer data center business at the project site will, in the aggregate, pay annual compensation that is subject to the withholding obligation imposed under section 5747.06 of the Revised Code of at least one million five hundred thousand dollars to employees employed at the project site for each year of the agreement beginning on or after the first day of the twenty-fifth month after the agreement was entered into under this section.

(6) "Person" has the same meaning as in section 5701.01 of the Revised Code.

(7) "Project site," "related member," and "tax credit authority" have the same meanings as in sections 122.17 and 122.171 of the Revised Code.

(8) "Taxpayer" means any person subject to the taxes imposed under Chapters 5739. and 5741. of the Revised Code.

(B) The tax credit authority may completely or partially exempt from the taxes levied under Chapters 5739. and 5741. of the Revised Code the sale, storage, use, or other consumption of computer data center equipment used or to be used at an eligible computer data center. Any such exemption shall extend to charges for the delivery, installation, or repair of the computer data center equipment subject to the exemption under this section. Notwithstanding any terms of any agreement entered into under

this section, no exemption under this section is allowed on and after the first day of the first month beginning after the effective date of this amendment.

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

(D) Upon review and consideration of such determinations and recommendations, the tax credit authority may enter into an agreement with the applicant and any other taxpayer that operates a computer data center business at the project site for a complete or partial exemption from the taxes imposed under

Chapters 5739. and 5741. of the Revised Code on computer data center equipment used or to be used at an eligible computer data center if the authority determines all of the following:

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

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

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

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

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

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

(2) The percentage of the exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code for the computer data center equipment used or to be used at the

eligible computer data center, the length of time the computer data center equipment will be exempted, and the first date on which the exemption applies.

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

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

(5) A requirement that each taxpayer subject to the agreement annually report to the director of development services employment, tax withholding, capital investment, and

other information required by the director to perform the director's duties under this section.

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

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

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

(F) The term of an agreement under this section shall be determined by the tax credit authority, and the amount of the exemption shall not exceed one hundred per cent of such taxes that would otherwise be owed in respect to the exempted computer data center equipment.

(G) If any taxpayer subject to an agreement under this section fails to meet or comply with any condition or requirement set forth in the agreement, the tax credit authority may amend the agreement to reduce the percentage of the exemption or term during which the exemption applies to the computer data center equipment used or to be used by the noncompliant taxpayer at an eligible computer data center. The reduction of the percentage or term may take effect in the current calendar year.

(H) Financial statements and other information submitted to the department of development services or the tax credit authority by an applicant for or recipient of an exemption under this section, and any information taken for any purpose from such statements or information, are not public records subject to section 149.43 of the Revised Code. However, the chairperson of the authority may make use of the statements and other information for purposes of issuing public reports or in connection with court proceedings concerning tax exemption agreements under this section. Upon the request of the tax commissioner, the chairperson of the authority shall provide to the tax commissioner any statement or other information submitted by an applicant for or recipient of an exemption under this section. The tax commissioner shall preserve the confidentiality of the statement or other information.

(I) The tax commissioner shall issue a direct payment

permit under section 5739.031 of the Revised Code to each taxpayer subject to an agreement under this section. Such direct payment permit shall authorize the taxpayer to pay any sales and use taxes due on purchases of computer data center equipment used or to be used in an eligible computer data center and to pay any sales and use taxes due on purchases of tangible personal property or taxable services other than computer data center equipment used or to be used in an eligible computer data center directly to the tax commissioner. Each such taxpayer shall pay pursuant to such direct payment permit all sales tax levied on such purchases under sections 5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code and all use tax levied on such purchases under sections 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code, consistent with the terms of the agreement entered into under this section.

During the term of an agreement under this section each taxpayer subject to the agreement shall submit to the tax commissioner a return that shows the amount of computer data center equipment purchased for use at the eligible computer data center, the amount of tangible personal property and taxable services other than computer data center equipment purchased for use at the eligible computer data center, the amount of tax under Chapter 5739. or 5741. of the Revised Code that would be due in the absence of the agreement under this section, the exemption percentage for computer data center equipment specified in the agreement, and the amount of tax due under Chapter 5739. or 5741. of the Revised Code as a result of the agreement under this section. Each such taxpayer shall pay the tax shown on the return to be due in the manner and at the times as may be further prescribed by the tax commissioner. Each such taxpayer shall include a copy of the director of development

services' certificate of verification issued under division (E)(6) of this section. Failure to submit a copy of the certificate with the return does not invalidate the claim for exemption if the taxpayer submits a copy of the certificate to the tax commissioner within the time prescribed by section 5703.0510 of the Revised Code.

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

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

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

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

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

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

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

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

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

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

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

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

(d) "Capital appropriation reserve," which means the amount, if any, of general revenue fund capital appropriations made for the current biennium that the director of budget and management has determined will be encumbered or disbursed.

(4) "Estimated general revenue fund appropriation and transfer requirement" means the most recent adjusted appropriations made by the general assembly from the general revenue fund and includes both of the following:

(a) Appropriations made and transfers of appropriations from the first fiscal year to the second fiscal year of the biennium in provisions of acts of the general assembly signed by the governor but not yet effective;

(b) Transfers of appropriations from the first fiscal year to the second fiscal year of the biennium approved by the controlling board.

(5) "Estimated general revenue fund revenue" means the most recent such estimate available to the director of budget and management.

~~(6) "Sales tax holiday" has the same meaning as in section 5739.01 of the Revised Code.~~

~~(B)(1)~~(B) Not later than the thirty-first day of July each year, the director of budget and management shall determine the surplus revenue that existed on the preceding thirtieth day of June and transfer from the general revenue fund, to the extent of the unobligated, unencumbered balance on the preceding thirtieth day of June in excess of one-half of one per cent of the general revenue fund revenues in the preceding fiscal year, ~~the following:~~

~~(a) First,~~ an amount to the budget stabilization fund~~, any~~

equal to the amount necessary for the balance of the budget stabilization fund to equal ten per cent of the general revenue fund revenues of the preceding fiscal year~~;~~

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

~~(2) Not later than the thirty-first day of July of 2024 and each year thereafter, if the balance in the expanded sales tax holiday fund is sixty million dollars or more, the director shall certify to the tax commissioner that a sales tax holiday shall be held in August of the following fiscal year. The commissioner, in consultation with the director and county commissioners association of Ohio, shall determine the number of days for which the sales tax holiday will be held, which shall be at least three days, and which may include additional days if the commissioner and director determine that the balance in the expanded sales tax holiday fund is sufficient to reimburse the general revenue fund, local government fund, public library fund, and permissive tax distribution fund for the revenue that would be forgone on four or more of the dates during the period specified in section 5739.41 of the Revised Code. In making the determination, the commissioner and director shall take into account estimated changes in consumer behavior during the time of and immediately preceding and following the sales tax holiday.~~

~~(C) The director of budget and management shall transfer money in the expanded sales tax holiday fund to the general revenue fund, local government fund, public library fund, and permissive tax distribution fund as necessary to offset revenue reductions resulting from a sales tax holiday held under section~~

~~5739.41 of the Revised Code. The amount transferred to each such fund, and the amounts distributed to counties and transit authorities from the permissive tax distribution fund, shall be in the same proportions as the transfer and distribution of taxes actually collected under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code in August of the fiscal year in which the sales tax holiday is held. If no sales tax holiday is held under section 5739.41 of the Revised Code in the current fiscal year, the director shall not transfer money from the sales tax holiday fund to the general revenue fund, local government fund, public library fund, or permissive tax distribution fund.~~

Sec. 131.51. (A) On or before the seventh day of each month, the director of budget and management shall credit to the local government fund ~~one and seven-tenths~~ two per cent of the total tax revenue credited to the general revenue fund during the preceding month. In determining the total tax revenue credited to the general revenue fund during the preceding month, the director shall include amounts transferred from the fund during the preceding month under this division and division (B) of this section. Money shall be distributed from the local government fund as required under sections 5747.50 and 5747.503 of the Revised Code during the same month in which it is credited to the fund.

(B) On or before the seventh day of each month, the director of budget and management shall credit to the public library fund ~~one and seven-tenths~~ two per cent of the total tax revenue credited to the general revenue fund during the preceding month. In determining the total tax revenue credited to the general revenue fund during the preceding month, the director shall include amounts transferred from the fund during

the preceding month under this division and division (A) of this section. Money shall be distributed from the public library fund as required under section 5747.47 of the Revised Code during the same month in which it is credited to the fund.

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

Sec. 319.30. (A) After receiving from officers and authorities empowered to determine the rates or amounts of taxes to be levied for the various purposes authorized by law, statements of the rates and sums to be levied for the current year, the county auditor shall proceed to determine the sums to be levied upon each tract and lot of real property, adding, except as provided under section 319.48 of the Revised Code for tracts and lots on the real property tax suspension list, the taxes of any previous year that have been omitted or that are delinquent, including the penalties and interest thereon, and upon the amount of public utility property listed on the general tax list and duplicate in the county, in the name of each public utility, which shall be assessed equally on all property subject to such taxes, and entered in one or more columns, in such manner and form as the tax commissioner prescribes. The auditor shall enter as separate items any interest required to be so entered under division (B)(1), (2), or (3) of section 323.121 of the Revised Code.

(B) If a taxing authority or unit has not certified the necessary levies to the county auditor by the time prescribed by section 5705.34 of the Revised Code and an appeal of an action

of the budget commission with respect to the tax rate of that authority or unit has been initiated under section 5705.341 or 5705.37 of the Revised Code but a final determination has not been made, the county auditor, in order to avoid a delay in the preparation of the tax list and duplicate, may proceed under division (A) of this section, using in lieu of the rate of tax to be levied for such authority or unit for any levy that has not been so certified, the estimated rate certified to the taxing authority or unit under section 5705.34 of the Revised Code. If as a result of the appeal the tax rate certified to the county auditor is not the same as the estimated rate used to determine the sums to be levied, the auditor shall proceed in the manner prescribed by this section and ~~sections~~ section 319.301 ~~and 319.302~~ of the Revised Code to determine the correct amount of taxes to be levied, charged, and payable for the year. If the correct amount of taxes charged and payable after the determination is complete is greater than or less than the taxes charged and payable as shown on the tax list and duplicate, a clerical error shall be deemed to have occurred in the preparation of the tax list and duplicate, and the auditor shall proceed in the manner prescribed by section 319.35 of the Revised Code.

(C) Notwithstanding section 2723.01 of the Revised Code, when any taxing district or the county auditor or county treasurer is involved in litigation, no court shall, with respect to such litigation, enjoin the collection of any taxes on real property, except assessments, for the current tax year, on or after the fifteenth day of November of that year. Any such injunction issued prior to that date shall expire on the fifteenth day of November of that year, and the county auditor and county treasurer shall proceed to levy and collect taxes for

that year as required by law, in the following manner:

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

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

The court shall attempt to decide the litigation prior to the first day of May, so that, absent an appeal, the county auditor may adjust the amount of taxes to be collected at the second-half collection in accordance with the order of the court. In such a case the adjustment shall be treated as the correction of a clerical error pursuant to section 319.35 of the Revised Code.

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

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

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

(3) Taxes provided for by the charter of a municipal

corporation.

(B) As used in this section:

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

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

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

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

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

(a) The sum of the total taxes that would have been charged and payable for current expenses against real property in that class if each of the district's taxes were reduced for the current year under division (D)(1) of this section without regard to the application of division (E)(3) of this section divided by

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

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

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

established pursuant to section 5713.041 of the Revised Code.

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

(1) Determine by what percentage, if any, the sums levied by such tax against the carryover property in each class would have to be reduced for the tax to levy the same number of dollars against such property in that class in the current year as were charged against such property by such tax in the preceding year subsequent to the reduction made under this section but before ~~the~~ any reduction made under section ~~319.302~~ 323.152 of the Revised Code. In the case of a tax levied for the first time that is not a renewal of an existing tax, the commissioner shall determine by what percentage the sums that would otherwise be levied by such tax against carryover property in each class would have to be reduced to equal the amount that would have been levied if the full rate thereof had been imposed against the total taxable value of such property in the preceding tax year. A tax or portion of a tax that is designated a replacement levy under section 5705.192 of the Revised Code is not a renewal of an existing tax for purposes of this division.

(2) Certify each percentage determined in division (D)(1) of this section, as adjusted under division (E) of this section, and the class of property to which that percentage applies to the auditor of each county in which the district has territory. The auditor, after complying with section 319.30 of the Revised Code, shall reduce the sum to be levied by such tax against each parcel of real property in the district by the percentage so certified for its class. Certification shall be made by the first day of September except in the case of a tax levied for

the first time, in which case certification shall be made within fifteen days of the date the county auditor submits the information necessary to make the required determination.

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

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

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

If the amount in division (E)(1)(b) of this section exceeds the amount in division (E)(1)(a) of this section, the pre-1982 joint vocational taxes shall be zero.

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

(2) If in the case of a school district other than a joint vocational or cooperative education school district any percentage required to be used in division (D)(2) of this section for either class of property could cause the total taxes charged and payable for current expenses to be less than two per cent of the taxable value of all real property in that class that is subject to taxation by the district, the commissioner shall determine what percentages would cause the district's

total taxes charged and payable for current expenses against that class, after all reductions that would otherwise be made under this section, to equal, when combined with the pre-1982 joint vocational taxes against that class, the lesser of the following:

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

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

(3) If in the case of a joint vocational school district any percentage required to be used in division (D)(2) of this section for either class of property could cause the total taxes charged and payable for current expenses for that class to be less than two-tenths of one per cent of the taxable value of that class, the commissioner shall determine what percentages would cause the district's total taxes charged and payable for current expenses for that class, after all reductions that would otherwise be made under this section, to equal that amount. The auditor shall use such percentages in making the reductions required by this section for that class.

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

(G) The commissioner may order a county auditor to furnish any information the commissioner needs to make the determinations required under division (D) or (E) of this section, and the auditor shall supply the information in the form and by the date specified in the order. If the auditor fails to comply with an order issued under this division, except

for good cause as determined by the commissioner, the commissioner shall withhold from such county or taxing district therein fifty per cent of state revenues to local governments pursuant to section 5747.50 of the Revised Code or shall direct the department of education and workforce to withhold therefrom fifty per cent of state revenues to school districts pursuant to Chapter 3317. of the Revised Code. The commissioner shall withhold the distribution of such revenues until the county auditor has complied with this division, and the department shall withhold the distribution of such revenues until the commissioner has notified the department that the county auditor has complied with this division.

(H) If the commissioner is unable to certify a tax reduction factor for either class of property in a taxing district located in more than one county by the last day of November because information required under division (G) of this section is unavailable, the commissioner may compute and certify an estimated tax reduction factor for that district for that class. The estimated factor shall be based upon an estimate of the unavailable information. Upon receipt of the actual information for a taxing district that received an estimated tax reduction factor, the commissioner shall compute the actual tax reduction factor and use that factor to compute the taxes that should have been charged and payable against each parcel of property for the year for which the estimated reduction factor was used. The amount by which the estimated factor resulted in an overpayment or underpayment in taxes on any parcel shall be added to or subtracted from the amount due on that parcel in the ensuing tax year.

A percentage or a tax reduction factor determined or computed by the commissioner under this section shall be used

solely for the purpose of reducing the sums to be levied by the tax to which it applies for the year for which it was determined or computed. It shall not be used in making any tax computations for any ensuing tax year.

(I) In making the determinations under division (D)(1) of this section, the tax commissioner shall take account of changes in the taxable value of carryover property resulting from complaints filed under section 5715.19 of the Revised Code for determinations made for the tax year in which such changes are reported to the commissioner. Such changes shall be reported to the commissioner on the first abstract of real property filed with the commissioner under section 5715.23 of the Revised Code following the date on which the complaint is finally determined by the board of revision or by a court or other authority with jurisdiction on appeal. The tax commissioner shall account for such changes in making the determinations only for the tax year in which the change in valuation is reported. Such a valuation change shall not be used to recompute the percentages determined under division (D)(1) of this section for any prior tax year.

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

Sec. 319.54. (A) On all moneys collected by the county treasurer on any tax duplicate of the county, other than estate tax duplicates, on all property tax relief reimbursements paid

to the county under sections 323.156 and 4503.068 ~~and divisions (F) and (I) of section 321.24~~ of the Revised Code, and on all moneys received as advance payments of personal property and classified property taxes, the county auditor, on settlement with the treasurer and tax commissioner, on or before the date prescribed by law for such settlement or any lawful extension of such date, shall be allowed as compensation for the county auditor's services the following percentages:

(1) On the first one hundred thousand dollars, two and one-half per cent;

(2) On the next two million dollars, eight thousand three hundred eighteen ten-thousandths of one per cent;

(3) On the next two million dollars, six thousand six hundred fifty-five ten-thousandths of one per cent;

(4) On all further sums, one thousand six hundred sixty-three ten-thousandths of one per cent.

If any settlement is not made on or before the date prescribed by law for such settlement or any lawful extension of such date, the aggregate compensation allowed to the auditor shall be reduced one per cent for each day such settlement is delayed after the prescribed date. No penalty shall apply if the auditor and treasurer grant all requests for advances up to ninety per cent of the settlement pursuant to section 321.34 of the Revised Code. The compensation allowed in accordance with this section on settlements made before the dates prescribed by law, or the reduced compensation allowed in accordance with this section on settlements made after the date prescribed by law or any lawful extension of such date, shall be apportioned ratably by the auditor and deducted from the shares or portions of the

revenue payable to the state as well as to the county, townships, municipal corporations, and school districts.

(B) For the purpose of reimbursing county auditors for the expenses associated with the increased number of applications for reductions in real property taxes under sections 323.152 and 4503.065 of the Revised Code that result from the amendment of those sections by Am. Sub. H.B. 119 of the 127th general assembly, there shall be paid from the state's general revenue fund to the county treasury, to the credit of the real estate assessment fund created by section 325.31 of the Revised Code, an amount equal to one per cent of the total annual amount of property tax relief reimbursement paid to that county under sections 323.156 and 4503.068 of the Revised Code for the preceding tax year. Payments made under this division shall be made at the same times and in the same manner as payments made under section 323.156 of the Revised Code.

(C) From all moneys collected by the county treasurer on any tax duplicate of the county, other than estate tax duplicates, on all property tax relief reimbursements paid to the county under sections 323.156 and 4503.068 ~~and divisions (F) and (I) of section 321.24~~ of the Revised Code, and on all moneys received as advance payments of personal property and classified property taxes, there shall be paid into the county treasury to the credit of the real estate assessment fund created by section 325.31 of the Revised Code, an amount to be determined by the county auditor, which shall not exceed the percentages prescribed in divisions (C)(1) and (2) of this section.

(1) For payments made after June 30, 2007, and before 2011, the following percentages:

(a) On the first five hundred thousand dollars, four per

cent;

(b) On the next five million dollars, two per cent;

(c) On the next five million dollars, one per cent;

(d) On all further sums not exceeding one hundred fifty million dollars, three-quarters of one per cent;

(e) On amounts exceeding one hundred fifty million dollars, five hundred eighty-five thousandths of one per cent.

(2) For payments made in or after 2011, the following percentages:

(a) On the first five hundred thousand dollars, four per cent;

(b) On the next ten million dollars, two per cent;

(c) On amounts exceeding ten million five hundred thousand dollars, three-fourths of one per cent.

Such compensation shall be apportioned ratably by the auditor and deducted from the shares or portions of the revenue payable to the state as well as to the county, townships, municipal corporations, and school districts.

(D) Each county auditor shall receive four per cent of the amount of tax collected and paid into the county treasury, on property omitted and placed by the county auditor on the tax duplicate.

(E) On all estate tax moneys collected by the county treasurer, the county auditor, on settlement annually with the tax commissioner, shall be allowed, as compensation for the auditor's services under Chapter 5731. of the Revised Code, two per cent of the amount collected and reported that year in

excess of refunds distributed, for the use of the general fund of the county.

(F) On all cigarette license moneys collected by the county treasurer, the county auditor, on settlement semiannually with the treasurer, shall be allowed as compensation for the auditor's services in the issuing of such licenses one-half of one per cent of such moneys, to be apportioned ratably and deducted from the shares of the revenue payable to the county and subdivisions, for the use of the general fund of the county.

(G) The county auditor shall charge and receive fees as follows:

(1) For deeds of land sold for taxes to be paid by the purchaser, five dollars;

(2) For the transfer or entry of land, lot, or part of lot, or the transfer or entry on or after January 1, 2000, of a used manufactured home or mobile home as defined in section 5739.0210 of the Revised Code, fifty cents for each transfer or entry, to be paid by the person requiring it;

(3) For receiving statements of value and administering section 319.202 of the Revised Code, one dollar, or ten cents for each one hundred dollars or fraction of one hundred dollars, whichever is greater, of the value of the real property transferred or, for sales occurring on or after January 1, 2000, the value of the used manufactured home or used mobile home, as defined in section 5739.0210 of the Revised Code, transferred, except no fee shall be charged when the transfer is made:

(a) To or from the United States, this state, or any instrumentality, agency, or political subdivision of the United States or this state;

(b) Solely in order to provide or release security for a debt or obligation;

(c) To confirm or correct a deed previously executed and recorded, or when a current owner is changing the current owner name listed on any record made available to the general public on the internet, or a publicly accessible database, and the general tax list of real and public utility property, and the general duplicate of real and public utility property, to the initials of the current owner as prescribed in division (C)(1) of section 319.28 of the Revised Code;

(d) To evidence a gift, in trust or otherwise and whether revocable or irrevocable, between husband and wife, or parent and child or the spouse of either;

(e) On sale for delinquent taxes or assessments;

(f) Pursuant to court order, to the extent that such transfer is not the result of a sale effected or completed pursuant to such order;

(g) Pursuant to a reorganization of corporations or unincorporated associations or pursuant to the dissolution of a corporation, to the extent that the corporation conveys the property to a stockholder as a distribution in kind of the corporation's assets in exchange for the stockholder's shares in the dissolved corporation;

(h) By a subsidiary corporation to its parent corporation for no consideration, nominal consideration, or in sole consideration of the cancellation or surrender of the subsidiary's stock;

(i) By lease, whether or not it extends to mineral or mineral rights, unless the lease is for a term of years

renewable forever;

(j) When the value of the real property or the manufactured or mobile home or the value of the interest that is conveyed does not exceed one hundred dollars;

(k) Of an occupied residential property, including a manufactured or mobile home, being transferred to the builder of a new residence or to the dealer of a new manufactured or mobile home when the former residence is traded as part of the consideration for the new residence or new manufactured or mobile home;

(l) To a grantee other than a dealer in real property or in manufactured or mobile homes, solely for the purpose of, and as a step in, the prompt sale of the real property or manufactured or mobile home to others;

(m) To or from a person when no money or other valuable and tangible consideration readily convertible into money is paid or to be paid for the real estate or manufactured or mobile home and the transaction is not a gift;

(n) Pursuant to division (B) of section 317.22 of the Revised Code, or section 2113.61 of the Revised Code, between spouses or to a surviving spouse pursuant to section 5302.17 of the Revised Code as it existed prior to April 4, 1985, between persons pursuant to section 5302.17 or 5302.18 of the Revised Code on or after April 4, 1985, to a person who is a surviving, survivorship tenant pursuant to section 5302.17 of the Revised Code on or after April 4, 1985, or pursuant to section 5309.45 of the Revised Code;

(o) To a trustee acting on behalf of minor children of the deceased;

(p) Of an easement or right-of-way when the value of the interest conveyed does not exceed one thousand dollars;

(q) Of property sold to a surviving spouse pursuant to section 2106.16 of the Revised Code;

(r) To or from an organization exempt from federal income taxation under section 501(c)(3) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended, provided such transfer is without consideration and is in furtherance of the charitable or public purposes of such organization;

(s) Among the heirs at law or devisees, including a surviving spouse, of a common decedent, when no consideration in money is paid or to be paid for the real property or manufactured or mobile home;

(t) To a trustee of a trust, when the grantor of the trust has reserved an unlimited power to revoke the trust;

(u) To the grantor of a trust by a trustee of the trust, when the transfer is made to the grantor pursuant to the exercise of the grantor's power to revoke the trust or to withdraw trust assets;

(v) To the beneficiaries of a trust if the fee was paid on the transfer from the grantor of the trust to the trustee or if the transfer is made pursuant to trust provisions which became irrevocable at the death of the grantor;

(w) To a corporation for incorporation into a sports facility constructed pursuant to section 307.696 of the Revised Code;

(x) Between persons pursuant to section 5302.18 of the Revised Code;

(y) From a county land reutilization corporation organized under Chapter 1724. of the Revised Code, or its wholly owned subsidiary, to a third party.

(4) For the cost of publishing the delinquent manufactured home tax list, the delinquent tax list, and the delinquent vacant land tax list, a flat fee, as determined by the county auditor, to be charged to the owner of a home on the delinquent manufactured home tax list or the property owner of land on the delinquent tax list or the delinquent vacant land tax list.

The auditor shall compute and collect the fee. The auditor shall maintain a numbered receipt system, as prescribed by the tax commissioner, and use such receipt system to provide a receipt to each person paying a fee. The auditor shall deposit the receipts of the fees on conveyances in the county treasury daily to the credit of the general fund of the county, except that fees charged and received under division (G)(3) of this section for a transfer of real property to a county land reutilization corporation shall be credited to the county land reutilization corporation fund established under section 321.263 of the Revised Code.

The real property transfer fee provided for in division (G)(3) of this section shall be applicable to any conveyance of real property presented to the auditor on or after January 1, 1968, regardless of its time of execution or delivery.

The transfer fee for a used manufactured home or used mobile home shall be computed by and paid to the county auditor of the county in which the home is located immediately prior to the transfer.

Sec. 321.24. (A) On or before the fifteenth day of

February, in each year, the county treasurer shall settle with the county auditor for all taxes and assessments that the treasurer has collected on the general duplicate of real and public utility property at the time of making the settlement. If the county treasurer has made or will make advance payments to the several taxing districts of current year unpaid taxes under section 321.341 of the Revised Code before collecting them, the county treasurer shall take the advance payments into account for purposes of the settlement with the county auditor under this division.

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

(C) On or before the tenth day of August, in each year, the treasurer shall settle with the auditor for all taxes and assessments that the treasurer has collected on the general duplicates of real and public utility property at the time of making such settlement, not included in the preceding February settlement. If the county treasurer has made or will make advance payments to the several taxing districts of the current year delinquent taxes under section 321.341 of the Revised Code before collecting them, the county treasurer shall take the advance payments into account for purposes of the settlement with the county auditor under this division.

(D) On or before the thirty-first day of October, in each year, the treasurer shall settle with the auditor for all taxes that the treasurer has collected on the general personal and classified property duplicates, and for all advance payments of general personal and classified property taxes, not included in

the preceding June settlement, that the treasurer has received at the time of making such settlement.

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

~~(F) Within thirty days after the day of each settlement of taxes required under divisions (A) and (C) of this section, the treasurer shall certify to the tax commissioner any adjustments that have been made to the amount certified previously pursuant to section 319.302 of the Revised Code and that the settlement has been completed. Upon receipt of such certification, the commissioner shall provide for payment to the county treasurer from the general revenue fund of an amount equal to one-half of the amount certified by the treasurer in the preceding tax year under section 319.302 of the Revised Code, less the sum of (1) one-half of the amount computed for all taxing districts in that county for the current fiscal year under section 5703.80 of the Revised Code for crediting to the property tax administration fund and (2) any reduction required by the commissioner under division (D) of section 718.83 of the Revised Code. Such payment shall be credited upon receipt to the county's undivided income tax fund. The county auditor shall distribute the amount among the various taxing districts in the county as if it had been levied, collected, and settled as real property taxes. The amount distributed to each taxing district shall be reduced by~~

~~the total of the amounts computed for the district under section 5703.80 of the Revised Code, but the reduction shall not exceed the amount that otherwise would be distributed to the taxing district under this division. The amount distributed to a taxing district shall account for any reduction required by the commissioner under division (D) of section 718.83 of the Revised Code. The tax commissioner shall make available to taxing districts such information as is sufficient for a taxing district to be able to determine the amount of the reduction in its distribution under this section.~~

~~(G)(1)~~ (F)(1) Within thirty days after the day of the settlement required in division (D) of this section, the county treasurer shall notify the tax commissioner that the settlement has been completed. Upon receipt of that notification, the commissioner shall provide for payment to the county treasurer from the general revenue fund of an amount equal to the amount certified under former section 319.311 of the Revised Code and paid in the state's fiscal year 2003 multiplied by the percentage specified in division ~~(G)(2)~~ (F)(2) of this section. The payment shall be credited upon receipt to the county's undivided income tax fund, and the county auditor shall distribute the amount thereof among the various taxing districts of the county as if it had been levied, collected, and settled as personal property taxes. The amount received by a taxing district under this division shall be apportioned among its funds in the same proportion as the current year's personal property taxes are apportioned.

(2) Payments required under division ~~(G)(1)~~ (F)(1) of this section shall be made at the following percentages of the amount certified under former section 319.311 of the Revised Code and paid under division ~~(G)(1)~~ (F)(1) of this section in the state's

fiscal year 2003:

(a) In fiscal year 2004, ninety per cent;

(b) In fiscal year 2005, eighty per cent;

(c) In fiscal year 2006, sixty-four per cent;

(d) In fiscal year 2007, forty per cent;

(e) In fiscal year 2008, thirty-two per cent;

(f) In fiscal year 2009, sixteen per cent.

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

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

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

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

~~(I) On or before the second Monday in September of each year, the county treasurer shall certify to the tax commissioner the total amount by which the manufactured home taxes levied in that year were reduced pursuant to section 319.302 of the~~

~~Revised Code. Within ninety days after the receipt of such certification, the commissioner shall provide for payment to the county treasurer from the general revenue fund of an amount equal to the amount certified by the treasurer. Such payment shall be credited upon receipt to the county's undivided income tax fund. The county auditor shall distribute the amount among the various taxing districts in the county as if it had been levied, collected, and settled as manufactured home taxes.~~

Sec. 321.26. (A) The county treasurer, on settlement with the county auditor, on or before the date prescribed for such settlement or any lawful extension of such date, shall be allowed as fees on all qualifying collections the following percentages:

(1) For settlement dates or any lawful extension of such dates occurring before January 1, 2018:

(a) On the first one hundred thousand dollars, two and nine thousand nine hundred forty-seven ten-thousandths of one per cent;

(b) On the next two million dollars, nine thousand nine hundred eighty-two ten-thousandths of one per cent;

(c) On the next two million dollars, seven thousand nine hundred eighty-six ten-thousandths of one per cent;

(d) On all further sums, one thousand nine hundred ninety-six ten-thousandths of one per cent.

(2) For settlement dates or any lawful extension of such dates occurring on or after January 1, 2018:

(a) On the first five million dollars or an amount as adjusted pursuant to division (B) of this section, nine thousand

four hundred ninety-five ten-thousandths of one per cent;

(b) On all further sums, one thousand nine hundred ninety-six ten-thousandths of one per cent.

If qualifying collections for a year are less than five million dollars or the amount as adjusted under division (B) of this section, the fee shall equal the product of five million dollars or that adjusted amount, as applicable, multiplied by nine thousand four hundred ninety-five ten-thousandths of one per cent.

(B) In January of each year, beginning in 2019, if the sum of qualifying charges for all counties in the preceding year exceeded the sum of qualifying charges for all counties in the second preceding year, the tax commissioner shall multiply the percentage by which that sum increased, rounded to the nearest one-tenth of one per cent, by the dollar amount described in division (A)(2)(a) of this section that is applicable to the preceding year.

For settlement dates or any lawful extension of such dates occurring in 2019 or any year thereafter, the tax commissioner shall adjust the dollar amount described in division (A)(2)(a) of this section applicable to the preceding year by adding the resulting product to that dollar amount and rounding the resulting sum to the nearest ten thousand dollars. That adjusted amount shall apply to each year beginning in the calendar year in which the commissioner makes such an adjustment and to each ensuing calendar year until a calendar year in which the commissioner makes a new adjustment under this division.

The tax commissioner shall not make an adjustment under this division for a year in which the qualifying charges in the

preceding year did not exceed the qualifying charges in the second preceding year, the rounded percentage calculated under this division does not exceed zero per cent, or the rounded resulting sum equals zero.

On or before the first day of February of each year, the tax commissioner shall certify to each county auditor and county treasurer the dollar amount under division (A)(2)(a) of this section applicable to settlement dates or any lawful extension of such dates occurring in that year.

(C) In the event any settlement prescribed by law is not made on or before the date prescribed by law for such settlement, on or before the dates prescribed by any lawful extension thereof, the aggregate compensation allowed to the county treasurer shall be reduced one per cent for each day such settlement is delayed after the prescribed date. No penalty shall apply in the event the auditor and treasurer grant all requests for advances up to ninety per cent of the settlement pursuant to section 321.34 of the Revised Code. The compensation allowed in accordance with this section on settlements made on or before the dates prescribed by law, or the reduced compensation allowed in accordance with this section on settlements made after the date prescribed by law or any lawful extension of such date, shall be apportioned ratably by the auditor and deducted from the shares or portion of the revenue payable to the state as well as to the county, township, corporations, and school districts. On all other moneys collected by the treasurer as fees or as advance payments, except moneys received from the treasurer of state, the treasurer's predecessors in office, the treasurer's legal representatives, or the sureties of such predecessors, and except moneys received from the proceeds of the bonds of the

county or of any municipal corporation, five-tenths per cent, to be paid upon the warrant of the auditor out of the general fund of the county.

(D) As used in this section:

(1) "Qualifying collections" means moneys collected by a county treasurer on any tax duplicates, other than the inheritance tax duplicate, and property tax relief reimbursements paid to the county under sections 323.156 and 4503.068 ~~and divisions (F) and (I) of section 321.24~~ of the Revised Code.

(2) "Qualifying charges" means taxes charged and payable against real and public utility property for the current tax year after making the reduction required by section 319.301 of the Revised Code.

Sec. 323.08. (A) After certifying the tax list and duplicate pursuant to section 319.28 of the Revised Code, the county auditor shall deliver a list of the tax rates, tax reduction factors, and effective tax rates assessed and applied against each of the two classes of property of the county to the county treasurer, who shall immediately cause a schedule of such tax rates and effective rates to be published using at least one of the following methods:

(1) In the print or digital edition of a newspaper of general circulation in the county;

(2) On the official public notice web site established under section 125.182 of the Revised Code;

(3) On the web site and social media account of the county.

Alternatively, in lieu of such publication, the county treasurer may insert a copy of such schedule with each tax bill mailed. Such schedule shall specify particularly the rates and effective rates of taxation levied for all purposes on the tax list and duplicate for the support of the various taxing units within the county, expressed in dollars and cents for each one thousand dollars of valuation. The effective tax rates shall be printed in boldface type.

(B) The county treasurer shall publish notice of the date of the last date for payment of each installment of taxes once a week for two successive weeks before such date using at least one of the following methods:

(1) In the print or digital edition of a newspaper of general circulation within the county;

(2) On the official public notice web site established under section 125.182 of the Revised Code;

(3) On the web site and social media account of the county.

The notice shall contain notice that any taxes paid after such date will accrue a penalty and interest and that failure to receive a tax bill will not avoid such penalty and interest. The notice shall contain a telephone number that may be called by taxpayers who have not received tax bills.

(C) As used in this section and section 323.131 of the Revised Code, "effective tax rate" means the effective rate after making the reduction required by section 319.301, but before making the reduction required by section ~~319.302~~ 323.152 of the Revised Code.

Sec. 323.152. In addition to the reduction in taxes

required under section ~~319.302~~ 319.301 of the Revised Code, taxes shall be reduced as provided in divisions (A) and (B) of this section.

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

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

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

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

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

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

(ii) If the person received, for any homestead, a reduction under division (A)(1) of this section for tax year 2013 or under division (A) of section 4503.065 of the Revised Code for tax year 2014 or the person is the surviving spouse of such a person and the surviving spouse is at least fifty-nine

years of age on the date the deceased spouse dies, the amount computed under division (A)(1)(c) of this section.

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

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

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

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

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

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

(d) The tax commissioner shall adjust the total income threshold described in division (A)(1)(b)(iii) and the reduction amounts described in divisions (A)(1)(c)(i), (A)(2), and (A)(3) of this section by completing the following calculations in September of each year:

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

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

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

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

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

(2)(a) Real property taxes on a homestead owned and occupied, or a homestead in a housing cooperative occupied, by a disabled veteran shall be reduced for each year for which an application for the reduction has been approved. The reduction shall equal the product obtained by multiplying fifty thousand dollars of the true value of the property in money, as adjusted

under division (A)(1)(d) of this section, by the amounts described in divisions (A)(1)(c)(ii) to (iv) of this section. The reduction is in lieu of any reduction under section 323.158 of the Revised Code or division (A)(1), (2)(b), or (3) of this section. The reduction applies to only one homestead owned and occupied by a disabled veteran.

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

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

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

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

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

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

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

(1) "Qualifying levy" means a levy approved at an election held before September 29, 2013; a levy within the ten-mill limitation; a levy provided for by the charter of a municipal

corporation that was levied on the tax list for tax year 2013; a subsequent renewal of any such levy; or a subsequent substitute for such a levy under section 5705.199 of the Revised Code.

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

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

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

(E) No reduction shall be made on the taxes due on the homestead of any person convicted of violating division (D) or

(E) of section 323.153 of the Revised Code for a period of three years following the conviction.

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

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

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

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

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

(B) On or before December 31, 1996, the board of county commissioners of a qualifying county may adopt a resolution under this section. The resolution shall grant a partial real property tax exemption to each homestead in the county that also receives the tax reduction under division (B) of section 323.152 of the Revised Code. The partial exemption shall take the form of the reduction by a specified percentage each year of the real property taxes on the homestead. The resolution shall specify the percentage, which may be any amount. The board may include in the resolution a condition that the partial exemption will

apply only upon the receipt by the county of additional revenue from a source specified in the resolution. The resolution shall specify the tax year in which the partial exemption first applies, which may be the tax year in which the resolution takes effect as long as the resolution takes effect before the county auditor certifies the tax duplicate of real and public utility property for that tax year to the county treasurer. Upon adopting the resolution, the board shall certify copies of it to the county auditor and the tax commissioner.

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

(D) For each tax year, the county auditor shall certify to the board of county commissioners the total amount by which real property taxes were reduced under this section. At the time of each semi-annual settlement of real property taxes between the county auditor and county treasurer, the board of county commissioners shall pay to the auditor one-half of that total amount. Upon receipt of the payment, the county auditor shall distribute it among the various taxing districts in the county as if it had been levied, collected, and settled as real property taxes. The board of county commissioners shall make the payment from the county general fund or from any other county revenue that may be used for that purpose. In making the payment, the board may use revenue from taxes levied by the county to provide additional general revenue under sections 5739.021 and 5741.021 of the Revised Code or to provide

additional revenue for the county general fund under sections 5739.026 and 5741.023 of the Revised Code.

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

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

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

Sec. 351.01. As used in this chapter:

(A) "Convention facilities authority" means a body

corporate and politic created pursuant to section 351.02 of the Revised Code.

(B) "Governmental agency" means a department, division, or other unit of the state government or of a municipal corporation, county, township, or other political subdivision of the state; any state university or college, as defined in section 3345.12 of the Revised Code, community college, state community college, university branch, or technical college; any other public corporation or agency having the power to acquire, construct, or operate facilities; the United States or any agency thereof; and any agency, commission, or authority established pursuant to an interstate compact or agreement.

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

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

(E) "Cost" means the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights, and interests required for such acquisition; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of acquiring or constructing and equipping a principal office of the convention facilities authority; the cost of diverting highways,

interchange of highways, access roads to private property, including the cost of land or easements for such access roads; the cost of public utility and common carrier relocation or duplication; the cost of all machinery, furnishings, and equipment; financing charges; interest prior to and during construction and for no more than eighteen months after completion of construction; expenses of research and development with respect to facilities; legal expenses; expenses of obtaining plans, specifications, engineering surveys, studies, and estimates of cost and revenues; working capital; expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing such facility; administrative expense; and such other expenses as may be necessary or incident to the acquisition or construction of the facility, the financing of such acquisition or construction, including the amount authorized in the resolution of the convention facilities authority providing for the issuance of convention facilities authority revenue bonds to be paid into any special funds from the proceeds of such bonds, the cost of issuing the bonds, and the financing of the placing of such facility in operation. Any obligation, cost, or expense incurred by any governmental agency or person for surveys, borings, preparation of plans and specifications, and other engineering services, or any other cost described above, in connection with the acquisition or construction of a facility may be regarded as part of the cost of such facility and may be reimbursed out of the proceeds of convention facilities authority revenue bonds as authorized by this chapter.

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

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

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

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

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

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

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

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

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

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

(P) ~~"Hotel"~~ "Hotel," "short-term rental property," and "transient guests" have the same meanings as in section 5739.01 of the Revised Code.

(Q) "Sports facility" means a facility intended to house

major league professional athletic teams.

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

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

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

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

(2) Within that portion of any municipal corporation that is located within the territory of the authority or within the boundaries of any township that is located within the territory of the authority, which municipal corporation or township is

levying any portion of the excise tax authorized by division (A) of section 5739.08 of the Revised Code, and with the approval, by ordinance or resolution, of the legislative authority of that municipal corporation or township, an additional excise tax not to exceed nine-tenths of one per cent on each transaction. The excise tax authorized by division (B)(2) of this section may be levied only if, on the effective date of the levy specified in the resolution making the levy, the amount being levied pursuant to division (A) of section 5739.08 of the Revised Code by each municipal corporation or township in which the tax authorized by division (B)(2) of this section will be levied, when added to the amount levied under division (B)(2) of this section, does not exceed three per cent on each transaction. The excise tax authorized by division (B)(2) of this section shall be in addition to any excise tax that is levied pursuant to section 5739.08 or 5739.09 of the Revised Code, or division (B)(1) of this section.

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

As used in division (C)(1) of this section, "eligible Appalachian county" means a county in this state designated as

being in the "Appalachian region" under the "Appalachian Regional Development Act of 1965," 79 Stat. 4, 40 U.S.C. App. 403, and having a population less than eighty thousand according to the most recent federal decennial census.

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

section 5739.09 of the Revised Code.

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

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

(D) The authority shall provide for the administration and allocation of an excise tax levied pursuant to division (B) or (C) of this section. All receipts arising from those excise taxes shall be expended for the purposes provided in, and in accordance with this section and section 351.141 of the Revised

Code. An excise tax levied under division (B) or (C) of this section shall remain in effect at the rate at which it is levied for at least the duration of the period for which the receipts from the tax have been anticipated and pledged pursuant to section 351.141 of the Revised Code.

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

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

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

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

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

The lake facilities authority shall provide for the administration and allocation of a tax levied pursuant to this section. All receipts arising from the tax shall be expended for the purposes provided in, and in accordance with, this section.

An excise tax levied under this section shall remain in effect at the rate at which it is levied for at least the duration of the period for which the receipts from the tax have been anticipated and pledged pursuant to section 353.08 of the Revised Code.

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

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

	For the Excise Tax
	Against the Excise Tax

"

Sec. 718.83. (A) On or before the last day of each month, the tax commissioner shall certify to the director of budget and management the amount to be paid to each municipal corporation, based on amounts reported on annual returns and declarations of estimated tax under sections 718.85 and 718.88 of the Revised Code, less any amounts previously distributed and net of any audit adjustments made or refunds granted by the commissioner, for the calendar month preceding the month in which the certification is made. Not later than the fifth day of each month, the director shall provide for payment of the amount certified to each municipal corporation from the municipal net profit tax fund, plus a pro rata share of any investment

earnings accruing to the fund since the previous payment under this section, and minus any reduction required by the commissioner under division (D) of this section. Each municipal corporation's share of such earnings shall equal the proportion that the municipal corporation's certified tax payment is of the total taxes certified to all municipal corporations in that quarter. All investment earnings on money in the municipal net profit tax fund shall be credited to that fund.

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

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

(D) If a municipal corporation fails to make a timely payment required under division (C) of this section, the commissioner may recover the deficiency using any or all of the following options:

(1) Deduct the amount of the deficiency from the next distribution to that municipal corporation under division (A) of

this section or, if the amount of the deficiency exceeds the amount of such distribution, withhold such distributions entirely until the withheld amount equals the amount of the municipal corporation's deficiency;

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

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

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

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

Sec. 1509.01. As used in this chapter:

(A) "Well" means any borehole, whether drilled or bored, within the state for production, extraction, or injection of any

gas or liquid mineral, excluding potable water to be used as such, but including natural or artificial brines and oil field waters. "Well" includes a stratigraphic well.

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

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

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

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

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

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

(H) "Waste" includes all of the following:

(1) Physical waste, as that term generally is understood in the oil and gas industry;

(2) Inefficient, excessive, or improper use, or the

unnecessary dissipation, of reservoir energy;

(3) Inefficient storing of oil or gas;

(4) Locating, drilling, equipping, operating, or producing an oil or gas well in a manner that reduces or tends to reduce the quantity of oil or gas ultimately recoverable under prudent and proper operations from the pool into which it is drilled or that causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas;

(5) Other underground or surface waste in the production or storage of oil, gas, or condensate, however caused.

(I) "Correlative rights" means the reasonable opportunity to every person entitled thereto to recover and receive the oil and gas in and under the person's tract or tracts, or the equivalent thereof, without having to drill unnecessary wells or incur other unnecessary expense.

(J) "Tract" means a single, individual parcel of land or a portion of a single, individual parcel of land.

(K) "Owner," unless referring to a mine, means the person who has the right to drill on a tract or drilling unit, to drill into and produce from a pool, and to appropriate the oil or gas produced therefrom either for the person or for others, except that a person ceases to be an owner with respect to a well when the well has been plugged in accordance with applicable rules adopted and orders issued under this chapter. "Owner" does not include a person who obtains a lease of the mineral rights for oil and gas on a parcel of land if the person does not attempt to produce or produce oil or gas from a well or obtain a permit under this chapter for a well or if the entire interest of a well is transferred to the person in accordance with division

(B) of section 1509.31 of the Revised Code.

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

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

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

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

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

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

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

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

Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C.A. 300(f), and regulations adopted under those acts.

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

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

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

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

(1) Was drilled and completed before January 1, 1980;

(2) Is located in an unglaciated part of the state;

(3) Was completed in a reservoir no deeper than the Mississippian Big Injun sandstone in areas underlain by Pennsylvanian or Permian stratigraphy, or the Mississippian Berea sandstone in areas directly underlain by Permian stratigraphy;

(4) Is used primarily to provide oil or gas for domestic use.

(X) "Exempt domestic well" means a well that meets all of the following criteria:

(1) Is owned by the owner of the surface estate of the tract on which the well is located;

(2) Is used primarily to provide gas for the owner's domestic use;

(3) Is located more than two hundred feet horizontal distance from any inhabited private dwelling house other than an inhabited private dwelling house located on the tract on which the well is located;

(4) Is located more than two hundred feet horizontal distance from any public building that may be used as a place of resort, assembly, education, entertainment, lodging, trade, manufacture, repair, storage, traffic, or occupancy by the public.

(Y) "Urbanized area" means an area where a well or production facilities of a well are located within a municipal corporation or within a township that has an unincorporated population of more than five thousand in the most recent federal decennial census prior to the issuance of the permit for the well or production facilities.

(Z) "Well stimulation" or "stimulation of a well" means the process of enhancing well productivity, including hydraulic fracturing operations.

(AA) "Production operation" means all operations and activities and all related equipment, facilities, and other

structures that may be used in or associated with the exploration and production of oil, gas, or other mineral resources that are regulated under this chapter, including operations and activities associated with site preparation, site construction, access road construction, well drilling, well completion, well stimulation, well site activities, reclamation, and plugging. "Production operation" also includes all of the following:

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

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

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

(4) Equipment and facilities at a wellpad or other location that are used for the transportation, handling, recycling, temporary storage, management, processing, or treatment of any equipment, material, and by-products or other substances from an operation at a wellpad that may be used or reused at the same or another operation at a wellpad or that will be disposed of in accordance with applicable laws and rules adopted under them.

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

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

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

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

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

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

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

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

(3) Failure to obtain, maintain, update, or submit proof of a surety bond that is required under this chapter;

(4) Failure to restore a disturbed land surface as required by section 1509.072 of the Revised Code;

(5) Failure to reimburse the oil and gas well fund

pursuant to a final order issued under section 1509.071 of the Revised Code;

(6) Failure to comply with a final nonappealable order of the chief issued under section 1509.04 of the Revised Code;

(7) Failure to submit a report, test result, fee, or document that is required in this chapter or rules adopted under it.

(FF) "Severer" has the same meaning as in section 5749.01 of the Revised Code.

(GG) "Horizontal well" means a well that is drilled for the production of oil or gas in which the wellbore reaches a horizontal or near horizontal position in the Point Pleasant, Utica, or Marcellus formation and the well is stimulated. "Horizontal well" does not include a stratigraphic well.

(HH) "Well pad" means the area that is cleared or prepared for the drilling of one or more horizontal wells.

(II) "Stratigraphic well" means a borehole that is drilled within the state on a tract solely to conduct research or testing of the subsurface geology, including porosity and permeability. "Stratigraphic well" does not include geotechnical or soil borings or a borehole drilled for seismic shot or mining of industrial minerals or coal.

Sec. 1509.02. There is hereby created in the department of natural resources the division of oil and gas resources management, which shall be administered by the chief of the division of oil and gas resources management. The division has sole and exclusive authority to regulate the permitting, location, and spacing of oil and gas wells and production operations within the state, excepting only those activities

regulated under federal laws for which oversight has been delegated to the environmental protection agency and activities regulated under sections 6111.02 to 6111.028 of the Revised Code. The regulation of oil and gas activities is a matter of general statewide interest that requires uniform statewide regulation, and this chapter and rules adopted under it constitute a comprehensive plan with respect to all aspects of the locating, drilling, well stimulation, completing, and operating of oil and gas wells within this state, including site construction and restoration, permitting related to those activities, and the disposal of wastes from those wells. In order to assist the division in the furtherance of its sole and exclusive authority as established in this section, the chief may enter into cooperative agreements with other state agencies for advice and consultation, including visitations at the surface location of a well on behalf of the division. Such cooperative agreements do not confer on other state agencies any authority to administer or enforce this chapter and rules adopted under it. In addition, such cooperative agreements shall not be construed to dilute or diminish the division's sole and exclusive authority as established in this section. Nothing in this section affects the authority granted to the director of transportation and local authorities in section 723.01 or 4513.34 of the Revised Code, provided that the authority granted under those sections shall not be exercised in a manner that discriminates against, unfairly impedes, or obstructs oil and gas activities and operations regulated under this chapter.

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

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

The fund shall be used solely and exclusively for the purposes enumerated in division (B) of section 1509.071 of the Revised Code, for the expenses of the division associated with the administration of this chapter and Chapter 1571. of the Revised Code and rules adopted under them, and for expenses that are critical and necessary for the protection of human health and safety and the environment related to oil and gas production in this state. The expenses of the division in excess of the moneys available in the fund shall be paid from general revenue fund appropriations to the department.

Sec. 1509.11. ~~(A)(1)~~ (A)(1)(a) The owner of any well,

except a horizontal well, that is producing or capable of producing oil or gas shall file with the chief of the division of oil and gas resources management, on or before the thirty-first day of March, a statement of production of oil, gas, and brine for the last preceding calendar year in such form as the chief may prescribe. An owner that has more than one hundred such wells in this state shall submit electronically the statement of production in a format that is approved by the chief.

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

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

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

the chief.

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

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

(3) If the attorney general cannot collect from a severer or an owner for an outstanding balance of amounts due under former section 1509.50 of the Revised Code or of unpaid taxes

levied under ~~division~~ divisions (A)(5) ~~or (6)~~ to (8) of section 5749.02 of the Revised Code, as applicable, the tax commissioner may request the chief to impose a priority lien against the owner's interest in the applicable well. Such a lien has priority in front of all other creditors.

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

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

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

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

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

(E) All money from the collection of liens under this section shall be deposited in the state treasury to the credit of the oil and gas well fund created in section 1509.02 of the Revised Code.

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

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

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

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

(1) If the applicant elects to provide performance

security without reliance on the reclamation forfeiture fund created in section 1513.18 of the Revised Code, the amount of the estimated cost of reclamation as determined by the chief under division (B) of this section for the increments of land on which the operator will conduct a coal mining and reclamation operation under the initial term of the permit as indicated in the application;

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

If a permit is transferred, assigned, or sold, the transferee is not eligible to provide performance security under division (C)(2) of this section if the transferee has not held a permit issued under this chapter for any coal mining and reclamation operation for a period of not less than five years. This restriction applies even if the status or name of the permittee otherwise remains the same after the transfer, assignment, or sale.

In the event of forfeiture of performance security that

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

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

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

If an applicant or permittee is not eligible to provide performance security in accordance with division (C)(2) of this section, the applicant or permittee shall provide performance security in accordance with division (C)(1) of this section in the full amount of the estimated cost of reclamation as

determined by the chief for a permitted coal preparation plant or coal refuse disposal area that is not located within a permitted area of a mine. If an applicant for a permit for a coal preparation plant or coal refuse disposal area or a permittee of a permitted coal preparation plant or coal refuse disposal area that is not located within a permitted area of a mine has held a permit issued under this chapter for any coal mining and reclamation operation for a period of five years or more, the applicant or permittee may provide performance security for the coal preparation plant or coal refuse disposal area either in accordance with division (C)(1) of this section in the full amount of the estimated cost of reclamation as determined by the chief or in accordance with division (C)(2) of this section in an amount of twenty-five hundred dollars per acre of land with reliance on the reclamation forfeiture fund. If a permittee has previously provided performance security under division (C)(1) of this section for a coal preparation plant or coal refuse disposal area that is not located within a permitted area of a mine and elects to provide performance security in accordance with division (C)(2) of this section, the permittee shall submit written notice to the chief indicating that the permittee elects to provide performance security in accordance with division (C)(2) of this section. Upon receipt of such a written notice, the chief shall release to the permittee the amount of the performance security previously provided under division (C)(1) of this section that exceeds the amount of performance security that is required to be provided under division (C)(2) of this section.

(D) A permittee's liability under the performance security shall be limited to the obligations established under the permit, which include completion of the reclamation plan in

order to make the land capable of supporting the postmining land use that was approved in the permit. The period of liability under the performance security shall be for the duration of the coal mining and reclamation operation and for a period coincident with the operator's responsibility for revegetation requirements under section 1513.16 of the Revised Code.

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

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

If the chief increases the amount of performance security under this division, the permittee shall provide additional

performance security in an amount determined by the chief. If the chief decreases the amount of performance security under this division, the chief shall determine the amount of the reduction of the performance security and send either written notice or electronic notice with acknowledgment of receipt of the amount of reduction to the permittee. The permittee may reduce the amount of the performance security in the amount determined by the chief.

(F) A permittee may request a reduction in the amount of the performance security by submitting to the chief documentation proving that the amount of the performance security provided by the permittee exceeds the estimated cost of reclamation if the reclamation would have to be performed by the division in the event of forfeiture of the performance security. The chief shall examine the documentation and determine whether the permittee's performance security exceeds the estimated cost of reclamation. If the chief determines that the performance security exceeds that estimated cost, the chief shall determine the amount of the reduction of the performance security and send either written notice or electronic notice with acknowledgment of receipt of the amount to the permittee. The permittee may reduce the amount of the performance security in the amount determined by the chief. Adjustments in the amount of performance security under this division shall not be considered release of performance security and are not subject to section 1513.16 of the Revised Code.

(G) If the performance security is a bond, it shall be executed by the operator and a corporate surety licensed to do business in this state. If the performance security is a cash deposit or negotiable certificates of deposit of a bank or savings and loan association, the bank or savings and loan

association shall be licensed and operating in this state. The cash deposit or market value of the securities shall be equal to or greater than the amount of the performance security required under this section. The chief shall review any documents pertaining to the performance security and approve or disapprove the documents. The chief shall notify the applicant of the chief's determination.

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

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

(J) If a surety, bank, savings and loan association, trust company, or other financial institution that holds the performance security required under this section becomes insolvent, the permittee shall notify the chief of the insolvency, and the chief shall order the permittee to submit a plan for replacement performance security within thirty days after receipt of notice from the chief. If the permittee provided performance security in accordance with division (C)(1) of this section, the permittee shall provide the replacement

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

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

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

(2) The provision of additional performance security in the amount of the estimated cost to the division of mineral resources management to repair material damage and replace water supplies resulting from subsidence until the repair or replacement is completed. However, if such repair or replacement is completed, or compensation for structures that have been damaged by subsidence is provided, by the permittee within ninety days of the occurrence of the subsidence, additional

performance security is not required. In addition, the chief may extend the ninety-day period for a period not to exceed one year if the chief determines that the permittee has demonstrated in writing that subsidence is not complete and that probable subsidence-related damage likely will occur and, as a result, the completion of repairs of subsidence-related material damage to lands or protected structures or the replacement of water supply within ninety days of the occurrence of the subsidence would be unreasonable.

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

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

(N) As used in this section:

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

(2) "Owner and controller of the applicant" means a person that has any relationship with the applicant that gives the

person authority to determine directly or indirectly the manner in which the applicant conducts coal mining operations.

Sec. 1513.182. (A) There is hereby created the reclamation forfeiture fund advisory board consisting of the director of natural resources, the director of insurance, and seven members appointed by the governor with the advice and consent of the senate. Of the governor's appointments, one shall be a certified public accountant, one shall be a registered professional engineer with experience in reclamation of mined land, two shall represent agriculture, agronomy, or forestry, one shall be a representative of operators of coal mining operations that have valid permits issued under this chapter and that have provided performance security under division (C)(1) of section 1513.08 of the Revised Code, one shall be a representative of operators of coal mining operations that have valid permits issued under this chapter and that have provided performance security under division (C)(2) of section 1513.08 of the Revised Code, and one shall be a representative of the public.

Of the original members appointed by the governor, two shall serve an initial term of two years, three an initial term of three years, and two an initial term of four years. Thereafter, terms of appointed members shall be for four years, with each term ending on the same date as the original date of appointment. An appointed member shall hold office from the date of appointment until the end of the term for which the member was appointed. Vacancies shall be filled in the same manner as original appointments. A member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that term. A member shall continue in office subsequent to the expiration date of the member's term until the

member's successor takes office or until a period of sixty days has elapsed, whichever occurs first. The governor may remove an appointed member of the board for misfeasance, nonfeasance, or malfeasance.

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

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

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

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

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

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

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

(3) Based on an actuarial study and as determined necessary by the board, adopt rules in accordance with Chapter

119. of the Revised Code to adjust the rate of the tax levied under division ~~(A)(8)~~ (A)(10) of section 5749.02 of the Revised Code and the balance of the reclamation forfeiture fund that pertains to that rate;

(4) Evaluate any rules, procedures, and methods for estimating the cost of reclamation for purposes of determining the amount of performance security that is required under section 1513.08 of the Revised Code; the collection of forfeited performance security; payments to the reclamation forfeiture fund; reclamation of sites for which operators have forfeited the performance security; and the compliance of operators with their reclamation plans;

(5) Provide a forum for discussion of issues related to the reclamation forfeiture fund and the performance security that is required under section 1513.08 of the Revised Code;

(6) Submit a report biennially to the governor that describes the financial status of the reclamation forfeiture fund and the adequacy of the amount of money in the fund to accomplish the purposes of the fund and that may discuss any matter related to the performance security that is required under section 1513.08 of the Revised Code;

(7) Make recommendations to the governor, if necessary, of alternative methods of providing money for or using money in the reclamation forfeiture fund and issues related to the reclamation of land or water resources that have been adversely affected by past coal mining for which the performance security was forfeited;

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

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

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

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

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

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

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

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

(C) The department shall reimburse each public school and chartered nonpublic school that participates in the national school lunch program, from funds appropriated by the general

assembly for that purpose, an amount equal to the sum of the following:

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

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

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

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

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

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

(B) The territory of Columbiana, Mahoning, and Trumbull counties is hereby added to the territory of the community

college district of Jefferson county, creating a new community college district to replace the former community college district of Jefferson county. The district created under this section shall be known as and operate under the name of "eastern gateway community college district," and its charter shall be amended to this name. The Jefferson county campus is hereby part of the eastern gateway community college district and shall remain in operation unless otherwise specified by the board of trustees of the community college.

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

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

The governor shall appoint the members of the board of trustees of the eastern gateway community college district as successors to the board of trustees of Jefferson community college as follows: Three members of the board of trustees shall be residents of Jefferson county. (The initial Jefferson county members shall be members of the board of trustees of the former community college district of Jefferson county, as it existed before ~~the effective date of this section~~ October 16, 2009.) Eight members of the board of trustees shall be residents of Columbiana, Mahoning, and Trumbull counties.

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

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

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

If a vacancy occurs and the Jefferson county tax levy is no longer in place or a conversion under division (H) of this section has occurred, the governor shall fill the vacancy with a person residing within the eastern gateway community college district.

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

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

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

(a) The Jefferson county tax levy;

(b) The expenditure of revenue from that tax levy;

(c) Levy-subsidized tuition rates.

(3) The voting restrictions under division (E)(2) of this section apply until the electors of the Columbiana, Mahoning, and Trumbull county taxing subdistrict approve a tax levy under division (F)(3) of this section that is equivalent to the tax levy approved by the electors of Jefferson county for the support of the former community college district of Jefferson county on ~~the effective date of this section~~ October 16, 2009. For the purposes of this division, the tax levy is an equivalent tax levy if either:

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

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

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

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

(a) "District" and "community college district" mean the appropriate taxing subdistrict defined in this section;

(b) "Board of trustees of the community college district" means the board of trustees for the entire eastern gateway

community college district. That board of trustees may propose separate levies for either of the two taxing subdistricts.

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

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

(3) The board of trustees may propose to levy a tax on taxable property in Columbiana, Mahoning, and Trumbull counties to be voted on by the electors of the counties as provided in division (F)(1) of this section. An affirmative vote by a majority of the electors of the subdistrict voting on the question is necessary for passage. Any amounts raised by such a tax in the tax subdistrict shall be used solely for the benefit of residents of the subdistrict attending the eastern gateway community college in the form of student tuition subsidies,

student scholarships, and instructional facilities, equipment, and support services located within Columbiana, Mahoning, and Trumbull counties, or for any purpose approved by the electors. Amounts collected shall be deposited into a separate fund from all other revenues collected by each taxing subdistrict.

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

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

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

Sec. 3354.25. (A) The provisions of this section prevail over conflicting provisions of this chapter; however, except as provided in this section, the community college district and its

board of trustees created by this section shall comply with the provisions of this chapter.

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

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

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

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

(1) Nine members of the board of trustees shall be residents of Montgomery county. The initial Montgomery county members shall be the same members of the board of trustees of the former community college district of Montgomery county, as it existed prior to ~~the effective date of this section~~ September 29, 2005, whose terms shall expire and whose successors shall be appointed as they would have otherwise under division (B) of section 3354.05 of the Revised Code.

(2) Two members of the board of trustees shall be

residents of Warren county, one of whom shall be appointed by the board of county commissioners of Warren county, and one of whom shall be appointed by the governor with the advice and consent of the senate. Each of the initial appointments under division (C)(2) of this section shall be made within ninety days after ~~the effective date of this section~~ September 29, 2005. At the time of the initial meeting of the trustees of the community college district created by this section, a drawing among the Warren county appointees shall be held to determine the initial term of each appointee, one trustee to serve for a term ending three years after the expiration date of the Montgomery county trustee's term that is the first to expire after ~~the effective date of this section~~ September 29, 2005, and the other trustee to serve for a term ending five years after the expiration date of the Montgomery county trustee's term that is the first to expire after ~~the effective date of this section~~ September 29, 2005. Thereafter, the successive terms of the Warren county members of the board of trustees shall be for five years, each term ending on the same day of the same month of the year as did the term which it succeeds. Each trustee shall hold office from the date of the trustee's appointment until the end of the term for which appointed. Any trustee appointed to fill a vacancy occurring prior to the expiration of the term for which the trustee's predecessor was appointed shall hold office for the remainder of that term. Any trustee shall continue in office subsequent to the expiration date of the trustee's term until the trustee's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

(D) The board of trustees of the community college district created by this section shall continue to comply with division (G) of section 3354.09 of the Revised Code, regarding

tuition for students who are residents of Ohio but not of the district, and for students who are nonresidents of Ohio. The tuition rate shall be based on the student's county of residence and shall apply to all Sinclair community college classes in all Sinclair community college locations. Except as provided in division (G)(2) of this section, students who are residents of Warren county shall continue to be charged tuition at the same rate as Ohio residents who are not residents of the district.

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

(a) Tax levies;

(b) The expenditure of revenue from tax levies;

(c) Levy-subsidized tuition rates.

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

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

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

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

(4) If the millage rate of the Warren county tax levy

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

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

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

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

As used in division (F)(2) of this section, "effective tax rate" means the quotient obtained by dividing the total taxes charged and payable for the taxing subdistrict for a tax year,

after the reduction prescribed by section 319.301 of the Revised Code but before ~~the~~ any reduction prescribed by section ~~319.302 or~~ 323.152 of the Revised Code, by the taxable value for the taxing subdistrict for that tax year.

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

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

Warren county residents.

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

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

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

(c) The resolution of the board of trustees proposing a tax levy in the Warren county taxing subdistrict is subject to approval of a two-thirds vote of the board of county commissioners of Warren county. If so approved by the board of county commissioners of Warren county, that board shall certify the resolution to the Warren county board of elections, which shall place on the ballot for the electors of Warren county the question of levying the tax proposed in the resolution on all taxable property of the county. If approved by the electors of the county, the tax shall be levied as provided in section 3354.12 of the Revised Code and anticipation notes may be issued

by the board of trustees in accordance with that section.

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

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

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

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

(1) The manufactured or mobile home acquired situs in the state or ownership in the home was transferred on or after January 1, 2000, and all of the following apply:

(a) The home is affixed to a permanent foundation as

defined in division (C)(5) of section 3781.06 of the Revised Code.

(b) The home is located on land that is owned by the owner of the home.

(c) The certificate of title has been inactivated by the clerk of the court of common pleas that issued it, pursuant to division (H) of section 4505.11 of the Revised Code.

(2) The manufactured or mobile home acquired situs in the state or ownership in the home was transferred before January 1, 2000, and all of the following apply:

(a) The home is affixed to a permanent foundation as defined in division (C)(5) of section 3781.06 of the Revised Code.

(b) The home is located on land that is owned by the owner of the home.

(c) The owner of the home has elected to have the home taxed as real property and, pursuant to section 4505.11 of the Revised Code, has surrendered the certificate of title to the auditor of the county containing the taxing district in which the home has its situs, together with proof that all taxes have been paid.

(d) The county auditor has placed the home on the real property tax list and delivered the certificate of title to the clerk of the court of common pleas that issued it and the clerk has inactivated the certificate.

(C)(1) Any mobile or manufactured home that is not taxed as real property as provided in division (B) of this section is subject to an annual manufactured home tax, payable by the

owner, for locating the home in this state. The tax as levied in this section is for the purpose of supplementing the general revenue funds of the local subdivisions in which the home has its situs pursuant to this section.

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

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

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

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

(D) The manufactured home tax shall be computed and assessed by the county auditor of the county containing the

taxing district in which the home has its situs as follows:

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

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

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

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

	1	2	3
A	For the first calendar year in which the home is owned by the current owner	x	80%
B	2nd calendar year	x	75%
C	3rd "	x	70%
D	4th "	x	65%
E	5th "	x	60%

F	6th "	x	55%
G	7th "	x	50%
H	8th "	x	45%
I	9th "	x	40%
J	10th and each year thereafter	x	35%

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

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

1		2	3
A	For the first calendar year in which the home is owned by the current owner	x	95%
B	2nd calendar year	x	90%
C	3rd "	x	85%
D	4th "	x	80%
E	5th "	x	75%
F	6th "	x	70%
G	7th "	x	65%

H	8th "	x	60%
I	9th "	x	55%
J	10th and each year thereafter	x	50%

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

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

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

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

(3) On or before the fifteenth day of January each year, the county auditor shall record the assessable value and the amount of tax on the manufactured or mobile home on the tax list and deliver a duplicate of the list to the county treasurer. In the case of an emergency as defined in section 323.17 of the Revised Code, the tax commissioner, by journal entry, may extend the times for delivery of the duplicate for an additional fifteen days upon receiving a written application from the county auditor regarding an extension for the delivery of the

duplicate, or from the county treasurer regarding an extension of the time for the billing and collection of taxes. The application shall contain a statement describing the emergency that will cause the unavoidable delay and must be received by the tax commissioner on or before the last day of the month preceding the day delivery of the duplicate is otherwise required. When an extension is granted for delivery of the duplicate, the time period for payment of taxes shall be extended for a like period of time. When a delay in the closing of a tax collection period becomes unavoidable, the tax commissioner, upon application by the county auditor and county treasurer, may order the time for payment of taxes to be extended if the tax commissioner determines that penalties have accrued or would otherwise accrue for reasons beyond the control of the taxpayers of the county. The order shall prescribe the final extended date for payment of taxes for that collection period.

(4) After January 1, 1999, the owner of a manufactured or mobile home taxed pursuant to division (D)(1) of this section may elect to have the home taxed pursuant to division (D)(2) of this section by filing a written request with the county auditor of the taxing district in which the home is located on or before the first day of December of any year. Upon the filing of the request, the county auditor shall determine whether all taxes levied under division (D)(1) of this section have been paid, and if those taxes have been paid, the county auditor shall tax the manufactured or mobile home pursuant to division (D)(2) of this section commencing in the next tax year.

(5) A manufactured or mobile home that acquired situs in this state prior to January 1, 2000, shall be taxed pursuant to division (D)(2) of this section if no manufactured home tax had

been paid for the home and the home was not exempted from taxation pursuant to division (E) of this section for the year for which the taxes were not paid.

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

A policy adopted by a county treasurer under division (A)(2) of section 323.13 of the Revised Code shall also allow any person required to receive a tax bill under division (D)(6)(a) of this section to request electronic delivery of that tax bill in the same manner. A person may rescind such a request in the same manner as a request made under division (A)(2) of section 323.13 of the Revised Code. The request shall terminate upon a

change in the name of the person charged with the taxes pursuant to section 4503.061 of the Revised Code.

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

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

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

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

subjected.

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

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

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

If the taxes charged against this home have not been reduced by the 2-1/2 per cent tax reduction and the home is a residence occupied by the owner, the home may qualify for the tax reduction. To obtain an application for the tax reduction or further information, the owner may contact the county auditor's office at _____ (insert the address and telephone number of the county auditor's office)."

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

(a) It is taxable as personal property pursuant to section 5709.01 of the Revised Code. Any manufactured or mobile home that is used as a residence shall be subject to this section and

shall not be taxable as personal property pursuant to section 5709.01 of the Revised Code.

(b) It bears a license plate issued by any state other than this state unless the home is in this state in excess of an accumulative period of thirty days in any calendar year.

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

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

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

(3) A travel trailer or park trailer, as these terms are defined in section 4501.01 of the Revised Code, is subject to this section and shall be taxed as a manufactured or mobile home if it has a situs longer than thirty days in one location and is connected to existing utilities, unless either of the following applies:

(a) The situs is in a state facility or a camping or park area as defined in division (C), (Q), (S), or (V) of section 3729.01 of the Revised Code.

(b) The situs is in a camping or park area that is a tract of land that has been limited to recreational use by deed or zoning restrictions and subdivided for sale of five or more

individual lots for the express or implied purpose of occupancy by either self-contained recreational vehicles as defined in division (T) of section 3729.01 of the Revised Code or by dependent recreational vehicles as defined in division (D) of section 3729.01 of the Revised Code.

(F) Except as provided in division (D)(3) of this section, the manufactured home tax is due and payable as follows:

(1) When a manufactured or mobile home has a situs in this state, as provided in this section, on the first day of January, one-half of the amount of the tax is due and payable on or before the first day of March and the balance is due and payable on or before the thirty-first day of July. At the option of the owner of the home, the tax for the entire year may be paid in full on the first day of March.

(2) When a manufactured or mobile home first acquires a situs in this state after the first day of January, no tax is due and payable for that year.

(G)(1)(a) Except as otherwise provided in division (G)(1)(b) of this section, if one-half of the current taxes charged under this section against a manufactured or mobile home, together with the full amount of any delinquent taxes, are not paid on or before the first day of March in that year, or on or before the last day for such payment as extended pursuant to section 4503.063 of the Revised Code, a penalty of ten per cent shall be charged against the unpaid balance of such half of the current taxes. If the total amount of all such taxes is not paid on or before the thirty-first day of July, next thereafter, or on or before the last day for payment as extended pursuant to section 4503.063 of the Revised Code, a like penalty shall be charged on the balance of the total amount of the unpaid current

taxes.

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

(2)(a) On the first day of the month following the last day the second installment of taxes may be paid without penalty beginning in 2000, interest shall be charged against and computed on all delinquent taxes other than the current taxes that became delinquent taxes at the close of the last day such second installment could be paid without penalty. The charge shall be for interest that accrued during the period that began on the preceding first day of December and ended on the last day of the month that included the last date such second installment could be paid without penalty. The interest shall be computed at the rate per annum prescribed by section 5703.47 of the Revised Code and shall be entered as a separate item on the delinquent manufactured home tax list compiled under division (H) of this section.

(b) On the first day of December beginning in 2000, the interest shall be charged against and computed on all delinquent

taxes. The charge shall be for interest that accrued during the period that began on the first day of the month following the last date prescribed for the payment of the second installment of taxes in the current year and ended on the immediately preceding last day of November. The interest shall be computed at the rate per annum prescribed by section 5703.47 of the Revised Code and shall be entered as a separate item on the delinquent manufactured home tax list.

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

(3) If the full amount of the taxes due at either of the times prescribed by division (F) of this section is paid within ten days after such time, the county treasurer shall waive the collection of and the county auditor shall remit one-half of the penalty provided for in this division for failure to make that payment by the prescribed time.

(4) The treasurer shall compile and deliver to the county auditor a list of all tax payments the treasurer has received as provided in division (G)(3) of this section. The list shall

include any information required by the auditor for the remission of the penalties waived by the treasurer. The taxes so collected shall be included in the settlement next succeeding the settlement then in process.

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

(2) Within thirty days after the settlement under division ~~(H)(2)~~ (G)(2) of section 321.24 of the Revised Code, the county auditor shall deliver a copy of the delinquent manufactured home tax list to the county treasurer. The auditor shall update and publish the delinquent manufactured home tax list annually in the same manner as delinquent real property tax lists are published. The county auditor may apportion the cost of publishing the list among taxing districts in proportion to the amount of delinquent manufactured home taxes so published that each taxing district is entitled to receive upon collection of those taxes, or the county auditor may charge the owner of a home on the list a flat fee established under section 319.54 of the Revised Code for the cost of publishing the list and, if the fee is not paid, may place the fee upon the delinquent manufactured home tax list as a lien on the listed home, to be collected as other manufactured home taxes.

(3) When taxes, penalties, or interest are charged against a person on the delinquent manufactured home tax list and are not paid within sixty days after the list is delivered to the county treasurer, the county treasurer shall, in addition to any

other remedy provided by law for the collection of taxes, penalties, and interest, enforce collection of such taxes, penalties, and interest by civil action in the name of the treasurer against the owner for the recovery of the unpaid taxes following the procedures for the recovery of delinquent real property taxes in sections 323.25 to 323.28 of the Revised Code. The action may be brought in municipal or county court, provided the amount charged does not exceed the monetary limitations for original jurisdiction for civil actions in those courts.

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

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

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

(J) An agreement to purchase or a bill of sale for a manufactured home shall show whether or not the furnishings and equipment are included in the purchase price.

(K) If the county treasurer and the county prosecuting attorney agree that an item charged on the delinquent manufactured home tax list is uncollectible, they shall certify that determination and the reasons to the county board of revision. If the board determines the amount is uncollectible,

it shall certify its determination to the county auditor, who shall strike the item from the list.

(L)(1) The county auditor shall appraise at its true value any manufactured or mobile home in which ownership is transferred or which first acquires situs in this state on or after January 1, 2000, and any manufactured or mobile home the owner of which has elected, under division (D)(4) of this section, to have the home taxed under division (D)(2) of this section. The true value shall include the value of the home, any additions, and any fixtures, but not any furnishings in the home. In determining the true value of a manufactured or mobile home, the auditor shall consider all facts and circumstances relating to the value of the home, including its age, its capacity to function as a residence, any obsolete characteristics, and other factors that may tend to prove its true value.

(2)(a) If a manufactured or mobile home has been the subject of an arm's length sale between a willing seller and a willing buyer within a reasonable length of time prior to the determination of true value, the county auditor shall consider the sale price of the home to be the true value for taxation purposes.

(b) The sale price in an arm's length transaction between a willing seller and a willing buyer shall not be considered the true value of the home if either of the following occurred after the sale:

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

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

(3) The county auditor shall have each home viewed and

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

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

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

(b) Any owner of a home or any other person or party that would be authorized to file a complaint under division (A) of section 5715.19 of the Revised Code if the home was real property may file a complaint against the true value of the home as appraised under this section. The complaint shall be filed with the county auditor on or before the thirty-first day of March of the current tax year or the date of closing of the collection for the first half of manufactured home taxes for the current tax year, whichever is later. The auditor shall present to the county board of revision all complaints filed with the auditor under this section. The board shall hear and investigate

the complaint and may take action on it as provided under sections 5715.11 to 5715.19 of the Revised Code.

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

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

(M) If the county auditor determines that any tax or other charge or any part thereof has been erroneously charged as a result of a clerical error as defined in section 319.35 of the Revised Code, the county auditor shall call the attention of the county board of revision to the erroneous charges. If the board finds that the taxes or other charges have been erroneously charged or collected, it shall certify the finding to the auditor. Upon receipt of the certification, the auditor shall remove the erroneous charges on the manufactured home tax list or delinquent manufactured home tax list in the same manner as is prescribed in section 319.35 of the Revised Code for erroneous charges against real property, and refund any erroneous charges that have been collected, with interest, in the same manner as is prescribed in section 319.36 of the Revised Code for erroneous charges against real property.

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

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

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

(3) "Delinquent taxes" means:

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

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

Sec. 4503.065. (A)(1) Division (A) of this section applies to any of the following persons:

(a) An individual who is permanently and totally disabled;

(b) An individual who is sixty-five years of age or older;

(c) An individual who is the surviving spouse of a

deceased person who was permanently and totally disabled or sixty-five years of age or older and who applied and qualified for a reduction in assessable value under this section in the year of death, provided the surviving spouse is at least fifty-nine but not sixty-five or more years of age on the date the deceased spouse dies.

(2) The manufactured home tax on a manufactured or mobile home that is paid pursuant to division (C) of section 4503.06 of the Revised Code and that is owned and occupied as a home by an individual whose domicile is in this state and to whom this section applies, shall be reduced for any tax year for which an application for such reduction has been approved, provided the individual did not acquire ownership from a person, other than the individual's spouse, related by consanguinity or affinity for the purpose of qualifying for the reduction. An owner includes a settlor of a revocable or irrevocable inter vivos trust holding the title to a manufactured or mobile home occupied by the settlor as of right under the trust.

(a) For manufactured and mobile homes for which the tax imposed by section 4503.06 of the Revised Code is computed under division (D)(2) of that section, the reduction shall equal one of the following amounts, as applicable to the person:

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

(ii) If the person received, for any homestead, a reduction under division (A) of this section for tax year 2014 or under division (A)(1) of section 323.152 of the Revised Code for tax year 2013 or the person is the surviving spouse of such

a person and the surviving spouse is at least fifty-nine years of age on the date the deceased spouse dies, the amount computed under division (A)(2)(b) of this section.

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

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

(i) Twenty-five thousand dollars of the true value of the property in money, as adjusted under division (A)(2)(e) of this section;

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

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

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

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

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

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

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

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

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

(ii) The percentage from the appropriate schedule in division (D)(1)(b) of section 4503.06 of the Revised Code;

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

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

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

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

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

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

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

The commissioner shall certify the amount resulting from each adjustment to each county auditor not later than the first day of December each year. The certified amount applies to the second ensuing tax year. The commissioner shall not make the applicable adjustment in any calendar year in which the amount resulting from the adjustment would be less than the total income threshold or the reduction amount for the ensuing tax year.

(B)(1) The manufactured home tax levied pursuant to division (C) of section 4503.06 of the Revised Code on a manufactured or mobile home that is owned and occupied by a

disabled veteran shall be reduced for any tax year for which an application for such reduction has been approved, provided the disabled veteran did not acquire ownership from a person, other than the disabled veteran's spouse, related by consanguinity or affinity for the purpose of qualifying for the reduction. An owner includes an owner within the meaning of division (A)(2) of this section.

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

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

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

(2) The manufactured home tax levied pursuant to division (C) of section 4503.06 of the Revised Code on a manufactured or mobile home that is owned and occupied by the surviving spouse

of a disabled veteran shall be reduced for each tax year for which an application for such reduction has been approved. The reduction shall equal the amount of the reduction authorized under division (B)(1)(a) or (b) of this section, as applicable. An owner includes an owner within the meaning of division (A)(2) of this section.

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

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

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

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

(C) The manufactured home tax levied pursuant to division (C) of section 4503.06 of the Revised Code on a manufactured or mobile home that is owned and occupied by the surviving spouse of a public service officer killed in the line of duty shall be reduced for any tax year for which an application for such reduction has been approved, provided the surviving spouse did

not acquire ownership from a person, other than the surviving spouse's deceased public service officer spouse, related by consanguinity or affinity for the purpose of qualifying for the reduction. An owner includes an owner within the meaning of division (A)(2) of this section.

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

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

The reduction is in lieu of any reduction under section 4503.0610 of the Revised Code or division (A) or (B) of this section. The reduction applies to only one manufactured or mobile home owned and occupied by such a surviving spouse. A manufactured or mobile home qualifies for a reduction in taxes under this division for the tax year in which the public service officer dies through the tax year in which the surviving spouse dies or remarries.

(D) If the owner or the spouse of the owner of a

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

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

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

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

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

~~(2) Commenced~~ commenced under section 5717.011 or 5717.02 of the Revised Code ~~when~~ and the amount in controversy claimed by the taxpayer does not exceed ten thousand dollars exclusive of interest and penalty. The board by rule may modify the jurisdictional dollar threshold for cases qualifying for the small claims docket.

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

(a) The appellant is one or more taxpayers that requests

assignment of the appeal to the small claims docket;

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

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

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

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

(F) A decision or order for an appeal assigned to the small claims docket shall be conclusive as to all parties and may not be appealed, and shall be recorded in the journal required by division (C) of section 5703.02 of the Revised Code, but such a decision or order shall not be considered as precedent in any other case, hearing, or proceeding.

(G) The appearance of an attorney at law licensed to practice law in this state on behalf of any party to an appeal

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

Sec. 5703.052. (A) There is hereby created in the state treasury the tax refund fund, from which refunds shall be paid for amounts illegally or erroneously assessed or collected, or for any other reason overpaid, with respect to taxes levied by Chapter 4301., 4305., 5726., 5728., 5729., 5731., 5733., 5735., 5736., 5739., 5741., 5743., 5747., 5748., 5749., 5751., or 5753. and sections 3737.71, 3905.35, 3905.36, 4303.33, 5707.03, 5725.18, 5727.28, 5727.38, 5727.81, and 5727.811 of the Revised Code. Refunds for fees levied under sections 3734.90 to 3734.9014 of the Revised Code, wireless 9-1-1 charges imposed under section 128.40 of the Revised Code, next generation 9-1-1 access fees imposed under sections 128.41 and 128.42 of the Revised Code, or any penalties assessed with respect to such fees or charges, that are illegally or erroneously assessed or collected, or for any other reason overpaid, also shall be paid from the fund. Refunds for amounts illegally or erroneously assessed or collected by the tax commissioner, or for any other reason overpaid, that are due under former section 1509.50 of

the Revised Code as that section existed before its repeal by this act shall be paid from the fund. Refunds for amounts illegally or erroneously assessed or collected by the commissioner, or for any other reason overpaid to the commissioner, under sections 718.80 to 718.95 of the Revised Code shall be paid from the fund. However, refunds for amounts illegally or erroneously assessed or collected by the commissioner, or for any other reason overpaid to the commissioner, with respect to taxes levied under section 5739.101 of the Revised Code shall not be paid from the tax refund fund, but shall be paid as provided in section 5739.104 of the Revised Code.

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

(2) When a refund is for a tax, fee, wireless 9-1-1 charge, next generation 9-1-1 access fee, or other amount that is not levied by the state or that was illegally or erroneously distributed to a taxing jurisdiction, the tax commissioner shall recover the amount of that refund from the next distribution of that tax, fee, wireless 9-1-1 charge, next generation 9-1-1 access fee, or other amount that otherwise would be made to the taxing jurisdiction. If the amount to be recovered would exceed twenty-five per cent of the next distribution of that tax, fee, wireless 9-1-1 charge, next generation 9-1-1 access fee, or

other amount, the commissioner may spread the recovery over more than one future distribution, taking into account the amount to be recovered and the amount of the anticipated future distributions. In no event may the commissioner spread the recovery over a period to exceed thirty-six months.

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

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

(C) For the purpose of ensuring compliance with divisions (A)(5) to (8) of section 5749.02 of the Revised Code, the commissioner or any person employed by the commissioner for that purpose, upon demand, may perform the same functions referenced in division (A) of this section for any person involved in the sale, transfer, or other disposition of oil, gas, condensate, or

natural gas liquids, as those terms are defined in section 5749.01 of the Revised Code.

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

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

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

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

(1) The total amount of taxes charged and payable against public utility personal property on the general tax list of real and public utility property for the preceding tax year ~~and of the~~;

(2) The total amount of taxes charged and payable against tangible personal property on the general tax list of personal property ~~of~~ for the preceding tax year and for which returns

were filed with the tax commissioner under section 5711.13 of the Revised Code.

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

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

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

Sec. 5709.92. (A) As used in this section:

(1) "School district" means a city, local, or exempted village school district.

(2) "Joint vocational school district" means a joint

vocational school district created under section 3311.16 of the Revised Code, and includes a cooperative education school district created under section 3311.52 or 3311.521 of the Revised Code and a county school financing district created under section 3311.50 of the Revised Code.

(3) "Total resources" means the sum of the amounts described in divisions (A)(3)(a) to (g) of this section less any reduction required under division (C)(3)(a) of this section.

(a) The state education aid for fiscal year 2015;

(b) The sum of the payments received in fiscal year 2015 for current expense levy losses under division (C)(3) of section 5727.85 and division (C)(12) of section 5751.21 of the Revised Code, as they existed at that time, excluding the portion of such payments attributable to levies for joint vocational school district purposes;

(c) The sum of fixed-sum levy loss payments received by the school district in fiscal year 2015 under division (F)(1) of section 5727.85 and division (E)(1) of section 5751.21 of the Revised Code, as they existed at that time, for fixed-sum levies charged and payable for a purpose other than paying debt charges;

(d) The district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2014, including taxes charged and payable from emergency levies charged and payable under sections 5705.194 to 5705.197 of the Revised Code, excluding taxes levied for joint vocational school district purposes or levied under section 5705.23 of the Revised Code;

(e) The amount certified for fiscal year 2015 under

division (A)(2) of section 3317.08 of the Revised Code;

(f) Distributions received during calendar year 2014 from taxes levied under section 718.09 of the Revised Code;

(g) Distributions received during fiscal year 2015 from the gross casino revenue county student fund.

(4)(a) "State education aid" for a school district means the sum of state amounts computed for the district under sections 3317.022 and 3317.0212 of the Revised Code after any amounts are added or subtracted under Section 263.240 of Am. Sub. H.B. 59 of the 130th general assembly, entitled "TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS."

(b) "State education aid" for a joint vocational district means the amount computed for the district under section 3317.16 of the Revised Code after any amounts are added or subtracted under Section 263.250 of Am. Sub. H.B. 59 of the 130th general assembly, entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL DISTRICTS."

(5) "Taxes charged and payable" means taxes charged and payable after the reduction required by section 319.301 of the Revised Code but before ~~the reductions~~ any reduction required by ~~sections 319.302 and~~ section 323.152 of the Revised Code.

(6) "Capacity quintile" means the capacity measure quintiles determined under division (B) of this section.

(7) "Threshold per cent" means the following:

(a) For a school district in the lowest capacity quintile, one per cent for fiscal year 2016 and two per cent for fiscal year 2017.

(b) For a school district in the second lowest capacity quintile, one and one-fourth per cent for fiscal year 2016 and two and one-half per cent for fiscal year 2017.

(c) For a school district in the third lowest capacity quintile, one and one-half per cent for fiscal year 2016 and three per cent for fiscal year 2017.

(d) For a school district in the second highest capacity quintile, one and three-fourths per cent for fiscal year 2016 and three and one-half per cent for fiscal year 2017.

(e) For a school district in the highest capacity quintile, two per cent for fiscal year 2016 and four per cent for fiscal year 2017.

(f) For a joint vocational school district, two per cent for fiscal year 2016 and four per cent for fiscal year 2017.

(8) "Current expense allocation" means the sum of the payments received by a school district or joint vocational school district in fiscal year 2015 for current expense levy losses under division (C)(3) of section 5727.85 and division (C)(12) of section 5751.21 of the Revised Code as they existed at that time, less any reduction required under division (C)(3)(b) of this section.

(9) "Non-current expense allocation" means the sum of the payments received by a school district or joint vocational school district in fiscal year 2015 for levy losses under division (C)(3)(c) of section 5727.85 and division (C)(12)(c) of section 5751.21 of the Revised Code, as they existed at that time, and levy losses in fiscal year 2015 under division (H) of section 5727.84 of the Revised Code as that section existed at that time attributable to levies for and payments received for

losses on levies intended to generate money for maintenance of classroom facilities.

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

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

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

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

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

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

(B) The department of education and workforce shall rank all school districts in the order of districts' capacity measures determined under former section 3317.018 of the Revised Code from lowest to highest, and divide such ranking into quintiles, with the first quintile containing the twenty per cent of school districts having the lowest capacity measure and

the fifth quintile containing the twenty per cent of school districts having the highest capacity measure. This calculation and ranking shall be performed once, in fiscal year 2016.

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

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

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

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

(2) In fiscal year 2018 and subsequent fiscal years, payments shall be made to school districts and joint vocational school districts equal to the difference obtained by subtracting the amount described in division (C)(2)(b) of this section from the amount described in division (C)(2)(a) of this section, provided that such amount is greater than zero.

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

(b) One-sixteenth of one per cent of the average of the

total taxable value of the district for tax years 2014, 2015, and 2016.

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

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

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

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

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

(b) In tax year 2017, the sum of the district's operating TPP fixed-sum levy losses and eighty per cent of operating S.B. 3 fixed-sum levy losses.

(c) In tax year 2018, the sum of eighty per cent of the district's operating TPP fixed-sum levy losses and sixty per cent of its operating S.B. 3 fixed-sum levy losses.

(d) In tax year 2019, the sum of sixty per cent of the

district's operating TPP fixed-sum levy losses and forty per cent of its operating S.B. 3 fixed-sum levy losses.

(e) In tax year 2020, the sum of forty per cent of the district's operating TPP fixed-sum levy losses and twenty per cent of its operating S.B. 3 fixed-sum levy losses.

(f) In tax year 2021, twenty per cent of the district's operating TPP fixed-sum levy losses.

No payment shall be made under division (D)(1) of this section after tax year 2021.

(2) Amounts are payable under division (D) of this section for fixed-sum levy losses only to the extent of such losses for qualifying levies that remain in effect for the current tax year. For this purpose, a qualifying levy levied under section 5705.194 or 5705.213 of the Revised Code remains in effect for the current tax year only if a tax levied under either of those sections is charged and payable for the current tax year for an annual sum at least equal to the annual sum levied by the board of education for tax year 2004 under those sections less the amount of the payment under this division.

(E)(1) For fixed-sum levies for debt purposes, payments shall be made to school districts and joint vocational school districts equal to one hundred per cent of the district's fixed-sum levy loss determined under division (E) of section 5751.20 and division (H) of section 5727.84 of the Revised Code as in effect before July 1, 2015, and paid in tax year 2014. No payment shall be made for qualifying levies that are no longer charged and payable.

(2) Beginning in 2016, by the thirty-first day of January of each year, the tax commissioner shall review the calculation

of fixed-sum levy loss for debt purposes determined under division (E) of section 5751.20 and division (H) of section 5727.84 of the Revised Code as in effect before July 1, 2015. If the commissioner determines that a fixed-sum levy that had been scheduled to be reimbursed in the current year is no longer charged and payable, a revised calculation for that year and all subsequent years shall be made.

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

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

(G) If all the territory of a school district or joint vocational school district is merged with another district, or if a part of the territory of a school district or joint vocational school district is transferred to an existing or newly created district, the department of education and workforce, in consultation with the tax commissioner, shall adjust the payments made under this section as follows:

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

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

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

(4) If the recipient district under division (G)(2) of this section or the newly created district under division (G)(3) of this section is assuming debt from one or more of the districts from which the property was transferred and any of the districts losing the property had fixed-sum levy losses, the department of education and workforce, in consultation with the tax commissioner, shall make an equitable division of the

reimbursements for those losses.

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

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

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

(1) "Taxes charged and payable" means taxes charged and payable after the reduction required by section 319.301 of the Revised Code but before ~~the reductions~~ any reduction required by ~~sections 319.302 and~~ section 323.152 of the Revised Code.

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

(3) "Public library" means a county, municipal, school

district, or township public library that receives the proceeds of a tax levied under section 5705.23 of the Revised Code.

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

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

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

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

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

(9) "Qualifying levy" means a levy for which payment was

made in calendar year 2014 under division (A)(1) of section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time.

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

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

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

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

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

(b) With respect to taxes levied by the county for senior services related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and

public utility property for tax year 2014.

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

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

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

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

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

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

(14) "Total resources," in the case of all county functions not included in divisions (A)(10) to (13) of this

section, means the sum of the amounts in divisions (A)(14)(a) to (e) of this section less any reduction required under division (B)(1) or (2) of this section.

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

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

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

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

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

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

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

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

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

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

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

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

municipal corporation has reported such data to the commissioner;

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

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

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

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

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

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

Code.

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

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

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

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

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

(e) For institutions of higher education receiving tax revenue from a local levy, as identified in section 3358.02 of

the Revised Code, the final state share of instruction allocation for fiscal year 2014 as calculated by the chancellor of higher education and reported to the state controlling board.

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

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

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

(c) With respect to a tax levied pursuant to section 5705.23 of the Revised Code for the benefit of the public library, the amount of such tax that is charged and payable against all property on the tax list of real and public utility property for tax year 2014 excluding any tax that is charged and payable for the purpose of paying debt charges;

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

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

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

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

(b) "Qualifying end user" means an end user of at least

seven million qualifying kilowatt hours of electricity annually.

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

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

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

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

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

(a) For public libraries and local taxing units other than municipal corporations:

(i) If the ratio of current expense allocation to total resources is equal to or less than the threshold per cent, zero;

(ii) If the ratio of current expense allocation to total

resources is greater than the threshold per cent, the current expense allocation minus the product of total resources multiplied by the threshold per cent.

(b) For municipal corporations:

(i) If the ratio of the municipal current expense allocation to total resources is equal to or less than the threshold per cent, zero;

(ii) If the ratio of the municipal current expense allocation to total resources is greater than the threshold per cent, the municipal current expense allocation minus the product of total resources multiplied by the threshold per cent.

(2) For any local taxing unit or public library with operating fixed-rate levy losses greater than zero, the operating fixed-rate levy loss shall be allocated among all qualifying operating fixed-rate levies in proportion to each such levy's share of the payments received in tax year 2014. In fiscal year 2016 and thereafter, if a levy to which operating fixed-rate levy loss is allocated is no longer charged and payable, the payment to the local taxing unit or public library shall be reduced by the amount allocated to the levy that is no longer charged and payable.

(D)(1) Except as provided in division (D)(2) of this section, the tax commissioner shall make payments to local taxing units equal to the sum of TPP inside millage debt levy loss and S.B. 3 inside millage debt levy loss. No payment shall be made if the levy for which the levy loss is computed is not charged and payable for debt purposes in fiscal year 2016 or any year thereafter.

(2) No payment shall be made for TPP inside millage debt

levy loss in calendar year 2018 or thereafter. No payment shall be made for S.B.3 inside millage debt levy loss in calendar year 2017 or thereafter.

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

(F)(1) The payments required to be made under divisions (C), (D), and (H) of this section shall be paid from the local government tangible property tax replacement fund to the county undivided income tax fund in the proper county treasury. Beginning in August 2015, one-half of the amount determined under each of those divisions shall be paid on or before the last day of August each year, and one-half shall be paid on or before the last day of February each year. Within thirty days after receipt of such payments, the county treasurer shall distribute amounts determined under this section to the proper local taxing unit or public library as if they had been levied

and collected as taxes, and the local taxing unit or public library shall allocate the amounts so received among its funds in the same proportions as if those amounts had been levied and collected as taxes.

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

(G) If all or a part of the territories of two or more local taxing units are merged, or unincorporated territory of a township is annexed by a municipal corporation, the tax commissioner shall adjust the payments made under this section to each of the local taxing units in proportion to the square mileage of the merged or annexed territory as a percentage of the total square mileage of the jurisdiction from which the territory originated, or as otherwise provided by a written agreement between the legislative authorities of the local

taxing units certified to the commissioner not later than the first day of June of the calendar year in which the payment is to be made.

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

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

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

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

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

"Legislative authority" means a board of county commissioners, a board of township trustees of any township with territory in the county, the board of education of any school district with territory in the county, or the legislative authority of a municipal corporation with territory in the county.

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

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

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

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

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

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

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

(d) The determination of the total valuation or assessment of any parcel that appears on the tax list, except parcels assessed by the tax commissioner pursuant to section 5727.06 of the Revised Code;

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

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

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

Subject to division (A)(6) of this section, any person owning taxable real property in the county or in a taxing district with territory in the county; such a person's spouse; a tenant of the property owner, if the property is classified as to use for tax purposes as commercial or industrial, the lease requires the tenant to pay the entire amount of taxes charged against the property, and the lease allows, or the property owner otherwise authorizes, the tenant to file such a complaint with respect to the property; an individual who is retained by such a person or tenant and who holds a designation from a professional assessment organization, such as the institute for professionals in taxation, the national council of property taxation, or the international association of assessing officers; a public accountant who holds a permit under section 4701.10 of the Revised Code, a general or residential real estate appraiser licensed or certified under Chapter 4763. of the Revised Code, or a real estate broker licensed under Chapter 4735. of the Revised Code, who is retained by such a person or tenant; if the person or tenant is a firm, company, association, partnership, limited liability company, or corporation, an officer, a salaried employee, a partner, or a member of that person or tenant; if the person or tenant is a trust, a trustee of the trust; the prosecuting attorney or treasurer of the

county; or the legislative authority of a subdivision or the mayor of a municipal corporation may file such a complaint regarding any such determination affecting any real property in the county, except that a person owning taxable real property in another county may file such a complaint only with regard to any such determination affecting real property in the county that is located in the same taxing district as that person's real property is located. The county auditor shall present to the county board of revision all complaints filed with the auditor.

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

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

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

(c) Substantial improvement was added to the property;

(d) An increase or decrease of at least fifteen per cent in the property's occupancy has had a substantial economic impact on the property.

(3) If a county board of revision, the board of tax appeals, or any court dismisses a complaint filed under this

section or section 5715.13 of the Revised Code for the reason that the act of filing the complaint was the unauthorized practice of law or the person filing the complaint was engaged in the unauthorized practice of law, the party affected by a decrease in valuation or the party's agent, or the person owning taxable real property in the county or in a taxing district with territory in the county, may refile the complaint, notwithstanding division (A)(2) of this section.

(4)(a) No complaint filed under this section or section 5715.13 of the Revised Code shall be dismissed for the reason that the complaint fails to accurately identify the owner of the property that is the subject of the complaint.

(b) If a complaint fails to accurately identify the owner of the property that is the subject of the complaint, the board of revision shall exercise due diligence to ensure the correct property owner is notified as required by divisions (B) and (C) of this section.

(5) Notwithstanding division (A)(2) of this section, a person, legislative authority, or officer may file a complaint against the valuation or assessment of any parcel that appears on the tax list if it filed a complaint against the valuation or assessment of that parcel for any prior tax year in the same interim period if the person, legislative authority, or officer withdrew the complaint before the complaint was heard by the board.

(6) The legislative authority of a subdivision, the mayor of a municipal corporation, or a third party complainant shall not file an original complaint with respect to property the subdivision or complainant does not own or lease unless both of the following conditions are met:

(a) If the complaint is based on a determination described in division (A)(1)(d) or (e) of this section, the property was (i) sold in an arm's length transaction, as described in section 5713.03 of the Revised Code, before, but not after, the tax lien date for the tax year for which the complaint is to be filed, and (ii) the sale price exceeds the true value of the property appearing on the tax list for that tax year by both ten per cent and the amount of the filing threshold determined under division (J) of this section;

(b) If the complaint is filed by a legislative authority or mayor, the legislative authority or, in the case of a mayor, the legislative authority of the municipal corporation, first adopts a resolution authorizing the filing of the original complaint at a public meeting of the legislative authority.

(7) A resolution adopted under division (A)(6)(b) of this section shall include all of the following information:

(a) Identification of the parcel or parcels that are the subject of the original complaint by street address, if available from online records of the county auditor, and by permanent parcel number;

(b) The name of at least one of the record owners of the parcel or parcels;

(c) The basis for the complaint under divisions (A)(1)(a) to ~~(f)~~ (e) of this section relative to each parcel identified in the resolution;

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

A legislative authority shall not adopt a resolution

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

Before adopting a resolution required by division (A)(6)(b) of this section, the legislative authority shall mail a written notice to at least one of the record owners of the parcel or parcels identified in the resolution stating the intent of the legislative authority in adopting the resolution, the proposed date of adoption, and the basis for the complaint under divisions (A)(1)(a) to ~~(f)~~ (e) of this section relative to each parcel identified in the resolution. The notice shall be sent by certified mail to the last known tax-mailing address of at least one of the record owners and, if different from that tax-mailing address, to the street address of the parcel or parcels identified in the resolution. Alternatively, if the legislative authority has record of an internet identifier of record associated with at least one of the record owners, the legislative authority may send the notice by ordinary mail and by that internet identifier of record. The notice shall be postmarked or, if sent by internet identifier of record, sent at least seven calendar days before the legislative authority adopts the resolution.

A board of revision has jurisdiction to consider a complaint filed pursuant to a resolution adopted under division

(A)(6)(b) of this section only if the legislative authority notifies the board of revision of the resolution in the manner prescribed in division (A)(8) of this section. The failure to accurately identify the street address or the name of the record owners of the parcel in the resolution does not invalidate the resolution nor is it a cause for dismissal of the complaint.

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

(B) Within thirty days after the last date such complaints may be filed, the auditor shall give notice of each complaint in which the stated amount of overvaluation, undervaluation, discriminatory valuation, illegal valuation, or incorrect determination is at least seventeen thousand five hundred dollars in taxable value to each property owner whose property is the subject of the complaint, if the complaint was not filed by the owner or the owner's spouse. A board of education, subject to this division; a property owner; the owner's spouse; a tenant of the owner, if that tenant would be eligible to file a complaint under division (A) of this section with respect to the property; an individual who is retained by such an owner or tenant and who holds a designation from a professional assessment organization, such as the institute for professionals in taxation, the national council of property taxation, or the

international association of assessing officers; a public accountant who holds a permit under section 4701.10 of the Revised Code, a general or residential real estate appraiser licensed or certified under Chapter 4763. of the Revised Code, or a real estate broker licensed under Chapter 4735. of the Revised Code, who is retained by such an owner or tenant; or, if the owner or tenant is a firm, company, association, partnership, limited liability company, corporation, or trust, an officer, a salaried employee, a partner, a member, or trustee of that owner or tenant, may file a counter-complaint in support of or objecting to the amount of alleged overvaluation, undervaluation, discriminatory valuation, illegal valuation, or incorrect determination stated in a previously filed original complaint or objecting to the current valuation.

A board of education may file a counter-complaint only if the original complaint states an amount of overvaluation, undervaluation, discriminatory valuation, illegal valuation, or incorrect determination of at least seventeen thousand five hundred dollars in taxable value. The board shall file the counter-complaint within thirty days after the original complaint is filed or after the last day such complaints may be filed, whichever is later, and any other person shall file the counter-complaint within thirty days after receiving the notice required under this division.

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

(C) Each board of revision shall notify any complainant and counter-complainant, and also the property owner, if the property owner's address is known, and the complaint is filed by

one other than the property owner, not less than ten days prior to the hearing, either by certified mail or, if the board has record of an internet identifier of record associated with the owner, by ordinary mail and by that internet identifier of record of the time and place the same will be heard. The board of revision shall hear and render its decision on an original complaint within one hundred eighty days after the last day such a complaint may be filed with the board under division (A)(1) of this section or, if a counter-complaint is filed, within one hundred eighty days after such filing. If the original complaint is filed by the legislative authority of a subdivision, the mayor of a municipal corporation with territory in the county, or a third party complainant, and if the board of revision has not rendered its decision on the complaint within one year after the date the complaint was filed, the board may dismiss the complaint.

(D) The determination of any such original complaint or counter-complaint shall relate back to the date when the lien for taxes or recoupment charges for the current year attached or the date as of which liability for such year was determined. Liability for taxes and recoupment charges for such year and each succeeding year until the complaint is finally determined and for any penalty and interest for nonpayment thereof within the time required by law shall be based upon the determination, valuation, or assessment as finally determined. Each complaint shall state the amount of overvaluation, undervaluation, discriminatory valuation, illegal valuation, or incorrect classification or determination upon which the complaint is based. The treasurer shall accept any amount tendered as taxes or recoupment charge upon property concerning which a complaint is then pending, computed upon the claimed valuation as set

forth in the complaint. Unless dismissal is required under division (C) of this section, if an original complaint or counter-complaint filed for the current year is not determined by the board within the time prescribed for such determination, the complaint and any proceedings in relation thereto shall be continued by the board as a valid complaint for any ensuing year until that original complaint or counter-complaint is finally determined by the board or upon any appeal from a decision of the board. In such case, the original complaint and counter-complaint shall continue in effect without further filing by the original taxpayer, the original taxpayer's assignee, or any other person or entity authorized to file a complaint under this section.

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

(1) If the amount finally determined is less than the amount billed but more than the amount tendered, the taxpayer shall pay interest at the rate per annum prescribed by section 5703.47 of the Revised Code, computed from the date that the taxes were due on the difference between the amount finally determined and the amount tendered. This interest charge shall be in lieu of any penalty or interest charge under section 323.121 of the Revised Code unless the taxpayer failed to file a complaint and tender an amount as taxes or recoupment charges within the time required by this section, in which case section 323.121 of the Revised Code applies.

(2) If the amount of taxes finally determined is equal to

or greater than the amount billed and more than the amount tendered, the taxpayer shall pay interest at the rate prescribed by section 5703.47 of the Revised Code from the date the taxes were due on the difference between the amount finally determined and the amount tendered, such interest to be in lieu of any interest charge but in addition to any penalty prescribed by section 323.121 of the Revised Code.

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

(G) A complainant shall provide to the board of revision all information or evidence within the complainant's knowledge or possession that affects the real property that is the subject of the complaint. A complainant who fails to provide such information or evidence is precluded from introducing it on appeal to the board of tax appeals or the court of common pleas, except that the board of tax appeals or court may admit and consider the evidence if the complainant shows good cause for the complainant's failure to provide the information or evidence to the board of revision.

(H) In case of the pendency of any proceeding in court

based upon an alleged excessive, discriminatory, or illegal valuation or incorrect classification or determination, the taxpayer may tender to the treasurer an amount as taxes upon property computed upon the claimed valuation as set forth in the complaint to the court. The treasurer may accept the tender. If the tender is not accepted, no penalty shall be assessed because of the nonpayment of the full taxes assessed.

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

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

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

(3) Resolving a claim under this section by settlement agreement.

A "private payment agreement" does not include any agreement to resolve a claim under this section pursuant to which an agreed-upon valuation for the property that is the subject of the claim is approved by the county auditor and reflected on the tax list, provided that agreement does not

require any payments described in this division.

(J) For the purpose of division (A)(6)(a) of this section, the filing threshold for tax year 2022 equals five hundred thousand dollars. For tax year 2023 and each tax year thereafter, the tax commissioner shall adjust the filing threshold used in that division by completing the following calculations in September of each year:

(1) Determine the percentage increase in the gross domestic product deflator determined by the bureau of economic analysis of the United States department of commerce from the first day of January of the preceding year to the last day of December of the preceding year;

(2) Multiply that percentage increase by the filing threshold for the current year;

(3) Add the resulting product to the filing threshold for the current year;

(4) Round the resulting sum to the nearest multiple of one thousand dollars.

The commissioner shall certify the amount resulting from the adjustment to each county auditor not later than the first day of October each year. The certified amount applies to complaints filed for the tax year in which the amount is certified. The commissioner shall not make the adjustment for any tax year in which the amount resulting from the adjustment would be less than the filing threshold for the current tax year.

Sec. 5715.30. The tax commissioner shall prescribe for and furnish to all county boards of revision, county auditors, and county treasurers blank forms for all oaths of office,

statements, returns, reports, tax lists and duplicates, abstracts, records of proceedings, complaints, notices of appeal, tax bills, receipts, and all other documents, files, and records authorized or required by any law which relates to the assessment, levy, or collection of taxes or the reduction of taxes or by any rules, orders, or instructions of the commissioner. The commissioner shall prescribe a form for tax lists and duplicates to insure proper administration of sections 319.301~~, 319.302,~~ and 323.151 to 323.159 of the Revised Code. The commissioner shall prescribe and furnish blank forms of records and papers for all proceedings and official actions authorized or required by any law which relates to the assessment, levy, or collection of taxes or by any rules, orders, or instruction of the commissioner. Auditors, treasurers, all other officers, and all persons required to list property for taxation shall use true copies of such blank forms.

Sec. 5739.01. As used in this chapter:

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

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

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

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

(3) All transactions by which:

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

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

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

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

(e) Automatic data processing, computer services, or electronic information services are or are to be provided for use in business when the true object of the transaction is the receipt by the consumer of automatic data processing, computer services, or electronic information services rather than the receipt of personal or professional services to which automatic data processing, computer services, or electronic information services are incidental or supplemental. Notwithstanding any other provision of this chapter, such transactions that occur between members of an affiliated group are not sales. An

"affiliated group" means two or more persons related in such a way that one person owns or controls the business operation of another member of the group. In the case of corporations with stock, one corporation owns or controls another if it owns more than fifty per cent of the other corporation's common stock with voting rights.

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

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

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

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

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

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

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

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

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

(o) Personal care service is or is to be provided to an individual. As used in this division, "personal care service"

includes skin care, the application of cosmetics, manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician, certified nurse-midwife, clinical nurse specialist, certified nurse practitioner, or chiropractor, or the cutting, coloring, or styling of an individual's hair.

(p) The transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102;

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

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

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

(4) All transactions by which printed, imprinted, overprinted, lithographic, multilithic, blueprinted,

photostatic, or other productions or reproductions of written or graphic matter are or are to be furnished or transferred;

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

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

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

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

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

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

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

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

(10) All transactions in which "guaranteed auto protection" is provided whereby a person promises to pay to the consumer the difference between the amount the consumer receives from motor vehicle insurance and the amount the consumer owes to a person holding title to or a lien on the consumer's motor vehicle in the event the consumer's motor vehicle suffers a

total loss under the terms of the motor vehicle insurance policy or is stolen and not recovered, if the protection and its price are included in the purchase or lease agreement;

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

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

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

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

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

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

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

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

The operator of a short-term rental platform shall be considered to be the vendor on all transactions by which lodging

by a hotel or short-term rental property is or is to be furnished to transient guests through use of the platform.

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

(2) Physicians, certified nurse-midwives, clinical nurse specialists, certified nurse practitioners, dentists, hospitals, and blood banks operated by nonprofit institutions and persons licensed to practice veterinary medicine, surgery, and dentistry are consumers of all tangible personal property and services purchased by them in connection with the practice of medicine, dentistry, the rendition of hospital or blood bank service, or the practice of veterinary medicine, surgery, and dentistry. In addition to being consumers of drugs administered by them or by their assistants according to their direction, veterinarians also are consumers of drugs that under federal law may be dispensed only by or upon the order of a licensed veterinarian, physician, certified nurse-midwife, clinical nurse specialist, or certified nurse practitioner, when transferred by them to others for a consideration to provide treatment to animals as directed by the veterinarian.

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

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

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

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

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

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

separate from the service.

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

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

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

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

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

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

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

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

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

(v) Installation charges;

(vi) Credit for any trade-in.

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

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

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

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

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

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

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

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

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

(v) The dollar value of a gift card that is not sold by a

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

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

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

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

health insuring corporation.

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

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

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

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

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

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

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

(P) "Used directly in the rendition of a public utility service" means that property that is to be incorporated into and will become a part of the consumer's production, transmission, transportation, or distribution system and that retains its classification as tangible personal property after such incorporation; fuel or power used in the production, transmission, transportation, or distribution system; and tangible personal property used in the repair and maintenance of the production, transmission, transportation, or distribution system, including only such motor vehicles as are specially

designed and equipped for such use. Tangible personal property and services used primarily in providing highway transportation for hire are not used directly in the rendition of a public utility service. In this definition, "public utility" includes a citizen of the United States holding, and required to hold, a certificate of public convenience and necessity issued under 49 U.S.C. 41102.

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

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

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

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

(U) "Transit authority" means a regional transit authority created pursuant to section 306.31 of the Revised Code or a

county in which a county transit system is created pursuant to section 306.01 of the Revised Code. For the purposes of this chapter, a transit authority must extend to at least the entire area of a single county. A transit authority that includes territory in more than one county must include all the area of the most populous county that is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

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

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

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

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

(b) "Computer services" means providing services consisting of specifying computer hardware configurations and

evaluating technical processing characteristics, computer programming, and training of computer programmers and operators, provided in conjunction with and to support the sale, lease, or operation of taxable computer equipment or systems.

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

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

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

"Electronic information services" does not include electronic publishing.

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

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

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

(b) Analyzing business policies and procedures;

(c) Identifying management information needs;

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

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

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

(g) Testing of business procedures;

(h) Training personnel in business procedure applications;

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

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

(k) Providing digital advertising services;

(l) Providing services to electronically file any federal, state, or local individual income tax return, report, or other related document or schedule with a federal, state, or local government entity or to electronically remit a payment of any such individual income tax to such an entity. For the purpose of

this division, "individual income tax" does not include federal, state, or local taxes withheld by an employer from an employee's compensation.

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

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

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

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

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

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

(AA)(1) "Telecommunications service" means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. "Telecommunications service" includes

such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether the service is referred to as voice-over internet protocol service or is classified by the federal communications commission as enhanced or value-added. "Telecommunications service" does not include any of the following:

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

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

(c) Tangible personal property;

(d) Advertising, including directory advertising;

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

(f) Internet access service;

(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;

(h) Ancillary service;

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

(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:

(a) "Conference bridging service" means an ancillary service that links two or more participants of an audio or video conference call, including providing a telephone number. "Conference bridging service" does not include telecommunications services used to reach the conference bridge.

(b) "Detailed telecommunications billing service" means an ancillary service of separately stating information pertaining to individual calls on a customer's billing statement.

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

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

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

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

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

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

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

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

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

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

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

(DD) "Landscaping and lawn care service" means the services of planting, seeding, sodding, removing, cutting, trimming, pruning, mulching, aerating, applying chemicals, watering, fertilizing, and providing similar services to establish, promote, or control the growth of trees, shrubs, flowers, grass, ground cover, and other flora, or otherwise maintaining a lawn or landscape grown or maintained by the owner for ornamentation or other nonagricultural purpose. However,

"landscaping and lawn care service" does not include the providing of such services by a person who has less than five thousand dollars in sales of such services during the calendar year.

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

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

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

manufacturing processes.

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

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

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

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

(II) "Building maintenance and janitorial service" means cleaning the interior or exterior of a building and any tangible personal property located therein or thereon, including any services incidental to such cleaning for which no separate charge is made. However, "building maintenance and janitorial service" does not include the providing of such service by a

person who has less than five thousand dollars in sales of such service during the calendar year. As used in this division, "cleaning" does not include sanitation services necessary for an establishment described in 21 U.S.C. 608 to comply with rules and regulations adopted pursuant to that section.

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

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

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

(MM) "Livestock" means farm animals commonly raised for

food, food production, or other agricultural purposes, including, but not limited to, cattle, sheep, goats, swine, poultry, and captive deer. "Livestock" does not include invertebrates, amphibians, reptiles, domestic pets, animals for use in laboratories or for exhibition, or other animals not commonly raised for food or food production.

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

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

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

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

(RR)(1) "Feminine hygiene products" means tampons, panty liners, menstrual cups, sanitary napkins, and other similar

tangible personal property designed for feminine hygiene in connection with the human menstrual cycle, but does not include grooming and hygiene products.

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

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

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

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

(b) A transfer of possession or control of tangible personal property under an agreement that requires the transfer of title upon completion of required payments and payment of an

option price that does not exceed the greater of one hundred dollars or one per cent of the total required payments;

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

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

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

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

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

(VV) "Satellite broadcasting service" means the distribution or broadcasting of programming or services by satellite directly to the subscriber's receiving equipment

without the use of ground receiving or distribution equipment, except the subscriber's receiving equipment or equipment used in the uplink process to the satellite, and includes all service and rental charges, premium channels or other special services, installation and repair service charges, and any other charges having any connection with the provision of the satellite broadcasting service.

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

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

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

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

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

(BBB) "Prewritten computer software" means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or

more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. "Prewritten computer software" includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the purchaser. If a person modifies or enhances computer software of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person's modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software; provided, however, that where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for the modification or enhancement, the modification or enhancement shall not constitute prewritten computer software.

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

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

(a) "Dietary supplements" means any product, other than tobacco, that is intended to supplement the diet and that is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or, if not intended for ingestion in such a form, is not represented as conventional food for use as

a sole item of a meal or of the diet; that is required to be labeled as a dietary supplement, identifiable by the "supplement facts" box found on the label, as required by 21 C.F.R. 101.36; and that contains one or more of the following dietary ingredients:

(i) A vitamin;

(ii) A mineral;

(iii) An herb or other botanical;

(iv) An amino acid;

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

(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (CCC)(2)(a)(i) to (v) of this section.

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

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

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

(DDD) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food, dietary supplements, or alcoholic beverages

that is recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, and supplements to them; is intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or is intended to affect the structure or any function of the body.

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

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

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

(HHH) "Prosthetic device" means a replacement, corrective, or supportive device, including repair and replacement parts for the device, worn on or in the human body to artificially replace a missing portion of the body, prevent or correct physical

deformity or malfunction, or support a weak or deformed portion of the body. As used in this division, before July 1, 2019, "prosthetic device" does not include corrective eyeglasses, contact lenses, or dental prosthesis. On or after July 1, 2019, "prosthetic device" does not include dental prosthesis but does include corrective eyeglasses or contact lenses.

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

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

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

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

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

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

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

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

(b) "Fractional owner" means a person that owns or

possesses at least a one-sixteenth interest in a program aircraft and has entered into the agreements described in division (III)(1)(e) of this section.

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

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

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

(JJJ) "Electronic publishing" means providing access to one or more of the following primarily for business customers,

including the federal government or a state government or a political subdivision thereof, to conduct research: news; business, financial, legal, consumer, or credit materials; editorials, columns, reader commentary, or features; photos or images; archival or research material; legal notices, identity verification, or public records; scientific, educational, instructional, technical, professional, trade, or other literary materials; or other similar information which has been gathered and made available by the provider to the consumer in an electronic format. Providing electronic publishing includes the functions necessary for the acquisition, formatting, editing, storage, and dissemination of data or information that is the subject of a sale.

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

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

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

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

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

As used in division (OOO) of this section:

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

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

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

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

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

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

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

(SSS)(1) "Diaper" means an absorbent garment worn by

humans who are incapable of, or have difficulty, controlling their bladder or bowel movements.

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

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

(TTT) ~~"Sales tax holiday" means three or more dates on which sales of all eligible tangible personal property are exempt from the taxes levied under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code~~"Short-term rental platform" means a business platform that uses any online-enabled application, software, web site, or system to connect owners of short-term rental properties to transient guests to enable the lodging of guests for consideration.

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

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

~~(2) The item is not a watercraft or outboard motor required to be titled pursuant to Chapter 1548. of the Revised Code, a motor vehicle, an alcoholic beverage, tobacco, a vapor product as defined in section 5743.01 of the Revised Code, or an item that contains marijuana as defined in section 3796.01 of the Revised Code.~~

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

~~(WWW) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco~~"Short-term rental property" means an establishment kept, used, maintained, advertised, or held out to the public to be a place where sleeping accommodations are offered to guests, in which four or fewer rooms are used for the accommodation of such guests, whether the rooms are in one or several structures.

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

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

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

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

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

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

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

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

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

(2) In the case of the lease or rental, with a fixed term of more than thirty days or an indefinite term with a minimum period of more than thirty days, of any motor vehicles designed by the manufacturer to carry a load of not more than one ton, watercraft, outboard motor, or aircraft, or of any tangible personal property, other than motor vehicles designed by the manufacturer to carry a load of more than one ton, to be used by the lessee or renter primarily for business purposes, the tax shall be collected by the vendor at the time the lease or rental is consummated and shall be calculated by the vendor on the basis of the total amount to be paid by the lessee or renter

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

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

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

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

sale shall be measured by the installments thereof.

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

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

(a) Sales or rentals of tangible personal property by construction contractors or subcontractors to provide temporary traffic control or temporary structures, including material and equipment used to comply with the Ohio manual of uniform traffic control devices adopted pursuant to section 4511.09 of the Revised Code, whereby the state or any of its political subdivisions take title to, or permanent or temporary possession of, such tangible personal property for use by the state or any of its political subdivisions, including for use by the general public thereof;

(b) Sales of services by construction contractors or subcontractors to provide temporary traffic control or structures, including labor used to comply with the Ohio manual of uniform traffic control devices adopted pursuant to section 4511.09 of the Revised Code, whereby the state or any of its political subdivisions, including the general public thereof, receive the benefit of such services.

As used in divisions (B)(1)(a) and (b) of this section, "temporary structures" include temporary roads, bridges, drains, and pavement.

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

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

(4) Sales of newspapers and sales or transfers of magazines distributed as controlled circulation publications;

(5) The furnishing, preparing, or serving of meals without charge by an employer to an employee provided the employer records the meals as part compensation for services performed or work done;

(6)(a) Sales of motor fuel upon receipt, use, distribution, or sale of which in this state a tax is imposed by the law of this state, but this exemption shall not apply to the sale of motor fuel on which a refund of the tax is allowable under division (A) of section 5735.14 of the Revised Code; and the tax commissioner may deduct the amount of tax levied by this section applicable to the price of motor fuel when granting a refund of motor fuel tax pursuant to division (A) of section 5735.14 of the Revised Code and shall cause the amount deducted to be paid into the general revenue fund of this state;

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

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

electricity delivered through wires;

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

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

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

fund curricular or extracurricular activities of a primary or secondary school.

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

(10) Sales not within the taxing power of this state under the Constitution or laws of the United States or the Constitution of this state including either of the following:

(a) Sales or rentals of tangible personal property by construction contractors or subcontractors to provide temporary traffic control or temporary structures, including material and equipment used to comply with the Ohio manual of uniform traffic control devices adopted pursuant to section 4511.09 of the Revised Code, whereby the United States takes title to, or permanent or temporary possession of, such tangible personal property for use by the United States including for use by the general public thereof;

(b) Sales of services by construction contractors or subcontractors to provide temporary traffic control or structures, including labor used to comply with the Ohio manual of uniform traffic control devices adopted pursuant to section 4511.09 of the Revised Code, whereby the United States, including the general public thereof, receives the benefit of such services.

As used in divisions (B)(10)(a) and (b) of this section, "temporary structures" include temporary roads, bridges, drains, and pavement.

(11) Except for transactions that are sales under division (B)(3)(p) of section 5739.01 of the Revised Code, the

transportation of persons or property, unless the transportation is by a private investigation and security service;

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

"Charitable purposes" means the relief of poverty; the improvement of health through the alleviation of illness, disease, or injury; the operation of an organization exclusively for the provision of professional, laundry, printing, and purchasing services to hospitals or charitable institutions; the operation of a home for the aged, as defined in section 5701.13 of the Revised Code; the operation of a radio or television broadcasting station that is licensed by the federal communications commission as a noncommercial educational radio or television station; the operation of a nonprofit animal adoption service or a county humane society; the promotion of education by an institution of learning that maintains a faculty of qualified instructors, teaches regular continuous courses of study, and confers a recognized diploma upon completion of a specific curriculum; the operation of a parent-teacher association, booster group, or similar organization primarily

engaged in the promotion and support of the curricular or extracurricular activities of a primary or secondary school; the operation of a community or area center in which presentations in music, dramatics, the arts, and related fields are made in order to foster public interest and education therein; the production of performances in music, dramatics, and the arts; or the promotion of education by an organization engaged in carrying on research in, or the dissemination of, scientific and technological knowledge and information primarily for the public.

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

(13) Building and construction materials and services sold to construction contractors for incorporation into a structure or improvement to real property under a construction contract with this state or a political subdivision of this state, or with the United States government or any of its agencies; building and construction materials and services sold to construction contractors for incorporation into a structure or improvement to real property that are accepted for ownership by this state or any of its political subdivisions, or by the United States government or any of its agencies at the time of completion of the structures or improvements; building and construction materials sold to construction contractors for incorporation into a horticulture structure or livestock structure for a person engaged in the business of horticulture or producing livestock; building materials and services sold to a construction contractor for incorporation into a house of

public worship or religious education, or a building used exclusively for charitable purposes under a construction contract with an organization whose purpose is as described in division (B)(12) of this section; building materials and services sold to a construction contractor for incorporation into a building under a construction contract with an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 when the building is to be used exclusively for the organization's exempt purposes; tangible personal property sold for incorporation into the construction of a sports facility under section 307.696 of the Revised Code; building and construction materials and services sold to a construction contractor for incorporation into real property outside this state if such materials and services, when sold to a construction contractor in the state in which the real property is located for incorporation into real property in that state, would be exempt from a tax on sales levied by that state; building and construction materials for incorporation into a transportation facility pursuant to a public-private agreement entered into under sections 5501.70 to 5501.83 of the Revised Code; until one calendar year after the construction of a convention center that qualifies for property tax exemption under section 5709.084 of the Revised Code is completed, building and construction materials and services sold to a construction contractor for incorporation into the real property comprising that convention center; and building and construction materials sold for incorporation into a structure or improvement to real property that is used primarily as, or primarily in support of, a manufacturing facility or research and development facility and that is to be owned by a megaproject operator upon completion and located at the site of a megaproject that satisfies the criteria described in division (A)(11)(a)(ii) of

section 122.17 of the Revised Code, provided that the sale occurs during the period that the megaproject operator has an agreement for such megaproject with the tax credit authority under division (D) of section 122.17 of the Revised Code that remains in effect and has not expired or been terminated.

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

(15) Sales to persons primarily engaged in any of the activities mentioned in division (B)(42)(a), (g), or (h) of this section, to persons engaged in making retail sales, or to persons who purchase for sale from a manufacturer tangible personal property that was produced by the manufacturer in accordance with specific designs provided by the purchaser, of packages, including material, labels, and parts for packages, and of machinery, equipment, and material for use primarily in packaging tangible personal property produced for sale, including any machinery, equipment, and supplies used to make labels or packages, to prepare packages or products for labeling, or to label packages or products, by or on the order of the person doing the packaging, or sold at retail. "Packages" includes bags, baskets, cartons, crates, boxes, cans, bottles, bindings, wrappings, and other similar devices and containers, but does not include motor vehicles or bulk tanks, trailers, or similar devices attached to motor vehicles. "Packaging" means placing in a package. Division (B)(15) of this section does not apply to persons engaged in highway transportation for hire.

(16) Sales of food to persons using supplemental nutrition assistance program benefits to purchase the food. As used in

this division, "food" has the same meaning as in 7 U.S.C. 2012 and federal regulations adopted pursuant to the Food and Nutrition Act of 2008.

(17) Sales to persons engaged in farming, agriculture, horticulture, or floriculture, of tangible personal property for use or consumption primarily in the production by farming, agriculture, horticulture, or floriculture of other tangible personal property for use or consumption primarily in the production of tangible personal property for sale by farming, agriculture, horticulture, or floriculture; or material and parts for incorporation into any such tangible personal property for use or consumption in production; and of tangible personal property for such use or consumption in the conditioning or holding of products produced by and for such use, consumption, or sale by persons engaged in farming, agriculture, horticulture, or floriculture, except where such property is incorporated into real property;

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

(19) Sales of prosthetic devices, durable medical equipment for home use, or mobility enhancing equipment, when

made pursuant to a prescription and when such devices or equipment are for use by a human being.

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

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

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

(23) Sales of motor vehicles to nonresidents of this state under the circumstances described in division (B) of section 5739.029 of the Revised Code;

(24) Sales to persons engaged in the preparation of eggs for sale of tangible personal property used or consumed directly in such preparation, including such tangible personal property used for cleaning, sanitizing, preserving, grading, sorting, and classifying by size; packages, including material and parts for packages, and machinery, equipment, and material for use in packaging eggs for sale; and handling and transportation

equipment and parts therefor, except motor vehicles licensed to operate on public highways, used in intraplant or interplant transfers or shipment of eggs in the process of preparation for sale, when the plant or plants within or between which such transfers or shipments occur are operated by the same person. "Packages" includes containers, cases, baskets, flats, fillers, filler flats, cartons, closure materials, labels, and labeling materials, and "packaging" means placing therein.

(25)(a) Sales of water to a consumer for residential use;

(b) Sales of water by a nonprofit corporation engaged exclusively in the treatment, distribution, and sale of water to consumers, if such water is delivered to consumers through pipes or tubing.

(26) Fees charged for inspection or reinspection of motor vehicles under section 3704.14 of the Revised Code;

(27) Sales to persons licensed to conduct a food service operation pursuant to section 3717.43 of the Revised Code, of tangible personal property primarily used directly for the following:

(a) To prepare food for human consumption for sale;

(b) To preserve food that has been or will be prepared for human consumption for sale by the food service operator, not including tangible personal property used to display food for selection by the consumer;

(c) To clean tangible personal property used to prepare or serve food for human consumption for sale.

(28) Sales of animals by nonprofit animal adoption services or county humane societies;

(29) Sales of services to a corporation described in division (A) of section 5709.72 of the Revised Code, and sales of tangible personal property that qualifies for exemption from taxation under section 5709.72 of the Revised Code;

(30) Sales and installation of agricultural land tile, as defined in division (B)(5)(a) of section 5739.01 of the Revised Code;

(31) Sales and erection or installation of portable grain bins, as defined in division (B)(5)(b) of section 5739.01 of the Revised Code;

(32) The sale, lease, repair, and maintenance of, parts for, or items attached to or incorporated in, motor vehicles that are primarily used for transporting tangible personal property belonging to others by a person engaged in highway transportation for hire, except for packages and packaging used for the transportation of tangible personal property;

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

(34) Sales to a telecommunications service vendor, mobile telecommunications service vendor, or satellite broadcasting service vendor of tangible personal property and services used directly and primarily in transmitting, receiving, switching, or recording any interactive, one- or two-way electromagnetic communications, including voice, image, data, and information, through the use of any medium, including, but not limited to, poles, wires, cables, switching equipment, computers, and record

storage devices and media, and component parts for the tangible personal property. The exemption provided in this division shall be in lieu of all other exemptions under division (B)(42)(a) or (n) of this section to which the vendor may otherwise be entitled, based upon the use of the thing purchased in providing the telecommunications, mobile telecommunications, or satellite broadcasting service.

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

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

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

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

For purposes of division (B)(35) of this section, "direct marketing" means the method of selling where consumers order tangible personal property by United States mail, delivery

service, or telecommunication and the vendor delivers or ships the tangible personal property sold to the consumer from a warehouse, catalogue distribution center, or similar fulfillment facility by means of the United States mail, delivery service, or common carrier.

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

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

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

(39) Sales of used manufactured homes and used mobile homes, as defined in section 5739.0210 of the Revised Code, made

on or after January 1, 2000;

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

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

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

(a) To incorporate the thing transferred as a material or a part into tangible personal property to be produced for sale by manufacturing, assembling, processing, or refining; or to use or consume the thing transferred directly in producing tangible

personal property for sale by mining, including, without limitation, the extraction from the earth of all substances that are classed geologically as minerals, or directly in the rendition of a public utility service, except that the sales tax levied by this section shall be collected upon all meals, drinks, and food for human consumption sold when transporting persons. This paragraph does not exempt from "retail sale" or "sales at retail" the sale of tangible personal property that is to be incorporated into a structure or improvement to real property.

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

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

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

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

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

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

(h) To use the benefit of a warranty, maintenance or

service contract, or similar agreement, as described in division (B)(7) of section 5739.01 of the Revised Code, to repair or maintain tangible personal property, if all of the property that is the subject of the warranty, contract, or agreement would not be subject to the tax imposed by this section;

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

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

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

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

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

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

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

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

(q) To use or consume the thing transferred directly in production of crude oil and natural gas for sale. Persons engaged in rendering production services for others are deemed engaged in production.

As used in division (B)(42)(q) of this section,

"production" means operations and tangible personal property directly used to expose and evaluate an underground reservoir that may contain hydrocarbon resources, prepare the wellbore for production, and lift and control all substances yielded by the reservoir to the surface of the earth.

(i) For the purposes of division (B)(42)(q) of this section, the "thing transferred" includes, but is not limited to, any of the following:

(I) Services provided in the construction of permanent access roads, services provided in the construction of the well site, and services provided in the construction of temporary impoundments;

(II) Equipment and rigging used for the specific purpose of creating with integrity a wellbore pathway to underground reservoirs;

(III) Drilling and workover services used to work within a subsurface wellbore, and tangible personal property directly used in providing such services;

(IV) Casing, tubulars, and float and centralizing equipment;

(V) Trailers to which production equipment is attached;

(VI) Well completion services, including cementing of casing, and tangible personal property directly used in providing such services;

(VII) Wireline evaluation, mud logging, and perforation services, and tangible personal property directly used in providing such services;

(VIII) Reservoir stimulation, hydraulic fracturing, and

acidizing services, and tangible personal property directly used in providing such services, including all material pumped downhole;

(IX) Pressure pumping equipment;

(X) Artificial lift systems equipment;

(XI) Wellhead equipment and well site equipment used to separate, stabilize, and control hydrocarbon phases and produced water;

(XII) Tangible personal property directly used to control production equipment.

(ii) For the purposes of division (B)(42)(q) of this section, the "thing transferred" does not include any of the following:

(I) Tangible personal property used primarily in the exploration and production of any mineral resource regulated under Chapter 1509. of the Revised Code other than oil or gas;

(II) Tangible personal property used primarily in storing, holding, or delivering solutions or chemicals used in well stimulation as defined in section 1509.01 of the Revised Code;

(III) Tangible personal property used primarily in preparing, installing, or reclaiming foundations for drilling or pumping equipment or well stimulation material tanks;

(IV) Tangible personal property used primarily in transporting, delivering, or removing equipment to or from the well site or storing such equipment before its use at the well site;

(V) Tangible personal property used primarily in gathering

operations occurring off the well site, including gathering pipelines transporting hydrocarbon gas or liquids away from a crude oil or natural gas production facility;

(VI) Tangible personal property that is to be incorporated into a structure or improvement to real property;

(VII) Well site fencing, lighting, or security systems;

(VIII) Communication devices or services;

(IX) Office supplies;

(X) Trailers used as offices or lodging;

(XI) Motor vehicles of any kind;

(XII) Tangible personal property used primarily for the storage of drilling byproducts and fuel not used for production;

(XIII) Tangible personal property used primarily as a safety device;

(XIV) Data collection or monitoring devices;

(XV) Access ladders, stairs, or platforms attached to storage tanks.

The enumeration of tangible personal property in division (B)(42)(q)(ii) of this section is not intended to be exhaustive, and any tangible personal property not so enumerated shall not necessarily be construed to be a "thing transferred" for the purposes of division (B)(42)(q) of this section.

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

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

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

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

(45) Sales of telecommunications service that is used directly and primarily to perform the functions of a call center. As used in this division, "call center" means any physical location where telephone calls are placed or received in high volume for the purpose of making sales, marketing, customer service, technical support, or other specialized business activity, and that employs at least fifty individuals that engage in call center activities on a full-time basis, or sufficient individuals to fill fifty full-time equivalent positions.

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

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

(48) Sales of feminine hygiene products.

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

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

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

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

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

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

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

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

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

(53) Sales to or by a cable service provider, video service provider, or radio or television broadcast station regulated by the federal government of cable service or programming, video service or programming, audio service or programming, or electronically transferred digital audiovisual or audio work. As used in division (B)(53) of this section, "cable service" and "cable service provider" have the same meanings as in section 1332.01 of the Revised Code, and "video

service," "video service provider," and "video programming" have the same meanings as in section 1332.21 of the Revised Code.

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

(a) Accepts direct payments to operate;

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

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

(55) ~~(a) Sales of the following occurring on the first Friday of August and the following Saturday and Sunday of any year, except in 2024 or any subsequent year in which a sales tax holiday is held pursuant to section 5739.41 of the Revised Code:~~

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

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

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

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

~~(i) "Clothing" means all human wearing apparel suitable for general use. "Clothing" includes, but is not limited to, aprons, household and shop; athletic supporters; baby receiving blankets; bathing suits and caps; beach capes and coats; belts and suspenders; boots; coats and jackets; costumes; diapers,~~

~~children and adult, including disposable diapers; earmuffs; footlets; formal wear; garters and garter belts; girdles; gloves and mittens for general use; hats and caps; hosiery; insoles for shoes; lab coats; neckties; overshoes; pantyhose; rainwear; rubber pants; sandals; scarves; shoes and shoe laces; slippers; sneakers; socks and stockings; steel-toed shoes; underwear; uniforms, athletic and nonathletic; and wedding apparel. "Clothing" does not include items purchased for use in a trade or business; clothing accessories or equipment; protective equipment; sports or recreational equipment; belt buckles sold separately; costume masks sold separately; patches and emblems sold separately; sewing equipment and supplies including, but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and sewing materials that become part of "clothing" including, but not limited to, buttons, fabric, lace, thread, yarn, and zippers.~~

~~(ii) "School supplies" means items commonly used by a student in a course of study. "School supplies" includes only the following items: binders; book bags; calculators; cellophane tape; blackboard chalk; compasses; composition books; crayons; erasers; folders, expandable, pocket, plastic, and manila; glue, paste, and paste sticks; highlighters; index cards; index card boxes; legal pads; lunch boxes; markers; notebooks; paper, loose-leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper; pencil boxes and other school supply boxes; pencil sharpeners; pencils; pens; protractors; rulers; scissors; and writing tablets. "School supplies" does not include any item purchased for use in a trade or business.~~

~~(iii) "School instructional material" means written~~

~~material commonly used by a student in a course of study as a reference and to learn the subject being taught. "School instructional material" includes only the following items: reference books, reference maps and globes, textbooks, and workbooks. "School instructional material" does not include any material purchased for use in a trade or business.~~ The fee imposed by section 3743.22 of the Revised Code, if it is separately stated on the invoice, bill of sale, or similar document given by the vendor to the consumer for a retail sale made in this state.

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

(b) As used in division (B)(56)(a) of this section, "incontinence underpad" means an absorbent product, not worn on the body, designed to protect furniture or other tangible personal property from soiling or damage due to human incontinence.

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

(58) Sales of tangible personal property used primarily for any of the following purposes by a megaproject operator at

the site of a megaproject that satisfies the criteria described in division (A)(11)(a)(ii) of section 122.17 of the Revised Code, provided that the sale occurs during the period that the megaproject operator has an agreement for such megaproject with the tax credit authority under division (D) of section 122.17 of the Revised Code that remains in effect and has not expired or been terminated:

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

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

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

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

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

(60) Sales of children's diapers.

(61) Sales of therapeutic or preventative creams and wipes marketed primarily for use on the skin of children.

(62) Sales of a child restraint device or booster seat that meets the national highway traffic safety administration standard for child restraint systems under 49 C.F.R. 571.213.

(63) Sales of cribs intended to provide sleeping accommodations for children that comply with the United States consumer product safety commission's safety standard for full-size baby cribs under 16 C.F.R. 1219 or the commission's safety standard for non-full-size baby cribs under 16 C.F.R. 1220.

(64) Sales of strollers meant for transporting children from infancy to about thirty-six months of age that meet the United States consumer product safety commission safety standard for carriages and strollers under 16 C.F.R. 1227.2.

~~(65) The fee imposed by section 3743.22 of the Revised Code, if it is separately stated on the invoice, bill of sale, or similar document given by the vendor to the consumer for a retail sale made in this state.~~

~~(66) Sales of eligible tangible personal property occurring during the period of a sales tax holiday held pursuant to section 5739.41 of the Revised Code.~~

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

(D) The tax collected by the vendor from the consumer under this chapter is not part of the price, but is a tax collection for the benefit of the state, and of counties levying an additional sales tax pursuant to section 5739.021 or 5739.026 of the Revised Code and of transit authorities levying an additional sales tax pursuant to section 5739.023 of the Revised Code. Except for the discount authorized under section 5739.12 of the Revised Code and the effects of any rounding pursuant to section 5703.055 of the Revised Code, no person other than the

state or such a county or transit authority shall derive any benefit from the collection or payment of the tax levied by this section or section 5739.021, 5739.023, or 5739.026 of the Revised Code.

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

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

(2) If the price is otherwise paid or to be paid, the vendor or the vendor's agent shall, at or prior to the provision of the service or the delivery of possession of the thing sold to the consumer, charge the tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code to the account of the consumer, which amount shall be collected by the vendor from the consumer in addition to the price. Such sale shall be reported on and the amount of the tax applicable thereto shall be remitted with the return for the period in which the sale is made, and the amount of the tax shall become a legal charge in favor of the vendor and against the consumer.

(B)(1)(a) If any sale is claimed to be exempt under division (E) of section 5739.01 of the Revised Code or under section 5739.02 of the Revised Code, with the exception of divisions (B)(1) to (11), (28), (48), ~~(55),~~or (59)~~, or (66)~~ of section 5739.02 of the Revised Code, the consumer must provide to the vendor, and the vendor must obtain from the consumer, a certificate specifying the reason that the sale is not legally subject to the tax. The certificate shall be in such form, and shall be provided either in a hard copy form or electronic form, as the tax commissioner prescribes.

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

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

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

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

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

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

(3) The tax commissioner may establish an identification system whereby the commissioner issues an identification number to a consumer that is exempt from payment of the tax. The consumer must present the number to the vendor, if any sale is claimed to be exempt as provided in this section.

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

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

(6) If a transaction is claimed to be exempt under

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

(7) If a transaction is claimed to be exempt under division (B)(13) of section 5739.02 of the Revised Code, the person that leases a sports facility, as defined in section 307.696 of the Revised Code, wholly owned by a county may provide and sign, on behalf of the county, an exemption certificate required under this section for that exemption.

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

Any contractor or vendor may request from any contractee a certification of what portion of the property to be transferred under such contract or agreement is to be incorporated into the realty and what portion will retain its status as tangible personal property after installation is completed. The contractor or vendor shall request the certification by certified mail delivered to the contractee, return receipt requested. Upon receipt of such request and prior to entering into the contract or agreement, the contractee shall provide to

the contractor or vendor a certification sufficiently detailed to enable the contractor or vendor to ascertain the resulting classification of all materials purchased or fabricated by the contractor or vendor and transferred to the contractee. This requirement applies to a contractee regardless of whether the contractee holds a direct payment permit under section 5739.031 of the Revised Code or provides to the contractor or vendor an exemption certificate as provided under this section.

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

If a contractee fails to provide such certification upon the request of the contractor or vendor, the contractor or vendor shall comply with the provisions of this chapter and Chapter 5741. of the Revised Code without the certification. If the tax commissioner determines that such compliance has been performed in good faith and that certain property treated as tangible personal property by the contractor or vendor is, in fact, real property, the contractee shall be considered to be the consumer of all materials so incorporated into that real property and shall be liable for the applicable tax, and the construction contractor or vendor shall be excused from any liability on those materials.

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

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

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

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

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

charge.

Sec. 5739.05. ~~(A)(1)~~ (A) The tax commissioner shall enforce and administer sections 5739.01 to 5739.31 of the Revised Code, which are hereby declared to be sections which the commissioner is required to administer within the meaning of sections 5703.17 to 5703.37, 5703.39, 5703.41, and 5703.45 of the Revised Code. The commissioner may adopt and promulgate, in accordance with sections 119.01 to 119.13 of the Revised Code, such rules as the commissioner deems necessary to administer sections 5739.01 to 5739.31 of the Revised Code.

~~(2) On or before the first day of May of each year, the commissioner shall make available to vendors a notice explaining the three-day exemption period required under division (B)(55) of section 5739.02 of the Revised Code.~~

(B) Upon application, the commissioner may authorize a vendor to pay on a predetermined basis the tax levied by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code upon sales of things produced or distributed or services provided by such vendor, and the commissioner may waive the collection of the tax from the consumer. The commissioner shall not grant such authority unless the commissioner finds that the granting of the authority would improve compliance and increase the efficiency of the administration of the tax. The person to whom such authority is granted shall post a notice, if required by the commissioner, at the location where the product is offered for sale that the tax is included in the selling price. The commissioner may adopt rules to administer this division.

(C) Upon application, the commissioner may authorize a vendor to remit, on the basis of a prearranged agreement under

this division, the tax levied by section 5739.02 or pursuant to section 5739.021, 5739.023, or 5739.026 of the Revised Code. The proportions and ratios in a prearranged agreement shall be determined either by a test check conducted by the commissioner under terms and conditions agreed to by the commissioner and the vendor or by any other method agreed upon by the vendor and the commissioner. If the parties are unable to agree to the terms and conditions of the test check or other method, the application shall be denied.

If used, the test check shall determine the proportion that taxable retail sales bear to all of the vendor's retail sales and the ratio which the tax required to be collected under sections 5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code bears to the receipts from the vendor's taxable retail sales.

The vendor's liability for remitting the tax shall be based solely upon the proportions and ratios established in the agreement until such time that the vendor or the commissioner believes that the nature of the vendor's business has so changed as to make the agreement no longer representative. The commissioner may give notice to the vendor at any time that the authorization is revoked or the vendor may notify the commissioner that the vendor no longer elects to report under the authorization. Such notice shall be delivered to the other party in the manner provided in section 5703.37 of the Revised Code. The revocation or cancellation is effective the last day of the month in which the vendor or the commissioner receives the notice.

Sec. 5739.08. (A) A municipal corporation or township may levy an excise tax for any lawful purpose 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 in addition to the tax levied by section 5739.02 of the Revised Code. If a municipal corporation or township repeals a tax imposed under division (A) of this section, and a county in which the municipal corporation or township has territory has a tax imposed under division (M) of section 5739.09 of the Revised Code in effect, the municipal corporation or township may not reimpose its tax as long as that county tax remains in effect. A municipal corporation or township in which a tax is levied under division (B)(2) of section 351.021 of the Revised Code may not increase the rate of its tax levied under division (A) of this section to any rate that would cause the total taxes levied under both of those divisions to exceed three per cent on any lodging transaction within the municipal corporation or township.

(B) The legislative authority of a municipal corporation or the board of trustees of a township that is not wholly or partly located in a county that has in effect a resolution levying an excise tax pursuant to division (A) of section 5739.09 of the Revised Code may, by ordinance or resolution, levy an additional excise tax 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. The legislative authority of the municipal corporation or the board of trustees of the township shall deposit at least fifty per cent of the revenue from the tax levied pursuant to this division into a separate fund, which shall be spent solely to make contributions to convention and visitors' bureaus operating within the county in which the municipal corporation or township is wholly or partly located, and the balance of that revenue

shall be deposited in the general fund. The municipal corporation or township shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. The levy of a tax under this division is in addition to any tax imposed on the same transaction by a municipal corporation or a township under division (A) of this section.

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

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

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

(b) That all of the revenue from the increase in rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under

Chapter 351. of the Revised Code on or before May 15, 2002, and be used to pay costs of constructing, expanding, maintaining, operating, or promoting a convention center in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

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

(3) The legislative authority of a municipal corporation that, pursuant to division (C)(2) of this section, has amended its ordinance or resolution to increase the rate of the tax authorized by division (B) of this section may further amend the ordinance or resolution to provide that the revenue referred to in division (C)(2)(b) of this section shall be pledged and contributed both to a convention facilities authority to pay the costs of constructing, expanding, maintaining, or operating one or more convention centers in the county, including paying bonds, or notes issued in anticipation of bonds, as provided in Chapter 351. of the Revised Code, and to a convention and visitors' bureau to pay the costs of promoting one or more convention centers in the county.

(D) As used in division (D) of this section, "eligible municipal corporation" means a municipal corporation that, on September 29, 2017, levied a tax under division (B) of this

section at a rate of three per cent and that is located in a county that, on that date, levied a tax under division (A) of section 5739.09 of the Revised Code at a rate of three per cent and that has, according to the most recent federal decennial census, a population exceeding three hundred thousand but not greater than three hundred fifty thousand.

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

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

(2) That all of the revenue from the increase in rate shall be used by the municipal corporation for economic development and tourism-related purposes.

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

(2) The legislative authority of a municipal corporation that has a population exceeding three hundred thousand but less than three hundred fifty thousand and that has adopted a resolution or ordinance levying a tax authorized by division (A) of this section may amend the resolution or ordinance to provide that all or a portion of the revenue referred to in division (A) of this section may be pledged and contributed to a convention

facilities authority or a port authority to pay the costs of acquiring, constructing, renovating, expanding, maintaining, or operating one or more facilities in the county, including paying bonds, or notes issued in anticipation of bonds, or paying the expenses of maintaining, operating, or promoting one or more facilities.

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

Sec. 5739.09. (A)(1) A board of county commissioners may, by resolution adopted by a majority of the members of the board, levy an excise tax 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. The board shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to

section 5703.47 of the Revised Code. Except as otherwise provided in this section, the regulations shall provide, after deducting the real and actual costs of administering the tax, for the return to each municipal corporation or township that does not levy an excise tax on the transactions, a uniform percentage of the tax collected in the municipal corporation or in the unincorporated portion of the township from each transaction, not to exceed thirty-three and one-third per cent. Except as provided in this section, the remainder of the revenue arising from the tax shall be deposited in a separate fund and shall be spent either (a) to make contributions to the convention and visitors' bureau operating within the county, including a pledge and contribution of any portion of the remainder pursuant to an agreement authorized by section 307.678 or 307.695 of the Revised Code or (b) to pay, if authorized in the regulations, for public safety services in a resort area designated under section 5739.101 of the Revised Code.

(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 section to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, in which case the tax shall remain in effect at the rate at which it was imposed for the duration of any agreement entered into by the board under section 307.695 of the Revised Code, the duration during which any securities issued by the board under that section are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest.

(6) The board of county commissioners of an eligible county as defined in section 307.678 of the Revised Code may, by resolution, amend a resolution levying a tax under division (A)

of this section to provide that revenue from the tax, not to exceed five hundred thousand dollars each year, may be used as described in division (E) of section 307.678 of the Revised Code.

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

(8) The board of county commissioners of a county described in division (I) of this section may, by resolution, amend a resolution levying a tax under division (A) of this section to provide that all or a portion of the revenue from the tax may be used for the purposes described in section 307.679 of the Revised Code.

(B) A board of county commissioners that levies an excise tax under division (A) of this section on June 30, 1997, at a rate of three per cent, and that has pledged revenue from the tax to an agreement entered into under section 307.695 of the Revised Code or, in the case of the board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code, has amended a resolution levying a tax under division (M) of this section to provide that proceeds from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, may, at any time by

a resolution adopted by a majority of the members of the board, amend the resolution levying a tax under division (A) of this section to provide for an increase in the rate of that tax up to seven per cent on each transaction; to provide that revenue from the increase in the rate shall be used as described in division (H) of section 307.695 of the Revised Code or be spent solely to make contributions to the convention and visitors' bureau operating within the county to be used specifically for promotion, advertising, and marketing of the region in which the county is located; and to provide that the rate in excess of the three per cent levied under division (A) of this section shall remain in effect at the rate at which it is imposed for the duration of the period during which any agreement is in effect that was entered into under section 307.695 of the Revised Code by the board of county commissioners levying a tax under division (A) of this section, the duration of the period during which any securities issued by the board under division (I) of section 307.695 of the Revised Code are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest. The amendment also shall provide that no portion of that revenue need be returned to townships or municipal corporations as would otherwise be required under division (A) of this section.

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

(2) A board of county commissioners that levies a tax under division (A) of this section on March 18, 1999, at a rate of three per cent may, by resolution adopted not later than

forty-five days after March 18, 1999, amend the resolution levying the tax to provide for all of the following:

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

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

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

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

(3) Division (C) of this section does not apply to the board of county commissioners of any county in which a convention center or facility exists or is being constructed on November 15, 1998, or of any county in which a convention

facilities authority levies a tax pursuant to section 351.021 of the Revised Code on that date.

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

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

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

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

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

(d) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the

authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law or by the board of county commissioners for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

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

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

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

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

(2) For the purpose of contributing revenue to pay

operating expenses of a port authority that operates a port authority military-use facility, the board of county commissioners of a county that created, participated in the creation of, or has joined such a port authority may do one or both of the following:

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

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

(3) If a board of county commissioners amends a resolution to increase the rate of a tax as authorized in division (E)(2)(b) of this section, the board also may amend the resolution to specify that the increase in rate of the tax does not apply to "hotels," as otherwise defined in section 5739.01 of the Revised Code, having fewer rooms used for the accommodation of guests than a number of rooms specified by the board. This limitation on the hotels to which the tax applies does not apply on and after the first day of the first month starting thirty or more days after the effective date of this amendment.

(F)(1) A board of county commissioners of a county organized under a county charter adopted pursuant to Article X, Section 3, Ohio Constitution, and that levies an excise tax under division (A) of this section at a rate of three per cent and levies an additional excise tax under division (O) of this section at a rate of one and one-half per cent may, by resolution adopted not later than January 1, 2008, by a majority

of the members of the board, amend the resolution levying a tax under division (A) of this section to provide for an increase in the rate of that tax by not more than an additional one per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. Notwithstanding divisions (A) and (O) of this section, the resolution shall provide that all of the revenue from the increase in rate, after deducting the real and actual costs of administering the tax, shall be used to pay the costs of improving, expanding, equipping, financing, or operating a convention center by a convention and visitors' bureau in the county.

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

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

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

effect in November 1984.

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

(3) The increase in rate shall remain in effect for the period specified in the resolution, not to exceed twenty years, provided that the increase in rate may not continue beyond the time when the purpose for which the increase is levied ceases to exist. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges.

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

(5) A resolution adopted under division (G) of this section is subject to referendum under sections 305.31 to 305.99

of the Revised Code.

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

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

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

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

(2) The board of county commissioners of a county to which division (H) of this section applies, by resolution adopted by a majority of the members of the board, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. The increase in rate shall be used to pay the costs of constructing and maintaining facilities owned by the county or by a port authority created under Chapter 4582. of the Revised Code, and designed to host sporting events and expenses deemed necessary by the convention and visitors' bureau operating in the county to promote travel and tourism with reference to the sports facilities, and to pay or pledge to the payment of debt service on securities issued to pay the costs of constructing, operating, and maintaining the sports facilities.

(3) The increase in rate shall remain in effect for the period specified in the resolution. If revenue from the increase

in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges.

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

(I)(1) The board of county commissioners of a county with a population greater than seventy-five thousand and less than seventy-eight thousand, by resolution adopted by a majority of the members of the board not later than October 15, 2015, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. The increase in rate shall be for the purposes described in section 307.679 of the Revised Code or for the promotion of travel and tourism in the county, including travel and tourism to sports facilities.

(2) The increase in rate shall remain in effect for the period specified in the resolution and as necessary to fulfill the county's obligations under a cooperative agreement entered into under section 307.679 of the Revised Code. If the resolution is adopted by the board before September 29, 2015, but after that enactment becomes law, the increase in rate shall

become effective beginning on September 29, 2015. If revenue from the increase in rate is pledged to the payment of debt charges on securities, or to substitute for other revenues pledged to the payment of such debt, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges.

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

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

(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.

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

(K)(1) The board of county commissioners of an eligible county, as defined in section 307.678 of the Revised Code, that

levies an excise tax under division (A) of this section on July 1, 2017, at a rate of three per cent may, by resolution adopted by a majority of the members of the board, amend the resolution levying the tax to increase the rate of the tax by not more than an additional three per cent on each transaction.

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

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

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

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

(b) "Professional sports facility" means a sports facility

that is intended to house major or minor league professional athletic teams, including a stadium, together with all parking facilities, walkways, and other auxiliary facilities, real and personal property, property rights, easements, and interests that may be appropriate for, or used in connection with, the operation of the facility.

(2) Subject to division (L)(3) of this section, the board of county commissioners of an eligible county, by resolution adopted by a majority of the members of the board, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. Revenue from the increase in rate shall be used for the purposes of paying the costs of constructing, improving, and maintaining a professional sports facility in the county and paying expenses considered necessary by the convention and visitors' bureau operating in the county to promote travel and tourism with respect to that professional sports facility. The tax shall take effect only after the convention and visitors' bureau enters into a contract for the construction, improvement, or maintenance of a professional sports facility that is or will be located on property acquired, in whole or in part, with revenue from the increased rate, and thereafter shall remain in effect for the period specified in the resolution. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless a provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges. The increase in

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

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

(M)(1) For the purposes described in section 307.695 of the Revised Code and to cover the costs of administering the tax, a board of county commissioners of a county where a tax imposed under division (A) of this section is in effect may, by resolution adopted within ninety days after July 15, 1985, by a majority of the members of the board, levy an additional excise tax 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. The tax authorized by division (M) of this section shall be in addition to any tax that is levied pursuant to divisions (A) to (L) of this section, but it shall not apply to transactions subject to a tax levied by a municipal corporation or township pursuant to section 5739.08 of the Revised Code.

(2) The board shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or

both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code.

(3) All revenues arising from the tax shall be expended in accordance with section 307.695 of the Revised Code. 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 the resolution levying a tax under this division to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code.

(4) A tax imposed under this division shall remain in effect at the rate at which it is imposed for the duration of the period during which any agreement entered into by the board under section 307.695 of the Revised Code is in effect, the duration of the period during which any securities issued by the board under division (I) of section 307.695 of the Revised Code are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest.

(N)(1) For the purpose of providing contributions under division (B)(1) of section 307.671 of the Revised Code to enable the acquisition, construction, and equipping of a port authority educational and cultural facility in the county and, to the extent provided for in the cooperative agreement authorized by that section, for the purpose of paying debt service charges on bonds, or notes in anticipation of bonds, described in division (B)(1)(b) of that section, a board of county commissioners, by resolution adopted within ninety days after December 22, 1992,

by a majority of the members of the board, may levy an additional excise tax not to exceed one and one-half per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. The excise tax authorized by division (N) of this section shall be in addition to any tax that is levied pursuant to divisions (A) to (M) of this section, to any excise tax levied pursuant to section 5739.08 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code.

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

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

(4) The tax shall remain in effect at the rate at which it is imposed for the period of time described in division (C) of section 307.671 of the Revised Code for which the revenue from the tax has been pledged by the county to the corporation

pursuant to that section, but, to any extent provided for in the cooperative agreement, for no lesser period than the period of time required for payment of the debt service charges on bonds, or notes in anticipation of bonds, described in division (B)(1)(b) of that section.

(O)(1) For the purpose of paying the costs of acquiring, constructing, equipping, and improving a municipal educational and cultural facility, including debt service charges on bonds provided for in division (B) of section 307.672 of the Revised Code, and for any additional purposes determined by the county in the resolution levying the tax or amendments to the resolution, including subsequent amendments providing for paying costs of acquiring, constructing, renovating, rehabilitating, equipping, and improving a port authority educational and cultural performing arts facility, as defined in section 307.674 of the Revised Code, and including debt service charges on bonds provided for in division (B) of section 307.674 of the Revised Code, the legislative authority of a county, by resolution adopted within ninety days after June 30, 1993, by a majority of the members of the legislative authority, may levy an additional excise tax not to exceed one and one-half per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. The excise tax authorized by division (O) of this section shall be in addition to any tax that is levied pursuant to divisions (A) to (N) of this section, to any excise tax levied pursuant to section 5739.08 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code.

(2) The legislative authority of the county shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may

prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code.

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

(P)(1) The legislative authority of a county that has levied a tax under division (O) of this section may, by resolution adopted within one hundred eighty days after January 4, 2001, by a majority of the members of the legislative authority, amend the resolution levying a tax under that division to provide for the use of the proceeds of that tax, to the extent that it is no longer needed for its original purpose as determined by the parties to a cooperative agreement

amendment pursuant to division (D) of section 307.672 of the Revised Code, to pay costs of acquiring, constructing, renovating, rehabilitating, equipping, and improving a port authority educational and cultural performing arts facility, including debt service charges on bonds provided for in division (B) of section 307.674 of the Revised Code, and to pay all obligations under any guaranty agreements, reimbursement agreements, or other credit enhancement agreements described in division (C) of section 307.674 of the Revised Code.

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

(3) All revenues arising from the amendment and extension of the tax shall be expended in accordance with section 307.674 of the Revised Code and divisions (O) and (P) of this section.

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

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

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

(2) Notwithstanding any contrary provision of division (N) of this section, the legislative authority of a county with a population of one million or more according to the most recent federal decennial census that has levied a tax under division

(N) of this section may, by resolution adopted by a majority of the members of the legislative authority, provide for the extension of such levy and may provide that the proceeds of that tax, to the extent that they are no longer needed for their original purpose as defined by a cooperative agreement entered into under section 307.671 of the Revised Code, shall be deposited into the county general revenue fund. The resolution shall provide for the extension of the tax at a rate not to exceed the rate specified in division (N) of this section for a period of time determined by the legislative authority of the county, but not to exceed an additional forty years.

(3) The legislative authority of a county with a population of one million or more that has levied a tax under division (A) of this section may, by resolution adopted by a majority of the members of the legislative authority, increase the rate of the tax levied by such county under division (A) of this section to a rate not to exceed five per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. Notwithstanding any contrary provision of division (A) of this section, the resolution may provide that all collections resulting from the rate levied in excess of three per cent, after deducting the real and actual costs of administering the tax, shall be deposited in the county general fund.

(4) The legislative authority of a county with a population of one million or more that has levied a tax under division (A) of this section may, by resolution adopted on or before August 30, 2004, by a majority of the members of the legislative authority, provide that all or a portion of the proceeds of the tax levied under division (A) of this section, after deducting the real and actual costs of administering the

tax and the amounts required to be returned to townships and municipal corporations with respect to the first three per cent levied under division (A) of this section, shall be deposited in the county general fund, provided that such proceeds shall be used to satisfy any pledges made in connection with an agreement entered into under section 307.695 of the Revised Code.

(5) No amount collected from a tax levied, extended, or required to be deposited in the county general fund under division (Q) of this section shall be contributed to a convention facilities authority, corporation, or other entity created after July 1, 2003, for the principal purpose of constructing, improving, expanding, equipping, financing, or operating a convention center unless the mayor of the municipal corporation in which the convention center is to be operated by that convention facilities authority, corporation, or other entity has consented to the creation of that convention facilities authority, corporation, or entity. Notwithstanding any contrary provision of section 351.04 of the Revised Code, if a tax is levied by a county under division (Q) of this section, the board of county commissioners of that county may determine the manner of selection, the qualifications, the number, and terms of office of the members of the board of directors of any convention facilities authority, corporation, or other entity described in division (Q)(5) of this section.

(6)(a) No amount collected from a tax levied, extended, or required to be deposited in the county general fund under division (Q) of this section may be used for any purpose other than paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center and for the real and actual costs of administering the tax, unless, prior to the adoption of the

resolution of the legislative authority of the county authorizing the levy, extension, increase, or deposit, the county and the mayor of the most populous municipal corporation in that county have entered into an agreement as to the use of such amounts, provided that such agreement has been approved by a majority of the mayors of the other municipal corporations in that county. The agreement shall provide that the amounts to be used for purposes other than paying the convention center or administrative costs described in division (Q)(6)(a) of this section be used only for the direct and indirect costs of capital improvements, including the financing of capital improvements, except that the agreement may subsequently be amended by the parties that have entered into that agreement to authorize such amounts to instead be used for any costs related to the promotion or support of tourism or tourism-related programs.

(b) If the county in which the tax is levied has an association of mayors and city managers, the approval of that association of an agreement described in division (Q)(6)(a) of this section shall be considered to be the approval of the majority of the mayors of the other municipal corporations for purposes of that division.

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

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

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

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

(2) Notwithstanding any contrary provision of division (N) of this section, the legislative authority of a county with a population of one million two hundred thousand or more according to the most recent federal decennial census or the most recent annual population estimate published or released by the United States census bureau at the time the resolution is adopted placing the levy on the ballot, that has levied a tax under division (N) of this section may, by resolution adopted by a majority of the members of the legislative authority, provide for the extension of such levy and may provide that the proceeds of that tax, to the extent that the proceeds are no longer needed for their original purpose as defined by a cooperative agreement entered into under section 307.671 of the Revised Code and after deducting the real and actual costs of administering the tax, shall be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center. The resolution shall provide for the extension of the tax at a rate not to exceed the rate specified in division (N) of this section for a period of time determined by the legislative authority of the county, but not to exceed an additional forty years.

(3) The legislative authority of a county with a population of one million two hundred thousand or more that has levied a tax under division (A) of this section may, by resolution adopted by a majority of the members of the

legislative authority, increase the rate of the tax levied by such county under division (A) of this section to a rate not to exceed five per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. Notwithstanding any contrary provision of division (A) of this section, the resolution shall provide that all collections resulting from the rate levied in excess of three per cent, after deducting the real and actual costs of administering the tax, shall be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

(4) The legislative authority of a county with a population of one million two hundred thousand or more that has levied a tax under division (A) of this section may, by resolution adopted on or before July 1, 2008, by a majority of the members of the legislative authority, provide that all or a portion of the proceeds of the tax levied under division (A) of this section, after deducting the real and actual costs of administering the tax and the amounts required to be returned to townships and municipal corporations with respect to the first three per cent levied under division (A) of this section, shall be used to satisfy any pledges made in connection with an agreement entered into under section 307.695 of the Revised Code or shall otherwise be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

(5) Any amount collected from a tax levied or extended under division (R) of this section may be contributed to a convention facilities authority created before July 1, 2005, but no amount collected from a tax levied or extended under division (R) of this section may be contributed to a convention

facilities authority, corporation, or other entity created after July 1, 2005, unless the mayor of the municipal corporation in which the convention center is to be operated by that convention facilities authority, corporation, or other entity has consented to the creation of that convention facilities authority, corporation, or entity.

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

The board of county commissioners of a county with a population between one hundred three thousand and one hundred seven thousand according to the most recent federal decennial census, by resolution adopted by a majority of the members of the board within six months after September 15, 2014, may levy a tax not to exceed three per cent on transactions by which a hotel or short-term rental property is or is to be furnished to transient guests. The purpose of the tax shall be to pay the costs of expanding, maintaining, or operating a soldiers' memorial and the costs of administering the tax. All revenue arising from the tax shall be credited to one or more special funds in the county treasury and shall be spent solely for the purposes of paying those costs.

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

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

(1) "Eligible county" means a county in which a county agricultural society or independent agricultural society is

organized under section 1711.01 or 1711.02 of the Revised Code, provided the agricultural society owns a facility or site in the county at which an annual harness horse race is conducted where one-day attendance equals at least forty thousand attendees.

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

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

A board of county commissioners of an eligible county, by resolution adopted by a majority of the members of the board, may levy an excise tax at the rate of up to 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 paying the costs of permanent improvements at sites at which one or more agricultural societies conduct fairs or exhibits, including paying financing costs and debt charges on bonds, or notes in anticipation of bonds, paying the costs of maintaining or operating such permanent improvements, and paying the costs of administering the tax.

A resolution adopted under division (T) of this section, other than a resolution that only extends the period of time for which the tax is levied, shall direct the board of elections to submit the question of the proposed lodging tax to the electors of the county at a special election held on the date specified by the board in the resolution, provided that the election occurs not less than ninety days after a certified copy of the resolution is transmitted to the board of elections. A resolution submitted to the electors under division (T) of this section shall not go into effect unless it is approved by a

majority of those voting upon it. The resolution takes effect on the date the board of county commissioners receives notification from the board of elections of an affirmative vote.

The tax shall remain in effect for the period specified in the resolution, not to exceed five years, and may be extended for an additional period of years that is at least the number of years required for payment of the debt charges on bonds or notes in anticipation of bonds authorized under this division but not in excess of fifteen years thereafter by a resolution adopted by a majority of the members of the board. A resolution extending the period of time for which the tax is in effect is not subject to approval of the electors of the county, but is subject to referendum under sections 305.31 to 305.99 of the Revised Code. All revenue arising from the tax shall be credited to one or more special funds in the county treasury and shall be spent solely for the purposes of paying the costs of such permanent improvements, including paying financing costs and debt charges on bonds, or notes in anticipation of bonds, and maintaining or operating the improvements. Revenue allocated for the use of a county agricultural society may be credited to the county agricultural society fund created in section 1711.16 of the Revised Code upon appropriation by the board. If revenue is credited to that fund, it shall be expended only as provided in that section.

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

5703.47 of the Revised Code.

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

(U) As used in division (U) of this section, "eligible county" means a county in which a tax is levied under division (A) of this section at a rate of three per cent and whose territory includes a part of Lake Erie the shoreline of which represents at least fifty per cent of the linear length of the county's border with other counties of this state.

The board of county commissioners of an eligible county that has entered into an agreement with a port authority in the county under section 4582.56 of the Revised Code may levy an additional lodging tax 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 financing lakeshore improvement projects constructed or financed by the port authority under that section. The resolution levying the tax shall specify the purpose of the tax, the rate of the tax, which shall not exceed two per cent, and the number of years the tax will be levied or that it will be levied for a continuing period of time. The tax shall be administered pursuant to the

regulations adopted by the board under division (A) of this section, except that all the proceeds of the tax levied under this division shall be pledged to the payment of the costs, including debt charges, of lakeshore improvements undertaken by a port authority pursuant to the agreement under section 4582.56 of the Revised Code. No revenue from the tax may be used to pay the current expenses of the port authority.

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

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

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

(b) "Lodging tax" means a tax levied pursuant to this section or section 5739.08 of the Revised Code.

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

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

(2)(a) Notwithstanding division (A) of this section, the board of county commissioners, board of township trustees, or legislative authority of any county, township, or municipal corporation that levies a lodging tax on September 29, 2017, and in which any part of a tourism development district is located

on or after that date shall amend the ordinance or resolution levying the tax to require either of the following:

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

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

(b) Notwithstanding division (A) of this section, any ordinance or resolution levying a lodging tax adopted on or after September 29, 2017, by a county, township, or municipal corporation in which any part of a tourism development district is located on or after that date shall require that all tourism development district lodging tax proceeds from that tax be used exclusively to foster and develop tourism in the tourism development district.

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

A municipal corporation or township shall not use any of the proceeds described in division (V)(2)(a)(ii) or (V)(2)(b) of this section unless the convention and visitors' bureau operating within the municipal corporation or township approves

the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the municipal corporation or township may pay such proceeds to the bureau to use for the agreed-upon purpose.

(3)(a) Notwithstanding division (A) of this section, the board of county commissioners of an eligible county that levies a lodging tax on March 23, 2018, may amend the resolution levying that tax to require that all or a portion of the proceeds of that tax otherwise required to be spent solely to make contributions to the convention and visitors' bureau operating within the county shall be used to foster and develop tourism in a tourism development district.

(b) Notwithstanding division (A) of this section, the board of county commissioners of an eligible county that adopts a resolution levying a lodging tax on or after March 23, 2018, may require that all or a portion of the proceeds of that tax otherwise required to be spent solely to make contributions to the convention and visitors' bureau operating within the county pursuant to division (A) of this section shall be used to foster and develop tourism in a tourism development district.

(c) A county shall not use any of the proceeds in the manner described in division (V)(3)(a) or (b) of this section unless the convention and visitors' bureau operating within the county approves the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the county may pay such proceeds to the bureau to use for the agreed upon purpose.

(W)(1) As used in division (W) of this section:

(a) "Eligible county" means a county with a population

greater than three hundred thousand and less than three hundred fifty thousand that levies a tax under division (A) of this section at a rate of three per cent;

(b) "Cost" and "facility" have the same meanings as in section 351.01 of the Revised Code.

(2) A board of county commissioners of an eligible county, by resolution adopted by a majority of the members of the board, may levy an excise tax at the rate of up to 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. All of the revenue from the tax shall be used to pay the costs of administering the tax or pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code and used by the authority to pay the cost of constructing a facility in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter, or paying the expenses of maintaining, operating, or promoting such a facility. No portion of the revenue arising from the tax need be returned to municipal corporations or townships as required for taxes levied under division (A) of this section.

(3) A resolution adopted under division (W) of this section shall direct the board of elections to submit the question of the proposed lodging tax to the electors of the county at a special election held on the date specified by the board in the resolution, provided that the election occurs not less than ninety days after a certified copy of the resolution is transmitted to the board of elections. A resolution submitted to the electors under division (W) of this section shall not go into effect unless it is approved by a majority of those voting

upon it. The resolution takes effect on the date the board of county commissioners receives notification from the board of elections of an affirmative vote.

(4) Once the tax is approved by the electors of the county pursuant to division (W)(3) of this section, it shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law or by the board of county commissioners for an adequate substitute therefore that is satisfactory to the trustee if a trust agreement secures the bonds.

(5) The tax authorized by division (W) of this section shall be in addition to any other tax that is levied pursuant to this section.

(X)(1) As used in division (X) of this section:

(a) "Convention facilities authority," "cost," and "facility" have the same meanings as in section 351.01 of the Revised Code, except that "facility" does not include a "sports facility," as that term is defined in that section, other than a facility intended to house a major league soccer team.

(b) "Eligible county" means a county with a population greater than eight hundred thousand but less than one million that levies a tax under division (A) of this section.

(c) "Port authority" means a port authority created under Chapter 4582. of the Revised Code.

(2) A board of county commissioners or the legislative authority of an eligible county may, by resolution adopted by a

majority of the members of the board or legislative authority, levy an excise tax at a rate not to exceed one per cent on transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient guests. All revenue arising from the tax shall be used to pay the costs of administering the tax or pledged and contributed to the convention and visitors' bureau operating within the applicable eligible county, a convention facilities authority within the applicable eligible county, or a port authority and used by the convention and visitors' bureau, the convention facilities authority, or the port authority to pay the cost of acquiring, constructing, renovating, expanding, maintaining, or operating one or more facilities in the county, including paying bonds, or notes issued in anticipation of bonds, or paying the expenses of maintaining, operating, or promoting one or more facilities. No portion of the revenue arising from the tax need be returned to municipal corporations or townships as required for taxes levied under division (A) of this section.

(3) The tax authorized by division (X) of this section shall be in addition to any other tax that is levied pursuant to this section.

(4) Any board of county commissioners of an eligible county that, pursuant to division (D)(2) of this section, has amended a resolution levying the tax authorized by division (A) of this section may further amend the resolution to provide that all or a portion of the revenue referred to in division (D)(2)(b) of this section and division (A) of this section may be pledged and contributed to pay the costs of acquiring, constructing, renovating, expanding, maintaining, or operating one or more facilities in the county, including paying bonds, or notes issued in anticipation of bonds, or paying the expenses of

maintaining, operating, or promoting one or more facilities.

Sec. 5739.091. (A) ~~For the purposes of a tax levied by a county, township, or municipal corporation under section 5739.08 or 5739.09 of the Revised Code, a~~ As used in this section:

(1) "Legislative authority" means a board of county commissioners, board of township trustees, ~~or~~ the legislative authority of a municipal corporation~~ may adopt a resolution or ordinance at any time specifying that "hotel," as otherwise defined in section 5739.01 of the Revised Code, includes the following:~~

~~(1) Establishments in which fewer than five rooms are used for the accommodation of guests;~~

~~(2) Establishments at which rooms are used for the accommodation of guests regardless of whether each room is accessible through its own keyed entry or several rooms are accessible through the same keyed entry; and, in determining the 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.

(3) "Elector-approved lodging tax" means an existing lodging tax levied under section 353.06 or division (T) or (W) of section 5739.09 of the Revised Code.

(B) Except as provided in division (D) of this section, a legislative authority shall not levy an existing lodging tax on or after the first day of the first month beginning thirty or more 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 Code by this act. That amendment to such a resolution or ordinance is not subject to a referendum, as prescribed by sections 305.31 to 305.41 of the Revised Code.

(C) A legislative authority shall require the operator of a short-term rental platform to collect and remit the tax levied under section 351.021, 353.06, 5739.08, or 5739.09 of the Revised Code on all transactions by which lodging by a hotel or short-term rental property is or is to be furnished to transient

guests through use of the platform.

(D) A legislative authority that levies an elector-approved lodging tax shall, after the effective date of this amendment, continue to levy that tax for the remainder of the period of time for which it was last approved. The legislative authority shall not, on or after the first day of the first month beginning thirty or more days after the effective date of this amendment, adopt a resolution to renew or extend that period of time or otherwise modify the tax unless that resolution complies 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 Code by this act.

Sec. 5741.01. As used in this chapter:

(A) "Person" includes individuals, receivers, assignees, trustees in bankruptcy, estates, firms, partnerships, associations, joint-stock companies, joint ventures, clubs, societies, corporations, business trusts, governments, and combinations of individuals of any form.

(B) "Storage" means and includes any keeping or retention in this state for use or other consumption in this state.

(C) "Use" means and includes the exercise of any right or power incidental to the ownership of the thing used. A thing is also "used" in this state if its consumer gives or otherwise distributes it, without charge, to recipients in this state.

(D) "Purchase" means acquired or received for a consideration, whether such acquisition or receipt was effected by a transfer of title, or of possession, or of both, or a license to use or consume; whether such transfer was absolute or conditional, and by whatever means the transfer was effected;

and whether the consideration was money, credit, barter, or exchange. Purchase includes production, even though the article produced was used, stored, or consumed by the producer. The transfer of copyrighted motion picture films for exhibition purposes is not a purchase, except such films as are used solely for advertising purposes.

(E) "Seller" means the person from whom a purchase is made, and includes every person engaged in this state or elsewhere in the business of selling tangible personal property or providing a service for storage, use, or other consumption or benefit in this state; and when, in the opinion of the tax commissioner, it is necessary for the efficient administration of this chapter, to regard any salesperson, representative, peddler, or canvasser as the agent of a dealer, distributor, supervisor, or employer under whom the person operates, or from whom the person obtains tangible personal property, sold by the person for storage, use, or other consumption in this state, irrespective of whether or not the person is making such sales on the person's own behalf, or on behalf of such dealer, distributor, supervisor, or employer, the commissioner may regard the person as such agent, and may regard such dealer, distributor, supervisor, or employer as the seller.

Except as provided in sections 5741.071 and 5747.072 of the Revised Code, a marketplace facilitator shall be treated as the "seller" with respect to all sales facilitated by the marketplace facilitator on behalf of one or more marketplace sellers on and after the first day of the first month that begins at least thirty days after the marketplace facilitator first has substantial nexus with this state. Otherwise, "seller" does not include any person to the extent the person provides a communications medium, such as, but not limited to, newspapers,

magazines, radio, television, or cable television, by means of which sellers solicit purchases of their goods or services.

(F) "Consumer" means any person who has purchased tangible personal property or has been provided a service for storage, use, or other consumption or benefit in this state. "Consumer" does not include a person who receives, without charge, tangible personal property or a service.

A person who performs a facility management or similar service contract for a contractee is a consumer of all tangible personal property and services purchased for use in connection with the performance of such contract, regardless of whether title to any such property vests in the contractee. The purchase of such property and services is not subject to the exception for resale under division (E) of section 5739.01 of the Revised Code.

(G)(1) "Price," except as provided in divisions (G)(2) to (6) of this section, has the same meaning as in division (H)(1) of section 5739.01 of the Revised Code.

(2) In the case of watercraft, outboard motors, or new motor vehicles, "price" has the same meaning as in divisions (H)(2) and (3) of section 5739.01 of the Revised Code.

(3) In the case of a nonresident business consumer that purchases and uses tangible personal property outside this state and subsequently temporarily stores, uses, or otherwise consumes such tangible personal property in the conduct of business in this state, the consumer or the tax commissioner may determine the price based on the value of the temporary storage, use, or other consumption, in lieu of determining the price pursuant to division (G)(1) of this section. A price determination made by

the consumer is subject to review and redetermination by the commissioner.

(4) In the case of tangible personal property held in this state as inventory for sale or lease, and that is temporarily stored, used, or otherwise consumed in a taxable manner, the price is the value of the temporary use. A price determination made by the consumer is subject to review and redetermination by the commissioner.

(5) In the case of tangible personal property originally purchased and used by the consumer outside this state, and that becomes permanently stored, used, or otherwise consumed in this state more than six months after its acquisition by the consumer, the consumer or the commissioner may determine the price based on the current value of such tangible personal property, in lieu of determining the price pursuant to division (G)(1) of this section. A price determination made by the consumer is subject to review and redetermination by the commissioner.

(6) If a consumer produces tangible personal property for sale and removes that property from inventory for the consumer's own use, the price is the produced cost of that tangible personal property.

(H) "Nexus with this state" means that the seller engages in continuous and widespread solicitation of purchases from residents of this state or otherwise purposefully directs its business activities at residents of this state.

(I)(1) "Substantial nexus with this state" means that the seller has sufficient contact with this state, in accordance with Section 8 of Article I of the Constitution of the United

States, to allow the state to require the seller to collect and remit use tax on sales of tangible personal property or services made to consumers in this state.

(2) "Substantial nexus with this state" is presumed to exist when the seller does any of the following:

(a) Uses an office, distribution facility, warehouse, storage facility, or similar place of business within this state, whether operated by the seller or any other person, other than a common carrier acting in its capacity as a common carrier.

(b) Regularly uses employees, agents, representatives, solicitors, installers, repairers, salespersons, or other persons in this state for the purpose of conducting the business of the seller or either to engage in a business with the same or a similar industry classification as the seller selling a similar product or line of products as the seller, or to use trademarks, service marks, or trade names in this state that are the same or substantially similar to those used by the seller.

(c) Uses any person, other than a common carrier acting in its capacity as a common carrier, in this state for any of the following purposes:

(i) Receiving or processing orders of the seller's goods or services;

(ii) Using that person's employees or facilities in this state to advertise, promote, or facilitate sales by the seller to customers;

(iii) Delivering, installing, assembling, or performing maintenance services for the seller's customers;

(iv) Facilitating the seller's delivery of tangible personal property to customers in this state by allowing the seller's customers to pick up property sold by the seller at an office, distribution facility, warehouse, storage facility, or similar place of business.

(d) Makes regular deliveries of tangible personal property into this state by means other than common carrier.

(e) Has an affiliated person that has substantial nexus with this state.

(f) Owns tangible personal property that is rented or leased to a consumer in this state, or offers tangible personal property, on approval, to consumers in this state.

(g) Has gross receipts in excess of one hundred thousand dollars in the current or preceding calendar year from the sale of tangible personal property for storage, use, or consumption in this state or from providing services the benefit of which is realized in this state.

(h) Engages, in the current or preceding calendar year, in two hundred or more separate transactions selling tangible personal property for storage, use, or consumption in this state or providing services the benefit of which is realized in this state.

(i) Is the operator of a short-term rental platform that furnishes lodging in short-term rental properties located in this state to transient guests.

(3) A seller presumed to have substantial nexus with this state under divisions (I)(2)(a) to (f), (g), and (h) of this section may rebut that presumption by demonstrating that activities described in any of those divisions that are

conducted by a person in this state on the seller's behalf are not significantly associated with the seller's ability to establish or maintain a market in this state for the seller's sales.

(4) A marketplace facilitator is presumed to have substantial nexus with this state if either of the following apply in the current or preceding calendar year:

(a) The aggregate gross receipts derived from sales of tangible personal property for storage, use, or consumption in this state or services the benefit of which is realized in this state, including sales made by the marketplace facilitator on its own behalf and sales facilitated by the marketplace facilitator on behalf of one or more marketplace sellers, exceed one hundred thousand dollars;

(b) The marketplace facilitator engages in on its own behalf, or facilitates on behalf of one or more marketplace sellers, two hundred or more separate transactions selling tangible personal property for storage, use, or consumption in this state or services the benefit of which is realized in this state.

(5) A seller that does not have substantial nexus with this state, and any affiliated person of the seller, before selling or leasing tangible personal property or services to a state agency, shall register with the tax commissioner in the same manner as a seller described in division (A)(1) of section 5741.17 of the Revised Code.

(6) As used in division (I) of this section:

(a) "Affiliated person" means any person that is a member of the same controlled group of corporations as the seller or

any other person that, notwithstanding the form of organization, bears the same ownership relationship to the seller as a corporation that is a member of the same controlled group of corporations.

(b) "Controlled group of corporations" has the same meaning as in section 1563(a) of the Internal Revenue Code.

(c) "State agency" has the same meaning as in section 1.60 of the Revised Code.

(J) "Fiscal officer" means, with respect to a regional transit authority, the secretary-treasurer thereof, and with respect to a county which is a transit authority, the fiscal officer of the county transit board appointed pursuant to section 306.03 of the Revised Code or, if the board of county commissioners operates the county transit system, the county auditor.

(K) "Territory of the transit authority" means all of the area included within the territorial boundaries of a transit authority as they from time to time exist. Such territorial boundaries must at all times include all the area of a single county or all the area of the most populous county which is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(L) "Transit authority" means a regional transit authority created pursuant to section 306.31 of the Revised Code or a county in which a county transit system is created pursuant to section 306.01 of the Revised Code. For the purposes of this chapter, a transit authority must extend to at least the entire area of a single county. A transit authority which includes

territory in more than one county must include all the area of the most populous county which is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(M) "Providing a service" has the same meaning as in section 5739.01 of the Revised Code.

(N) "Other consumption" includes receiving the benefits of a service.

(O) "Lease" or "rental" has the same meaning as in section 5739.01 of the Revised Code.

(P) "Certified service provider" has the same meaning as in section 5740.01 of the Revised Code.

(Q) "Marketplace facilitator" means a person that owns, operates, or controls a physical or electronic marketplace through which retail sales or delivery network services, or both, are facilitated on behalf of one or more marketplace sellers, or an affiliate of such a person. "Marketplace facilitator" does not include a person that provides advertising services, including tangible personal property or services listed for sale, if the advertising service platform or forum does not engage directly or indirectly through one or more affiliated persons in the activities described in division (T)(2) of this section.

(R) "Marketplace seller" means a person on behalf of which a marketplace facilitator facilitates the sale of tangible personal property for storage, use, or consumption in this state or services the benefit of which are realized in this state, regardless of whether or not the person has a substantial nexus with this state.

(S) "Electronic marketplace" includes digital distribution services, digital distribution platforms, online portals, application stores, computer software applications, in-app purchase mechanisms, or other digital products.

(T) A sale is "facilitated" by a marketplace facilitator on behalf of a marketplace seller if it satisfies divisions (T)(1), (2), and (3) of this section:

(1) The marketplace facilitator, directly or indirectly, does any of the following:

(a) Lists, makes available, or advertises the tangible personal property or services that are the subject of the sale in a physical or electronic marketplace owned, operated, or controlled by the marketplace facilitator;

(b) Transmits or otherwise communicates an offer or acceptance of the sale between the marketplace seller and the purchaser in a shop, store, booth, catalog, internet site, or other similar forum;

(c) Owns, rents, licenses, makes available, or operates any electronic or physical infrastructure or any property, process, method, copyright, trademark, or patent that connects the marketplace seller to the purchaser for the purpose of making sales;

(d) Provides the marketplace in which the sale was made or otherwise facilitates the sale regardless of ownership or control of the tangible personal property or services that are the subject of the sale;

(e) Provides software development or research and development services directly related to a physical or electronic marketplace that is involved in one or more of the

activities described in division (T)(1) of this section;

(f) Provides fulfillment or storage services for the marketplace seller that are related to the tangible personal property or services that are the subject of the sale;

(g) Sets the price of the sale on behalf of the marketplace seller;

(h) Provides or offers customer service to the marketplace seller or the marketplace seller's customers, or accepts or assists with taking orders, returns, or exchanges of the tangible personal property or services that are the subject of the sale;

(i) Brands or otherwise identifies the sale as a sale of the marketplace facilitator.

(2) The marketplace facilitator, directly or indirectly, does any of the following:

(a) Collects the price of the tangible personal property or services sold to the consumer;

(b) Provides payment processing services for the sale;

(c) Collects payment in connection with the sale from the consumer through terms and conditions, agreements, or arrangements with a third party, and transmits that payment to the marketplace seller, regardless of whether the person collecting and transmitting such payment receives compensation or other consideration in exchange for the service;

(d) Provides virtual currency that consumers are allowed or required to use to purchase the tangible personal property or services that are the subject of the sale.

(3) The subject of the sale is tangible personal property or services other than lodging by a hotel that is or is to be furnished to transient guests.

(U) "Delivery network company," "delivery network services," and "local merchant" have the same meanings as in section 5739.01 of the Revised Code.

(V) "Short-term rental platform," "short-term rental property," and "transient guest" have the same meanings as in section 5739.01 of the Revised Code.

Sec. 5747.01. Except as otherwise expressly provided or clearly appearing from the context, any term used in this chapter that is not otherwise defined in this section has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes or if not used in a comparable context in those laws, has the same meaning as in section 5733.40 of the Revised Code. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

As used in this chapter:

(A) "Adjusted gross income" or "Ohio adjusted gross income" means federal adjusted gross income, as defined and used in the Internal Revenue Code, adjusted as provided in this section:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession

of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes.

(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.

(5) Deduct the following, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income:

(a) Benefits under Title II of the Social Security Act and tier 1 railroad retirement;

(b) Railroad retirement benefits, other than tier 1 railroad retirement benefits, to the extent such amounts are exempt from state taxation under federal law.

(6) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal adjusted gross income for the taxable year, had the work opportunity tax credit allowed and determined under sections 38, 51, and 52 of the Internal Revenue Code not been in effect.

(7) Deduct any interest or interest equivalent on public obligations and purchase obligations to the extent that the interest or interest equivalent is included in federal adjusted gross income.

(8) Add any loss or deduct any gain resulting from the sale, exchange, or other disposition of public obligations to the extent that the loss has been deducted or the gain has been included in computing federal adjusted gross income.

(9) Deduct or add amounts, as provided under section 5747.70 of the Revised Code, related to contributions made to or tuition units purchased under a qualified tuition program established pursuant to section 529 of the Internal Revenue Code.

(10)(a) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer paid during the taxable year for medical care insurance and qualified long-term care insurance for the taxpayer, the taxpayer's spouse, and dependents. No deduction for medical care insurance under division (A)(10)(a) of this section shall be allowed either to any taxpayer who is eligible to participate in any subsidized health plan maintained by any employer of the taxpayer or of the taxpayer's spouse, or to any taxpayer who is entitled to, or on application would be entitled to, benefits under part A of Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of division (A)(10)(a) of this section, "subsidized health plan" means a health plan for which the employer pays any portion of the plan's cost. The deduction allowed under division (A)(10)(a) of this section shall be the net of any related premium refunds, related premium reimbursements, or related insurance premium dividends received during the taxable year.

(b) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income

during the taxable year, the amount the taxpayer paid during the taxable year, not compensated for by any insurance or otherwise, for medical care of the taxpayer, the taxpayer's spouse, and dependents, to the extent the expenses exceed seven and one-half per cent of the taxpayer's federal adjusted gross income.

(c) For purposes of division (A)(10) of this section, "medical care" has the meaning given in section 213 of the Internal Revenue Code, subject to the special rules, limitations, and exclusions set forth therein, and "qualified long-term care" has the same meaning given in section 7702B(c) of the Internal Revenue Code. Solely for purposes of division (A)(10)(a) of this section, "dependent" includes a person who otherwise would be a "qualifying relative" and thus a "dependent" under section 152 of the Internal Revenue Code but for the fact that the person fails to meet the income and support limitations under section 152(d)(1)(B) and (C) of the Internal Revenue Code.

(11)(a) Deduct any amount included in federal adjusted gross income solely because the amount represents a reimbursement or refund of expenses that in any year the taxpayer had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable United States department of the treasury regulations. The deduction otherwise allowed under division (A)(11)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio adjusted gross income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any

amount deducted or excluded in computing federal or Ohio adjusted gross income in any taxable year.

(12) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year;

(b) It does not otherwise reduce the taxpayer's adjusted gross income for the current or any other taxable year.

(13) Deduct an amount equal to the deposits made to, and net investment earnings of, a medical savings account during the taxable year, in accordance with section 3924.66 of the Revised Code. The deduction allowed by division (A)(13) of this section does not apply to medical savings account deposits and earnings otherwise deducted or excluded for the current or any other taxable year from the taxpayer's federal adjusted gross income.

(14)(a) Add an amount equal to the funds withdrawn from a medical savings account during the taxable year, and the net investment earnings on those funds, when the funds withdrawn were used for any purpose other than to reimburse an account holder for, or to pay, eligible medical expenses, in accordance with section 3924.66 of the Revised Code;

(b) Add the amounts distributed from a medical savings account under division (A)(2) of section 3924.68 of the Revised Code during the taxable year.

(15) Add any amount claimed as a credit under section

5747.059 of the Revised Code to the extent that such amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal adjusted gross income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction of the taxpayer's federal adjusted gross income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(16) Deduct the amount contributed by the taxpayer to an individual development account program established by a county department of job and family services pursuant to sections 329.11 to 329.14 of the Revised Code for the purpose of matching funds deposited by program participants. On request of the tax commissioner, the taxpayer shall provide any information that, in the tax commissioner's opinion, is necessary to establish the amount deducted under division (A)(16) of this section.

(17)(a)(i) Subject to divisions (A)(17)(a)(iii), (iv), and (v) of this section, add five-sixths of the amount of depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code, including the taxpayer's proportionate or distributive share of the amount of depreciation expense allowed by that subsection to a pass-through entity in which the taxpayer has a direct or indirect ownership interest.

(ii) Subject to divisions (A)(17)(a)(iii), (iv), and (v) of this section, add five-sixths of the amount of qualifying section 179 depreciation expense, including the taxpayer's proportionate or distributive share of the amount of qualifying

section 179 depreciation expense allowed to any pass-through entity in which the taxpayer has a direct or indirect ownership interest.

(iii) Subject to division (A)(17)(a)(v) of this section, for taxable years beginning in 2012 or thereafter, if the increase in income taxes withheld by the taxpayer is equal to or greater than ten per cent of income taxes withheld by the taxpayer during the taxpayer's immediately preceding taxable year, "two-thirds" shall be substituted for "five-sixths" for the purpose of divisions (A)(17)(a)(i) and (ii) of this section.

(iv) Subject to division (A)(17)(a)(v) of this section, for taxable years beginning in 2012 or thereafter, a taxpayer is not required to add an amount under division (A)(17) of this section if the increase in income taxes withheld by the taxpayer and by any pass-through entity in which the taxpayer has a direct or indirect ownership interest is equal to or greater than the sum of (I) the amount of qualifying section 179 depreciation expense and (II) the amount of depreciation expense allowed to the taxpayer by subsection (k) of section 168 of the Internal Revenue Code, and including the taxpayer's proportionate or distributive shares of such amounts allowed to any such pass-through entities.

(v) If a taxpayer directly or indirectly incurs a net operating loss for the taxable year for federal income tax purposes, to the extent such loss resulted from depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code and by qualifying section 179 depreciation expense, "the entire" shall be substituted for "five-sixths of the" for the purpose of divisions (A)(17)(a)(i) and (ii) of this section.

The tax commissioner, under procedures established by the

commissioner, may waive the add-backs related to a pass-through entity if the taxpayer owns, directly or indirectly, less than five per cent of the pass-through entity.

(b) Nothing in division (A)(17) of this section shall be construed to adjust or modify the adjusted basis of any asset.

(c) To the extent the add-back required under division (A)(17)(a) of this section is attributable to property generating nonbusiness income or loss allocated under section 5747.20 of the Revised Code, the add-back shall be situsedto the same location as the nonbusiness income or loss generated by the property for the purpose of determining the credit under division (A) of section 5747.05 of the Revised Code. Otherwise, the add-back shall be apportioned, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(d) For the purposes of division (A)(17)(a)(v) of this section, net operating loss carryback and carryforward shall not include the allowance of any net operating loss deduction carryback or carryforward to the taxable year to the extent such loss resulted from depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount.

(e) For the purposes of divisions (A)(17) and (18) of this section:

(i) "Income taxes withheld" means the total amount withheld and remitted under sections 5747.06 and 5747.07 of the Revised Code by an employer during the employer's taxable year.

(ii) "Increase in income taxes withheld" means the amount by which the amount of income taxes withheld by an employer

during the employer's current taxable year exceeds the amount of income taxes withheld by that employer during the employer's immediately preceding taxable year.

(iii) "Qualifying section 179 depreciation expense" means the difference between (I) the amount of depreciation expense directly or indirectly allowed to a taxpayer under section 179 of the Internal Revised Code, and (II) the amount of depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code as that section existed on December 31, 2002.

(18)(a) If the taxpayer was required to add an amount under division (A)(17)(a) of this section for a taxable year, deduct one of the following:

(i) One-fifth of the amount so added for each of the five succeeding taxable years if the amount so added was five-sixths of qualifying section 179 depreciation expense or depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code;

(ii) One-half of the amount so added for each of the two succeeding taxable years if the amount so added was two-thirds of such depreciation expense;

(iii) One-sixth of the amount so added for each of the six succeeding taxable years if the entire amount of such depreciation expense was so added.

(b) If the amount deducted under division (A)(18)(a) of this section is attributable to an add-back allocated under division (A)(17)(c) of this section, the amount deducted shall be sitused to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable

year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(c) No deduction is available under division (A)(18)(a) of this section with regard to any depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount to the extent that such depreciation results in or increases a federal net operating loss carryback or carryforward. If no such deduction is available for a taxable year, the taxpayer may carry forward the amount not deducted in such taxable year to the next taxable year and add that amount to any deduction otherwise available under division (A)(18)(a) of this section for that next taxable year. The carryforward of amounts not so deducted shall continue until the entire addition required by division (A)(17)(a) of this section has been deducted.

(19) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as reimbursement for life insurance premiums under section 5919.31 of the Revised Code.

(20) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year as a death benefit paid by the adjutant general under section 5919.33 of the Revised Code.

(21) Deduct, to the extent included in federal adjusted gross income and not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, military pay and allowances received by the

taxpayer during the taxable year for active duty service in the United States army, air force, navy, marine corps, or coast guard or reserve components thereof or the national guard. The deduction may not be claimed for military pay and allowances received by the taxpayer while the taxpayer is stationed in this state.

(22) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year and not otherwise compensated for by any other source, the amount of qualified organ donation expenses incurred by the taxpayer during the taxable year, not to exceed ten thousand dollars. A taxpayer may deduct qualified organ donation expenses only once for all taxable years beginning with taxable years beginning in 2007.

For the purposes of division (A)(22) of this section:

(a) "Human organ" means all or any portion of a human liver, pancreas, kidney, intestine, or lung, and any portion of human bone marrow.

(b) "Qualified organ donation expenses" means travel expenses, lodging expenses, and wages and salary forgone by a taxpayer in connection with the taxpayer's donation, while living, of one or more of the taxpayer's human organs to another human being.

(23) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received by the taxpayer as retired personnel pay for service in the uniformed services or reserve components thereof, or the national guard, or received by the surviving spouse or former spouse of such a taxpayer under the

survivor benefit plan on account of such a taxpayer's death. If the taxpayer receives income on account of retirement paid under the federal civil service retirement system or federal employees retirement system, or under any successor retirement program enacted by the congress of the United States that is established and maintained for retired employees of the United States government, and such retirement income is based, in whole or in part, on credit for the taxpayer's uniformed service, the deduction allowed under this division shall include only that portion of such retirement income that is attributable to the taxpayer's uniformed service, to the extent that portion of such retirement income is otherwise included in federal adjusted gross income and is not otherwise deducted under this section. Any amount deducted under division (A)(23) of this section is not included in a taxpayer's adjusted gross income for the purposes of section 5747.055 of the Revised Code. No amount may be deducted under division (A)(23) of this section on the basis of which a credit was claimed under section 5747.055 of the Revised Code.

(24) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year from the military injury relief fund created in section 5902.05 of the Revised Code.

(25) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received as a veterans bonus during the taxable year from the Ohio department of veterans services as authorized by Section 2r of Article VIII, Ohio Constitution.

(26) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, any income derived from a transfer agreement or from the enterprise transferred under that agreement under section 4313.02 of the Revised Code.

(27) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, Ohio college opportunity or federal Pell grant amounts received by the taxpayer or the taxpayer's spouse or dependent pursuant to section 3333.122 of the Revised Code or 20 U.S.C. 1070a, et seq., and used to pay room or board furnished by the educational institution for which the grant was awarded at the institution's facilities, including meal plans administered by the institution. For the purposes of this division, receipt of a grant includes the distribution of a grant directly to an educational institution and the crediting of the grant to the enrollee's account with the institution.

(28) Deduct from the portion of an individual's federal adjusted gross income that is business income, to the extent not otherwise deducted or excluded in computing federal adjusted gross income for the taxable year, one hundred twenty-five thousand dollars for each spouse if spouses file separate returns under section 5747.08 of the Revised Code or two hundred fifty thousand dollars for all other individuals.

(29) Deduct, as provided under section 5747.78 of the Revised Code, contributions to ABLE savings accounts made in accordance with sections 113.50 to 113.56 of the Revised Code.

(30)(a) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income during the taxable year, all of the following:

(i) Compensation paid to a qualifying employee described in division (A)(14)(a) of section 5703.94 of the Revised Code to the extent such compensation is for disaster work conducted in this state during a disaster response period pursuant to a qualifying solicitation received by the employee's employer;

(ii) Compensation paid to a qualifying employee described in division (A)(14)(b) of section 5703.94 of the Revised Code to the extent such compensation is for disaster work conducted in this state by the employee during the disaster response period on critical infrastructure owned or used by the employee's employer;

(iii) Income received by an out-of-state disaster business for disaster work conducted in this state during a disaster response period, or, if the out-of-state disaster business is a pass-through entity, a taxpayer's distributive share of the pass-through entity's income from the business conducting disaster work in this state during a disaster response period, if, in either case, the disaster work is conducted pursuant to a qualifying solicitation received by the business.

(b) All terms used in division (A)(30) of this section have the same meanings as in section 5703.94 of the Revised Code.

(31) For a taxpayer who is a qualifying Ohio educator, deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the lesser of two hundred fifty dollars or the amount of expenses described in subsections (a)(2)(D)(i) and (ii) of section 62 of the Internal Revenue Code paid or incurred by the taxpayer during the taxpayer's taxable year in excess of the amount the taxpayer is authorized to deduct for that taxable

year under subsection (a)(2)(D) of that section.

(32) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received by the taxpayer as a disability severance payment, computed under 10 U.S.C. 1212, following discharge or release under honorable conditions from the armed forces of the United States, as defined in section 5907.01 of the Revised Code.

(33) Deduct, to the extent not otherwise deducted or excluded in computing federal adjusted gross income or Ohio adjusted gross income, amounts not subject to tax due to an agreement entered into under division (A)(2) of section 5747.05 of the Revised Code.

(34) Deduct amounts as provided under section 5747.79 of the Revised Code related to the taxpayer's qualifying capital gains and deductible payroll.

~~To the extent a qualifying capital gain described under division (A)(34) of this section is business income, the taxpayer shall deduct those gains under this division before deducting any such gains under division (A)(28) of this section.~~

(35)(a) For taxable years beginning in or after 2026, deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year:

(i) One hundred per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in Ohio businesses during the period for which the company was an Ohio venture operating company; and

(ii) Fifty per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in all other businesses during the period for which the company was an Ohio venture operating company.

(b) Add amounts previously deducted by the taxpayer under division (A)(35)(a) of this section if the director of development certifies to the tax commissioner that the requirements for the deduction were not met.

(c) All terms used in division (A)(35) of this section have the same meanings as in section 122.851 of the Revised Code.

~~(d) To the extent a capital gain described in division (A)(35)(a) of this section is business income, the taxpayer shall apply that division before applying division (A)(28) of this section.~~

(36) Add, to the extent not otherwise included in computing federal or Ohio adjusted gross income for any taxable year, the taxpayer's proportionate share of the amount of the tax levied under section 5747.38 of the Revised Code and paid by an electing pass-through entity for the taxable year.

Notwithstanding any provision of the Revised Code to the contrary, the portion of the addition required by division (A)(36) of this section related to the apportioned business income of the pass-through entity shall be considered business income under division (B) of this section. Such addition is eligible for the deduction in division (A)(28) of this section, subject to the applicable dollar limitations, and the tax rate prescribed by division (A)(4)(a) of section 5747.02 of the

Revised Code. The taxpayer shall provide, upon request of the tax commissioner, any documentation necessary to verify the portion of the addition that is business income under this division.

(37) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts delivered to a qualifying institution pursuant to section 3333.128 of the Revised Code for the benefit of the taxpayer or the taxpayer's spouse or dependent.

(38) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, amounts received under the Ohio adoption grant program pursuant to section 5101.191 of the Revised Code.

(39) Deduct, to the extent included in federal adjusted gross income, income attributable to amounts provided to a taxpayer for any of the purposes for which an exclusion would have been authorized under section 139 of the Internal Revenue Code if the train derailment near the city of East Palestine on February 3, 2023, had been a qualified disaster pursuant to that section, or to compensate for lost business resulting from that derailment, if such amounts are provided by any of the following:

(a) A federal, state, or local government agency;

(b) A railroad company, as that term is defined in section 5727.01 of the Revised Code;

(c) Any subsidiary, insurer, or agent of a railroad company or any related person.

Notwithstanding any provision to the contrary, the derailment is not required to meet the definition of a

"qualified disaster" pursuant to section 139 of the Internal Revenue Code to qualify for the deduction under this section.

(40) Deduct, to the extent included in federal adjusted gross income, income attributable to loan repayments on behalf of the taxpayer under the rural practice incentive program under section 3333.135 of the Revised Code.

(41) Add any income taxes deducted in computing federal or Ohio adjusted gross income to the extent the income taxes were derived from income subject to a tax levied in another state or the District of Columbia when such tax was enacted for purposes of complying with internal revenue service notice 2020-75.

Notwithstanding any provision of the Revised Code to the contrary, the portion of the addition required by division (A)(41) of this section related to the apportioned business income of the pass-through entity shall be considered business income under division (B) of this section. Such addition is eligible for the deduction in division (A)(28) of this section, subject to the applicable dollar limitations, and the tax rate prescribed by division (A)(4)(a) of section 5747.02 of the Revised Code. The taxpayer shall provide, upon request of the tax commissioner, any documentation necessary to verify the portion of the addition that is business income under this division.

(42) Deduct amounts contributed to a homeownership savings account and calculated pursuant to divisions (B) and (C) of section 5747.85 of the Revised Code.

(43) If the taxpayer is the account owner, add the amount of funds withdrawn from a homeownership savings account not used for eligible expenses, regardless of who deposited those funds.

As used in division (A)(43) of this section, "homeownership savings account," "account owner," and "eligible expenses" have the same meanings as in section 5747.85 of the Revised Code.

(B) "Business income" means income, including gain or loss, arising from transactions, activities, and sources in the regular course of a trade or business and includes income, gain, or loss from real property, tangible property, and intangible property if the acquisition, rental, management, and disposition of the property constitute integral parts of the regular course of a trade or business operation. "Business income" includes income, including gain or loss, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill or the sale of an equity or ownership interest in a business.

As used in this division, the "sale of an equity or ownership interest in a business" means sales to which either or both of the following apply:

(1) The sale is treated for federal income tax purposes as the sale of assets.

(2) The seller materially participated, as described in 26 C.F.R. 1.469-5T, in the activities of the business during the taxable year in which the sale occurs or during any of the five preceding taxable years.

(C) "Nonbusiness income" means all income other than business income and may include, but is not limited to, compensation, rents and royalties from real or tangible personal property, capital gains, interest, dividends and distributions, patent or copyright royalties, or lottery winnings, prizes, and awards.

(D) "Compensation" means any form of remuneration paid to an employee for personal services.

(E) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any individual, trust, or estate.

(F) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December.

(G) "Individual" means any natural person.

(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(I) "Resident" means any of the following:

(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;

(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I)(2) of this section.

(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.

For the purposes of division (I)(3) of this section:

(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I)(3)(d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:

(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I)(3)(e)(i) or (ii) of this section;

(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year;

(iii) A person who was domiciled in this state for the purposes of this chapter when the trust document or instrument or part of the trust document or instrument became irrevocable, but only if at least one of the trust's qualifying beneficiaries is a resident domiciled in this state for the purposes of this chapter during all or some portion of the trust's current taxable year. If a trust document or instrument became irrevocable upon the death of a person who at the time of death was domiciled in this state for purposes of this chapter, that person is a person described in division (I)(3)(a)(iii) of this section.

(b) A trust is irrevocable to the extent that the transferor is not considered to be the owner of the net assets of the trust under sections 671 to 678 of the Internal Revenue Code.

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential current beneficiary" as defined in section 1361(e)(2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or

contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I)(3)(a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value of the trust's assets immediately prior to the subsequent transfer, net of any related liabilities, multiplied by the qualifying ratio last computed without regard to the subsequent transfer, and (2) the fair market value of the subsequently transferred assets at the time transferred, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the revised qualifying ratio is

the fair market value of all the trust's assets immediately after the subsequent transfer, net of any related liabilities.

(iii) Whether a transfer to the trust is by or from any of the sources enumerated in division (I)(3)(a) of this section shall be ascertained without regard to the domicile of the trust's beneficiaries.

(e) For the purposes of division (I)(3)(a)(i) of this section:

(i) A trust is described in division (I)(3)(e)(i) of this section if the trust is a testamentary trust and the testator of that testamentary trust was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(ii) A trust is described in division (I)(3)(e)(ii) of this section if the transfer is a qualifying transfer described in any of divisions (I)(3)(f)(i) to (vi) of this section, the trust is an irrevocable inter vivos trust, and at least one of the trust's qualifying beneficiaries is domiciled in this state for purposes of this chapter during all or some portion of the trust's current taxable year.

(f) For the purposes of division (I)(3)(e)(ii) of this section, a "qualifying transfer" is a transfer of assets, net of any related liabilities, directly or indirectly to a trust, if the transfer is described in any of the following:

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes

of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual relationship existing directly or indirectly between the transferor and either the decedent or the estate of the decedent at any time prior to the date of the decedent's death, and the decedent was domiciled in this state at the time of death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(iv) The transfer is made to a trust on account of a contractual relationship existing directly or indirectly between the transferor and another person who at the time of the decedent's death was domiciled in this state for purposes of this chapter.

(v) The transfer is made to a trust on account of the will of a testator who was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(vi) The transfer is made to a trust created by or caused to be created by a court, and the trust was directly or indirectly created in connection with or as a result of the death of an individual who, for purposes of the taxes levied under Chapter 5731. of the Revised Code, was domiciled in this

state at the time of the individual's death.

(g) The tax commissioner may adopt rules to ascertain the part of a trust residing in this state.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.

(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.

(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the election under division (D) of section 5747.08 of the Revised Code.

(O) "Dependents" means one of the following:

(1) For taxable years beginning on or after January 1, 2018, and before January 1, 2026, dependents as defined in the Internal Revenue Code;

(2) For all other taxable years, dependents as defined in the Internal Revenue Code and as claimed in the taxpayer's federal income tax return for the taxable year or which the

taxpayer would have been permitted to claim had the taxpayer filed a federal income tax return.

(P) "Principal county of employment" means, in the case of a nonresident, the county within the state in which a taxpayer performs services for an employer or, if those services are performed in more than one county, the county in which the major portion of the services are performed.

(Q) As used in sections 5747.50 to 5747.55 of the Revised Code:

(1) "Subdivision" means any county, municipal corporation, park district, or township.

(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.

(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.

(S) "Taxable income" or "Ohio taxable income" applies only to estates and trusts, and means federal taxable income, as defined and used in the Internal Revenue Code, adjusted as follows:

(1) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or

(b) of this section:

(a) The net amount is not attributable to the S portion of an electing small business trust and has not been distributed to beneficiaries for the taxable year;

(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year.

(2) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or (b) of this section;

(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code;

(4) Deduct interest or dividends, net of related expenses deducted in computing federal taxable income, on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are exempt from state taxes under the laws of the United States, but only to the extent that such amount is included in federal taxable income and is described in either division (S)(1)(a) or (b) of this section;

(5) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal taxable income for

the taxable year, had the work opportunity tax credit allowed under sections 38, 51, and 52 of the Internal Revenue Code not been in effect, but only to the extent such amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;

(6) Deduct any interest or interest equivalent, net of related expenses deducted in computing federal taxable income, on public obligations and purchase obligations, but only to the extent that such net amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year;

(7) Add any loss or deduct any gain resulting from sale, exchange, or other disposition of public obligations to the extent that such loss has been deducted or such gain has been included in computing either federal taxable income or income of the S portion of an electing small business trust for the taxable year;

(8) Except in the case of the final return of an estate, add any amount deducted by the taxpayer on both its Ohio estate tax return pursuant to section 5731.14 of the Revised Code, and on its federal income tax return in determining federal taxable income;

(9)(a) Deduct any amount included in federal taxable income solely because the amount represents a reimbursement or refund of expenses that in a previous year the decedent had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable treasury regulations. The deduction otherwise allowed under division (S)(9)(a) of this

section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer or decedent deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio taxable income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio taxable income in any taxable year, but only to the extent such amount has not been distributed to beneficiaries for the taxable year.

(10) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's taxable income or the decedent's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year.

(b) It does not otherwise reduce the taxpayer's taxable income or the decedent's adjusted gross income for the current or any other taxable year.

(11) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that the amount satisfies either of the following:

(a) The amount was deducted or excluded from the computation of the taxpayer's federal taxable income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;

(b) The amount resulted in a reduction in the taxpayer's

federal taxable income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.

(12) Deduct any amount, net of related expenses deducted in computing federal taxable income, that a trust is required to report as farm income on its federal income tax return, but only if the assets of the trust include at least ten acres of land satisfying the definition of "land devoted exclusively to agricultural use" under section 5713.30 of the Revised Code, regardless of whether the land is valued for tax purposes as such land under sections 5713.30 to 5713.38 of the Revised Code. If the trust is a pass-through entity investor, section 5747.231 of the Revised Code applies in ascertaining if the trust is eligible to claim the deduction provided by division (S)(12) of this section in connection with the pass-through entity's farm income.

Except for farm income attributable to the S portion of an electing small business trust, the deduction provided by division (S)(12) of this section is allowed only to the extent that the trust has not distributed such farm income.

(13) Add the net amount of income described in section 641(c) of the Internal Revenue Code to the extent that amount is not included in federal taxable income.

(14) Deduct the amount the taxpayer would be required to deduct under division (A)(18) of this section if the taxpayer's Ohio taxable income ~~were~~ was computed in the same manner as an individual's Ohio adjusted gross income is computed under this section.

(15) Add, to the extent not otherwise included in computing taxable income or Ohio taxable income for any taxable

year, the taxpayer's proportionate share of the amount of the tax levied under section 5747.38 of the Revised Code and paid by an electing pass-through entity for the taxable year.

(16) Add any income taxes deducted in computing federal taxable income or Ohio taxable income to the extent the income taxes were derived from income subject to a tax levied in another state or the District of Columbia when such tax was enacted for purposes of complying with internal revenue service notice 2020-75.

(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code.

(U) As used in divisions (A)(7), (A)(8), (S)(6), and (S)(7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code.

(V) "Limited liability company" means any limited liability company formed under former Chapter 1705. of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 1706. of the Revised Code, or the laws of any other state.

(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or equity investor in that pass-through entity.

(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.

(Y) "Month" means a calendar month.

(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.

(AA)(1) "Modified business income" means the business income included in a trust's Ohio taxable income after such taxable income is first reduced by the qualifying trust amount, if any.

(2) "Qualifying trust amount" of a trust means capital gains and losses from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, a qualifying investee to the extent included in the trust's Ohio taxable income, but only if the following requirements are satisfied:

(a) The book value of the qualifying investee's physical assets in this state and everywhere, as of the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, is available to the trust.

(b) The requirements of section 5747.011 of the Revised Code are satisfied for the trust's taxable year in which the trust recognizes the gain or loss.

Any gain or loss that is not a qualifying trust amount is modified business income, qualifying investment income, or modified nonbusiness income, as the case may be.

(3) "Modified nonbusiness income" means a trust's Ohio taxable income other than modified business income, other than the qualifying trust amount, and other than qualifying investment income, as defined in section 5747.012 of the Revised Code, to the extent such qualifying investment income is not

otherwise part of modified business income.

(4) "Modified Ohio taxable income" applies only to trusts, and means the sum of the amounts described in divisions (AA)(4)(a) to (c) of this section:

(a) The fraction, calculated under section 5747.013, and applying section 5747.231 of the Revised Code, multiplied by the sum of the following amounts:

(i) The trust's modified business income;

(ii) The trust's qualifying investment income, as defined in section 5747.012 of the Revised Code, but only to the extent the qualifying investment income does not otherwise constitute modified business income and does not otherwise constitute a qualifying trust amount.

(b) The qualifying trust amount multiplied by a fraction, the numerator of which is the sum of the book value of the qualifying investee's physical assets in this state on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount, and the denominator of which is the sum of the book value of the qualifying investee's total physical assets everywhere on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the day on which the trust recognizes the qualifying trust amount. If, for a taxable year, the trust recognizes a qualifying trust amount with respect to more than one qualifying investee, the amount described in division (AA)(4)(b) of this section shall equal the sum of the products so computed for each such qualifying investee.

(c)(i) With respect to a trust or portion of a trust that

is a resident as ascertained in accordance with division (I)(3)(d) of this section, its modified nonbusiness income.

(ii) With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the amount of its modified nonbusiness income satisfying the descriptions in divisions (B)(2) to (5) of section 5747.20 of the Revised Code, except as otherwise provided in division (AA)(4)(c)(ii) of this section. With respect to a trust or portion of a trust that is not a resident as ascertained in accordance with division (I)(3)(d) of this section, the trust's portion of modified nonbusiness income recognized from the sale, exchange, or other disposition of a debt interest in or equity interest in a section 5747.212 entity, as defined in section 5747.212 of the Revised Code, without regard to division (A) of that section, shall not be allocated to this state in accordance with section 5747.20 of the Revised Code but shall be apportioned to this state in accordance with division (B) of section 5747.212 of the Revised Code without regard to division (A) of that section.

If the allocation and apportionment of a trust's income under divisions (AA)(4)(a) and (c) of this section do not fairly represent the modified Ohio taxable income of the trust in this state, the alternative methods described in division (C) of section 5747.21 of the Revised Code may be applied in the manner and to the same extent provided in that section.

(5)(a) Except as set forth in division (AA)(5)(b) of this section, "qualifying investee" means a person in which a trust has an equity or ownership interest, or a person or unit of government the debt obligations of either of which are owned by a trust. For the purposes of division (AA)(2)(a) of this section

and for the purpose of computing the fraction described in division (AA)(4)(b) of this section, all of the following apply:

(i) If the qualifying investee is a member of a qualifying controlled group on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, then "qualifying investee" includes all persons in the qualifying controlled group on such last day.

(ii) If the qualifying investee, or if the qualifying investee and any members of the qualifying controlled group of which the qualifying investee is a member on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the gain or loss, separately or cumulatively own, directly or indirectly, on the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the qualifying trust amount, more than fifty per cent of the equity of a pass-through entity, then the qualifying investee and the other members are deemed to own the proportionate share of the pass-through entity's physical assets which the pass-through entity directly or indirectly owns on the last day of the pass-through entity's calendar or fiscal year ending within or with the last day of the qualifying investee's fiscal or calendar year ending immediately prior to the date on which the trust recognizes the qualifying trust amount.

(iii) For the purposes of division (AA)(5)(a)(iii) of this section, "upper level pass-through entity" means a pass-through entity directly or indirectly owning any equity of another pass-through entity, and "lower level pass-through entity" means that other pass-through entity.

An upper level pass-through entity, whether or not it is also a qualifying investee, is deemed to own, on the last day of the upper level pass-through entity's calendar or fiscal year, the proportionate share of the lower level pass-through entity's physical assets that the lower level pass-through entity directly or indirectly owns on the last day of the lower level pass-through entity's calendar or fiscal year ending within or with the last day of the upper level pass-through entity's fiscal or calendar year. If the upper level pass-through entity directly and indirectly owns less than fifty per cent of the equity of the lower level pass-through entity on each day of the upper level pass-through entity's calendar or fiscal year in which or with which ends the calendar or fiscal year of the lower level pass-through entity and if, based upon clear and convincing evidence, complete information about the location and cost of the physical assets of the lower pass-through entity is not available to the upper level pass-through entity, then solely for purposes of ascertaining if a gain or loss constitutes a qualifying trust amount, the upper level pass-through entity shall be deemed as owning no equity of the lower level pass-through entity for each day during the upper level pass-through entity's calendar or fiscal year in which or with which ends the lower level pass-through entity's calendar or fiscal year. Nothing in division (AA)(5)(a)(iii) of this section shall be construed to provide for any deduction or exclusion in computing any trust's Ohio taxable income.

(b) With respect to a trust that is not a resident for the taxable year and with respect to a part of a trust that is not a resident for the taxable year, "qualifying investee" for that taxable year does not include a C corporation if both of the following apply:

(i) During the taxable year the trust or part of the trust recognizes a gain or loss from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, the C corporation.

(ii) Such gain or loss constitutes nonbusiness income.

(6) "Available" means information is such that a person is able to learn of the information by the due date plus extensions, if any, for filing the return for the taxable year in which the trust recognizes the gain or loss.

(BB) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code.

(CC) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(DD)(1) For the purposes of division (DD) of this section:

(a) "Qualifying person" means any person other than a qualifying corporation.

(b) "Qualifying corporation" means any person classified for federal income tax purposes as an association taxable as a corporation, except either of the following:

(i) A corporation that has made an election under subchapter S, chapter one, subtitle A, of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year;

(ii) A subsidiary that is wholly owned by any corporation that has made an election under subchapter S, chapter one, subtitle A of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year.

(2) For the purposes of this chapter, unless expressly stated otherwise, no qualifying person indirectly owns any asset directly or indirectly owned by any qualifying corporation.

(EE) For purposes of this chapter and Chapter 5751. of the Revised Code:

(1) "Trust" does not include a qualified pre-income tax trust.

(2) A "qualified pre-income tax trust" is any pre-income tax trust that makes a qualifying pre-income tax trust election as described in division (EE)(3) of this section.

(3) A "qualifying pre-income tax trust election" is an election by a pre-income tax trust to subject to the tax imposed by section 5751.02 of the Revised Code the pre-income tax trust and all pass-through entities of which the trust owns or controls, directly, indirectly, or constructively through related interests, five per cent or more of the ownership or equity interests. The trustee shall notify the tax commissioner in writing of the election on or before April 15, 2006. The election, if timely made, shall be effective on and after January 1, 2006, and shall apply for all tax periods and tax years until revoked by the trustee of the trust.

(4) A "pre-income tax trust" is a trust that satisfies all of the following requirements:

(a) The document or instrument creating the trust was executed by the grantor before January 1, 1972;

(b) The trust became irrevocable upon the creation of the trust; and

(c) The grantor was domiciled in this state at the time

the trust was created.

(FF) "Uniformed services" means all of the following:

(1) "Armed forces of the United States" as defined in section 5907.01 of the Revised Code;

(2) The commissioned corps of the national oceanic and atmospheric administration;

(3) The commissioned corps of the public health service.

(GG) "~~Taxable~~ Qualifying business income" means the amount by which an individual's business income that is included in federal adjusted gross income exceeds the amount of business income the individual is authorized to deduct under division (A)(28) of this section for the taxable year.

(HH) "Employer" does not include a franchisor with respect to the franchisor's relationship with a franchisee or an employee of a franchisee, unless the franchisor agrees to assume that role in writing or a court of competent jurisdiction determines that the franchisor exercises a type or degree of control over the franchisee or the franchisee's employees that is not customarily exercised by a franchisor for the purpose of protecting the franchisor's trademark, brand, or both. For purposes of this division, "franchisor" and "franchisee" have the same meanings as in 16 C.F.R. 436.1.

(II) "Modified adjusted gross income" means Ohio adjusted gross income plus any amount deducted under divisions (A)(28) and (34) of this section for the taxable year.

(JJ) "Qualifying Ohio educator" means an individual who, for a taxable year, qualifies as an eligible educator, as that term is defined in section 62 of the Internal Revenue Code, and

who holds a certificate, license, or permit described in Chapter 3319. or section 3301.071 of the Revised Code.

(KK)(1) "Nonpassive business income" means business income that is nonpassive income, provided that all of the following apply with respect to the taxpayer:

(a) The taxpayer materially participates in the trade or business from which that income is derived.

(b) The taxpayer, or the pass-through entity in which the taxpayer is a direct or indirect investor, employs at least one person who is not the taxpayer or an owner of the pass-through entity.

(c) Employees described in division (KK)(1)(b) of this section perform at least one thousand two hundred aggregate hours of work in this state during the taxpayer's taxable year or the pass-through entity's taxable year that ends in the taxpayer's taxable year. For the purpose of determining whether this requirement is met, only hours worked in a week in which an employee works at least thirty hours may be considered.

(2) As used in division (KK) of this section:

(a) "Material participation" has the same meaning as in section 469 of the Internal Revenue Code.

(b) "Nonpassive income" means income other than income from passive activity as determined under section 469 of the Internal Revenue Code, but does not include wages, interest, dividends, or capital gains.

Sec. 5747.02. (A) For the purpose of providing revenue for the support of schools and local government functions, to provide relief to property taxpayers, to provide revenue for the

general revenue fund, and to meet the expenses of administering the tax levied by this chapter, there is hereby levied on every individual, trust, and estate residing in or earning or receiving income in this state, on every individual, trust, and estate earning or receiving lottery winnings, prizes, or awards pursuant to Chapter 3770. of the Revised Code, on every individual, trust, and estate earning or receiving winnings on casino or sports gaming, and on every individual, trust, and estate otherwise having nexus with or in this state under the Constitution of the United States, an annual tax measured as prescribed in divisions (A)(1) to (4) of this section.

(1) In the case of trusts, the tax imposed by this section shall be measured by modified Ohio taxable income under division (D) of this section and levied in the same amount as the tax is imposed on estates as prescribed in division (A)(2) of this section.

(2) In the case of estates, the tax imposed by this section shall be measured by Ohio taxable income. The tax shall be levied at the rate of 1.38462% for the first twenty-six thousand fifty dollars of such income and, for income in excess of that amount, the tax shall be levied at the same rates prescribed in division (A)(3) of this section for individuals.

(3) In the case of individuals, the tax imposed by this section on income other than ~~taxable~~ qualifying business income shall be measured by Ohio adjusted gross income, less ~~taxable~~ qualifying business income and less an exemption for the taxpayer, the taxpayer's spouse, and each dependent as provided in section 5747.025 of the Revised Code. If the balance thus obtained is equal to or less than twenty-six thousand fifty dollars, no tax shall be imposed on that balance. If the balance

thus obtained is greater than twenty-six thousand fifty dollars, the tax is hereby levied as follows:

(a) For taxable years beginning in 2023:

	1	2
A	OHIO ADJUSTED GROSS INCOME LESS ~~TAXABLE~~ QUALIFYING BUSINESS INCOME AND EXEMPTIONS (INDIVIDUALS) OR MODIFIED OHIO TAXABLE INCOME (TRUSTS) OR OHIO TAXABLE INCOME (ESTATES)	TAX
B	More than $26,050 but not more than $100,000	$360.69 plus 2.75% of the amount in excess of $26,050
C	More than $100,000 but not more than $115,300	$2,394.32 plus 3.688% of the amount in excess of $100,000
D	More than $115,300	$2,958.58 plus 3.75% of the amount in excess of $115,300

(b) For taxable years beginning in 2024 and thereafter:

	1	2
A	OHIO ADJUSTED GROSS INCOME LESS ~~TAXABLE~~ QUALIFYING BUSINESS INCOME AND EXEMPTIONS (INDIVIDUALS) OR MODIFIED OHIO TAXABLE INCOME (TRUSTS) OR OHIO TAXABLE INCOME (ESTATES)	TAX

B	More than $26,050 but not more than $100,000	$360.69 plus 2.75% of the amount in excess of $26,050
C	More than $100,000	$2,394.32 plus 3.5% of the amount in excess of $100,000

(4)(a) In the case of individuals, the tax imposed by this section on ~~taxable~~ qualifying business income shall equal three per cent of the result obtained by subtracting any amount allowed under division (A)(4)(b) of this section from the individual's ~~taxable~~ qualifying business income.

(b) If the exemptions allowed to an individual under division (A)(3) of this section exceed the taxpayer's Ohio adjusted gross income less ~~taxable~~ qualifying business income, the excess shall be deducted from ~~taxable~~ qualifying business income before computing the tax under division (A)(4)(a) of this section.

(5) Except as otherwise provided in this division, in August of each year, the tax commissioner shall make a new adjustment to the income amounts prescribed in divisions (A)(2) and (3) of this section by multiplying the percentage increase in the gross domestic product deflator computed that year under section 5747.025 of the Revised Code by each of the income amounts resulting from the adjustment under this division in the preceding year, adding the resulting product to the corresponding income amount resulting from the adjustment in the preceding year, and rounding the resulting sum to the nearest multiple of fifty dollars. The tax commissioner also shall recompute each of the tax dollar amounts to the extent necessary

to reflect the new adjustment of the income amounts. To recompute the tax dollar amount corresponding to the lowest tax rate in division (A)(3) of this section, the commissioner shall multiply the tax rate prescribed in division (A)(2) of this section by the income amount specified in that division and as adjusted according to this paragraph. The rates of taxation shall not be adjusted.

The adjusted amounts apply to taxable years beginning in the calendar year in which the adjustments are made and to taxable years beginning in each ensuing calendar year until a calendar year in which a new adjustment is made pursuant to this division. The tax commissioner shall not make a new adjustment in any year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment in the preceding year.

(B) ~~If the director of budget and management makes a certification to the tax commissioner under division (B) of section 131.44 of the Revised Code, the amount of tax as determined under divisions (A)(1) to (3) of this section shall be reduced by the percentage prescribed in that certification for taxable years beginning in the calendar year in which that certification is made.~~

~~(C)~~ (1) The tax imposed by this section on a trust shall be computed by multiplying the Ohio modified taxable income of the trust by the rates prescribed by division (A) of this section.

(2) A resident trust may claim a credit against the tax computed under division ~~(C)~~ (B) of this section equal to the lesser of (a) the tax paid to another state or the District of Columbia on the resident trust's modified nonbusiness income, other than the portion of the resident trust's nonbusiness

income that is qualifying investment income as defined in section 5747.012 of the Revised Code, or (b) the effective tax rate, based on modified Ohio taxable income, multiplied by the resident trust's modified nonbusiness income other than the portion of the resident trust's nonbusiness income that is qualifying investment income. The credit applies before any other applicable credits.

(3) Any credit authorized against the tax imposed by this section applies to a trust subject to division ~~(C)~~ (B) of this section only if the trust otherwise qualifies for the credit. To the extent that the trust distributes income for the taxable year for which a credit is available to the trust, the credit shall be shared by the trust and its beneficiaries. The tax commissioner and the trust shall be guided by applicable regulations of the United States treasury regarding the sharing of credits.

~~(D)~~ (C) For the purposes of this section, "trust" means any trust described in Subchapter J of Chapter 1 of the Internal Revenue Code, excluding trusts that are not irrevocable as defined in division (I)(3)(b) of section 5747.01 of the Revised Code and that have no modified Ohio taxable income for the taxable year, charitable remainder trusts, qualified funeral trusts and preneed funeral contract trusts established pursuant to sections 4717.31 to 4717.38 of the Revised Code that are not qualified funeral trusts, endowment and perpetual care trusts, qualified settlement trusts and funds, designated settlement trusts and funds, and trusts exempted from taxation under section 501(a) of the Internal Revenue Code.

~~(E)~~ (D) Nothing in division (A)(3) of this section shall prohibit an individual with an Ohio adjusted gross income, less

~~taxable~~ qualifying business income and exemptions, of twenty-six thousand fifty dollars or less from filing a return under this chapter to receive a refund of taxes withheld or to claim any refundable credit allowed under this chapter.

Sec. 5747.03. (A)(1) All money collected under this chapter arising from the taxes imposed by section 5747.02, 5747.38, or 5747.41 of the Revised Code shall be credited to the general revenue fund and distributed pursuant to ~~division (F) of section 321.24 and~~ section 323.156 of the Revised Code; to make subsidy payments to institutions of higher education from appropriations to the department of higher education; to support expenditures for programs and services for persons with mental illnesses, persons with developmental disabilities, and the elderly; for primary and secondary education; for medical assistance; and for any other purposes authorized by law, subject to the limitation that at least fifty per cent of the income tax collected by the state from the tax imposed by section 5747.02 of the Revised Code shall be returned pursuant to Section 9 of Article XII, Ohio Constitution.

(2) To ensure that such constitutional requirement is satisfied the tax commissioner shall, on or before the thirtieth day of June of each year, from the best information available to the tax commissioner, determine and certify for each county to the director of budget and management the amount of taxes collected under this chapter from the tax imposed under section 5747.02 of the Revised Code during the preceding calendar year that are required to be returned to the county by Section 9 of Article XII, Ohio Constitution. The director shall provide for payment from the general revenue fund to the county in the amount, if any, that the sum of the amount so certified for that county exceeds the sum of the following:

(a) The sum of the payments from the general revenue fund for the preceding calendar year credited to the county's undivided income tax fund pursuant to ~~division (F) of section 321.24 and~~ section 323.156 of the Revised Code or made directly from the general revenue fund to political subdivisions located in the county;

(b) The sum of the amounts from the general revenue fund distributed in the county during the preceding calendar year for subsidy payments to institutions of higher education from appropriations to the department of higher education; for programs and services for persons with mental illnesses, persons with developmental disabilities, and elderly persons; for primary and secondary education; and for medical assistance.

(c) In the case of payments made by the director under this division in 2007, the total amount distributed to the county during the preceding calendar year from the local government fund and the local government revenue assistance fund, and, in the case of payments made by the director under this division in subsequent calendar years, the amount distributed to the county from the local government fund;

(d) In the case of payments made by the director under this division, the total amount distributed to the county during the preceding calendar year from the public library fund.

Payments under this division shall be credited to the county's undivided income tax fund, except that, notwithstanding section 5705.14 of the Revised Code, such payments may be transferred by the board of county commissioners to the county general fund by resolution adopted with the affirmative vote of two-thirds of the members thereof.

(B) All payments received in each month from taxes imposed under Chapter 5748. of the Revised Code and any penalties or interest thereon shall be paid into the school district income tax fund, which is hereby created in the state treasury, except that an amount equal to the following portion of such payments shall be paid into the general school district income tax administrative fund, which is hereby created in the state treasury:

(1) One and three-quarters of one per cent of those received in fiscal year 1996;

(2) One and one-half per cent of those received in fiscal year 1997 and thereafter.

Money in the school district income tax administrative fund shall be used by the tax commissioner to defray costs incurred in administering the school district's income tax, including the cost of providing employers with information regarding the rate of tax imposed by any school district. Any moneys remaining in the fund after such use shall be deposited in the school district income tax fund.

All interest earned on moneys in the school district income tax fund shall be credited to the fund.

(C)(1)(a) Within thirty days of the end of each calendar quarter ending on the last day of March, June, September, and December, the director of budget and management shall make a payment from the school district income tax fund to each school district for which school district income tax revenue was received during that quarter. The amount of the payment shall equal the balance in the school district's account at the end of that quarter.

(b) After a school district ceases to levy an income tax, the director of budget and management shall adjust the payments under division (C)(1)(a) of this section to retain sufficient money in the school district's account to pay refunds. For the calendar quarters ending on the last day of March and December of the calendar year following the last calendar year the tax is levied, the director shall make the payments in the amount required under division (C)(1)(a) of this section. For the calendar quarter ending on the last day of June of the calendar year following the last calendar year the tax is levied, the director shall make a payment equal to nine-tenths of the balance in the account at the end of that quarter. For the calendar quarter ending on the last day of September of the calendar year following the last calendar year the tax is levied, the director shall make no payment. For the second and succeeding calendar years following the last calendar year the tax is levied, the director shall make one payment each year, within thirty days of the last day of June, in an amount equal to the balance in the district's account on the last day of June.

(2) Moneys paid to a school district under this division shall be deposited in its school district income tax fund. All interest earned on moneys in the school district income tax fund shall be apportioned by the tax commissioner pro rata among the school districts in the proportions and at the times the districts are entitled to receive payments under this division.

Sec. 5747.031. For annual returns filed for taxable years beginning on or after January 1, 2017, the department of taxation shall determine and provide to the office of budget and management a report of the tax liability, before the application of any credits, under section 5747.02 of the Revised Code that

arises from ~~taxable~~ qualifying business income, the tax liability, before the application of any credits, that arises from income, other than ~~taxable~~ qualifying business income, as measured and taxed under divisions(A)(1), (2), or (3) of that section, and the total amount of credits claimed against the tax levied under that section.

In providing actual and estimates of revenue pursuant to Chapter 126. of the Revised Code, the office of budget and management shall separately list the tax liability, before the application of any credits, under section 5747.02 of the Revised Code that arises from ~~taxable~~ qualifying business income, the tax liability, before the application of any credits, that arises from income, other than ~~taxable~~ qualifying business income, as measured and taxed under divisions (A)(1), (2), or (3) of that section, and the total amount of credits claimed against the tax levied under that section.

Sec. 5747.08. An annual return with respect to the tax imposed by section 5747.02 of the Revised Code and each tax imposed under Chapter 5748. of the Revised Code shall be made by every taxpayer for any taxable year for which the taxpayer is liable for the tax imposed by that section or under that chapter, unless the total credits allowed under division (E) of section 5747.05 and divisions (F) and (G) of section 5747.055 of the Revised Code for the year are equal to or exceed the tax imposed by section 5747.02 of the Revised Code, in which case no return shall be required unless the taxpayer is liable for a tax imposed pursuant to Chapter 5748. of the Revised Code.

(A) If an individual is deceased, any return or notice required of that individual under this chapter shall be made and filed by that decedent's executor, administrator, or other

person charged with the property of that decedent.

(B) If an individual is unable to make a return or notice required by this chapter, the return or notice required of that individual shall be made and filed by the individual's duly authorized agent, guardian, conservator, fiduciary, or other person charged with the care of the person or property of that individual.

(C) Returns or notices required of an estate or a trust shall be made and filed by the fiduciary of the estate or trust.

(D)(1)(a) Except as otherwise provided in division (D)(1)(b) of this section, any pass-through entity may file a single return on behalf of one or more of the entity's investors other than an investor that is a person subject to the tax imposed under section 5733.06 of the Revised Code. The single return shall set forth the name, address, and social security number or other identifying number of each of those pass-through entity investors and shall indicate the distributive share of each of those pass-through entity investor's income taxable in this state in accordance with sections 5747.20 to 5747.231 of the Revised Code. Such pass-through entity investors for whom the pass-through entity elects to file a single return are not entitled to the exemption or credit provided for by sections 5747.02 and 5747.022 of the Revised Code; shall calculate the tax before business credits at the highest rate of tax set forth in section 5747.02 of the Revised Code for the taxable year for which the return is filed; and are entitled to only their distributive share of the business credits as defined in division (D)(2) of this section. A single check drawn by the pass-through entity shall accompany the return in full payment of the tax due, as shown on the single return, for such

investors, other than investors who are persons subject to the tax imposed under section 5733.06 of the Revised Code.

(b)(i) A pass-through entity shall not include in such a single return any investor that is a trust to the extent that any direct or indirect current, future, or contingent beneficiary of the trust is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(ii) A pass-through entity shall not include in such a single return any investor that is itself a pass-through entity to the extent that any direct or indirect investor in the second pass-through entity is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(c) Except as provided by division (L) of this section, nothing in division (D) of this section precludes the tax commissioner from requiring such investors to file the return and make the payment of taxes and related interest, penalty, and interest penalty required by this section or section 5747.02, 5747.09, or 5747.15 of the Revised Code. Nothing in division (D) of this section precludes such an investor from filing the annual return under this section, utilizing the refundable credit equal to the investor's proportionate share of the tax paid by the pass-through entity on behalf of the investor under division (I) of this section, and making the payment of taxes imposed under section 5747.02 of the Revised Code. Nothing in division (D) of this section shall be construed to provide to such an investor or pass-through entity any additional deduction or credit, other than the credit provided by division (I) of this section, solely on account of the entity's filing a return in accordance with this section. Such a pass-through entity also shall make the filing and payment of estimated taxes on behalf

of the pass-through entity investors other than an investor that is a person subject to the tax imposed under section 5733.06 of the Revised Code.

(2) For the purposes of this section, "business credits" means the credits listed in section 5747.98 of the Revised Code excluding the following credits:

(a) The retirement income credit under division (B) of section 5747.055 of the Revised Code;

(b) The senior citizen credit under division (F) of section 5747.055 of the Revised Code;

(c) The lump sum distribution credit under division (G) of section 5747.055 of the Revised Code;

(d) The dependent care credit under section 5747.054 of the Revised Code;

(e) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;

(f) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;

(g) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;

(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;

(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;

(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;

(k) The nonresident credit under division (A) of section

5747.05 of the Revised Code;

(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;

(m) The earned income tax credit under section 5747.71 of the Revised Code;

(n) The lead abatement credit under section 5747.26 of the Revised Code;

(o) The credit for education expenses under section 5747.72 of the Revised Code;

(p) The credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;

(q) The credit for property taxes or rent-equivalent taxes paid under section 5747.87 of the Revised Code.

(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return.

(4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by that return. Nothing in this division shall be construed to

limit or alter the liability, if any, imposed on pass-through entity investors for unpaid or underpaid taxes, interest, interest penalty, or penalties as a result of the pass-through entity's making the election provided for under division (D) of this section. For the purposes of division (D) of this section, "correct tax due" means the tax that would have been paid by the pass-through entity had the single return been filed in a manner reflecting the commissioner's findings. Nothing in division (D) of this section shall be construed to make or hold a pass-through entity liable for tax attributable to a pass-through entity investor's income from a source other than the pass-through entity electing to file the single return.

(E) If a husband and wife file a joint federal income tax return for a taxable year, they shall file a joint return under this section for that taxable year, and their liabilities are joint and several, but, if the federal income tax liability of either spouse is determined on a separate federal income tax return, they shall file separate returns under this section.

If either spouse is not required to file a federal income tax return and either or both are required to file a return pursuant to this chapter, they may elect to file separate or joint returns, and, pursuant to that election, their liabilities are separate or joint and several. If a husband and wife file separate returns pursuant to this chapter, each must claim the taxpayer's own exemption, but not both, as authorized under section 5747.02 of the Revised Code on the taxpayer's own return.

(F) Each return or notice required to be filed under this section shall contain the signature of the taxpayer or the taxpayer's duly authorized agent and of the person who prepared

the return for the taxpayer, and shall include the taxpayer's social security number. Each return shall be verified by a declaration under the penalties of perjury. The tax commissioner shall prescribe the form that the signature and declaration shall take.

(G) Each return or notice required to be filed under this section shall be made and filed as required by section 5747.04 of the Revised Code, on or before the fifteenth day of April of each year, on forms that the tax commissioner shall prescribe, together with remittance made payable to the treasurer of state in the combined amount of the state and all school district income taxes shown to be due on the form.

Upon good cause shown, the commissioner may extend the period for filing any notice or return required to be filed under this section and may adopt rules relating to extensions. If the extension results in an extension of time for the payment of any state or school district income tax liability with respect to which the return is filed, the taxpayer shall pay at the time the tax liability is paid an amount of interest computed at the rate per annum prescribed by section 5703.47 of the Revised Code on that liability from the time that payment is due without extension to the time of actual payment. Except as provided in section 5747.132 of the Revised Code, in addition to all other interest charges and penalties, all taxes imposed under this chapter or Chapter 5748. of the Revised Code and remaining unpaid after they become due, except combined amounts due of one dollar or less, bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code until paid or until the day an assessment is issued under section 5747.13 of the Revised Code, whichever occurs first.

If the commissioner considers it necessary in order to ensure the payment of the tax imposed by section 5747.02 of the Revised Code or any tax imposed under Chapter 5748. of the Revised Code, the commissioner may require returns and payments to be made otherwise than as provided in this section.

To the extent that any provision in this division conflicts with any provision in section 5747.026 of the Revised Code, the provision in that section prevails.

(H) The amounts withheld pursuant to section 5747.06, 5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of the Revised Code shall be allowed to the ultimate recipient of the income as credits against payment of the appropriate taxes imposed on the ultimate recipient by section 5747.02 and under Chapter 5748. of the Revised Code. As used in this division, "ultimate recipient" means the person who is required to report income from which amounts are withheld pursuant to section 5747.06, 5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of the Revised Code on the annual return required to be filed under this section.

(I) If a pass-through entity elects to file a single return under division (D) of this section and if any investor is required to file the annual return and make the payment of taxes required by this chapter on account of the investor's other income that is not included in a single return filed by a pass-through entity or any other investor elects to file the annual return, the investor is entitled to a refundable credit equal to the investor's proportionate share of the tax paid by the pass-through entity on behalf of the investor. The investor shall claim the credit for the investor's taxable year in which or with which ends the taxable year of the pass-through entity.

Nothing in this chapter shall be construed to allow any credit provided in this chapter to be claimed more than once. For the purpose of computing any interest, penalty, or interest penalty, the investor shall be deemed to have paid the refundable credit provided by this division on the day that the pass-through entity paid the estimated tax or the tax giving rise to the credit.

(J) The tax commissioner shall ensure that each return required to be filed under this section includes a box that the taxpayer may check to authorize a paid tax preparer who prepared the return to communicate with the department of taxation about matters pertaining to the return. The return or instructions accompanying the return shall indicate that by checking the box the taxpayer authorizes the department of taxation to contact the preparer concerning questions that arise during the processing of the return and authorizes the preparer only to provide the department with information that is missing from the return, to contact the department for information about the processing of the return or the status of the taxpayer's refund or payments, and to respond to notices about mathematical errors, offsets, or return preparation that the taxpayer has received from the department and has shown to the preparer.

(K) The tax commissioner shall permit individual taxpayers to instruct the department of taxation to cause any refund of overpaid taxes to be deposited directly into a checking account, savings account, or an individual retirement account or individual retirement annuity, or preexisting college savings plan or program account offered by the Ohio tuition trust authority under Chapter 3334. of the Revised Code, as designated by the taxpayer, when the taxpayer files the annual return required by this section electronically.

(L) If, for the taxable year, a nonresident or trust that is the owner of an electing pass-through entity, as defined in section 5747.38 of the Revised Code, does not have Ohio adjusted gross income or, in the case of a trust, modified Ohio taxable income other than from one or more electing pass-through entities, the nonresident or trust shall not be required to file an annual return under this section. Nothing in this division precludes such an owner from filing the annual return under this section, utilizing the refundable credit under section 5747.39 of the Revised Code equal to the owner's proportionate share of the tax levied under section 5747.38 of the Revised Code and paid by the electing pass-through entity, and making the payment of taxes imposed under section 5747.02 of the Revised Code.

(M) The tax commissioner may adopt rules to administer this section.

Sec. 5747.10. (A) As used in this section:

(1) "Audited partnership" means a partnership subject to an examination by the internal revenue service pursuant to subchapter C, chapter 63, subtitle F of the Internal Revenue Code resulting in a federal adjustment.

(2)(a) "Direct investor" means a partner or other investor that holds a direct interest in a pass-through entity.

(b) "Indirect investor" means a partner or other investor that holds an interest in a pass-through entity that itself holds an interest, directly or through another indirect partner or other investor, in a pass-through entity.

(3) "Exempt partner" means a partner that is neither a pass-through entity nor a person subject to the tax imposed by section 5747.02 of the Revised Code.

(4) "Federal adjustment" means a change to an item or amount required to be determined under the Internal Revenue Code that directly or indirectly affects a taxpayer's aggregate tax liability under section 5747.02 or Chapter 5748. of the Revised Code and that results from an action or examination by the internal revenue service, or from the filing of an amended federal tax return, a claim for a federal tax refund, or an administrative adjustment request filed by a partnership under section 6227 of the Internal Revenue Code.

(5) "Federal adjustments return" means the form or other document prescribed by the tax commissioner for use by a taxpayer in reporting final federal adjustments.

(6) "State partnership representative" means either of the following:

(a) The person who served as the partnership's representative for federal income tax purposes, pursuant to section 6223(a) of the Internal Revenue Code, during the corresponding federal partnership audit;

(b) The person designated, on a form prescribed by the tax commissioner, to serve as the partnership's representative during the state partnership audit. The commissioner may establish reasonable qualifications and procedures for a person to be designated as a state partnership representative under this division.

(7) A federal adjustment is "final" or "agreed to or finally determined for federal income tax purposes" on any of the following:

(a) The day after which the period for appeal of a federal assessment has expired;

(b) The date on a refund check issued by the internal revenue service; or

(c) For agreements required to be signed by the internal revenue service and the taxpayer or audited partnership, the date on which the last party signed the agreement.

(B)(1) If any of the facts, figures, computations, or attachments required in a taxpayer's annual return to determine the tax charged by this chapter or Chapter 5748. of the Revised Code must be altered as the result of a final federal adjustment, and the federal adjustment is not required to be reported under division (C) of this section, the taxpayer shall file an amended return with the tax commissioner in such form as the commissioner requires. The amended return shall be filed not later than ninety days after the federal adjustment has been agreed to or finally determined for federal income tax purposes.

(2) "One hundred eighty" shall be substituted for "ninety" in divisions (B)(1) and (E)(1) of this section if, for any taxable year, the final federal adjustment results from taxes paid by the taxpayer on an amount described in division (A)(32) of section 5747.01 of the Revised Code.

(C) Except for adjustments required to be reported for federal purposes pursuant to section 6225(a)(2) of the Internal Revenue Code and adjustments that are taken into account on a federal amended return or similar report filed pursuant to section 6225(c)(2) of the Internal Revenue Code, partnerships and partners shall report final federal adjustments and make payments as required under division (C) of this section.

(1) With respect to an action required or permitted to be taken by a partnership under this section, and any petition for

reassessment or appeal to the board of tax appeals or any court with respect to such an action, the state partnership representative shall have the sole authority to act on behalf of the audited partnership, and the partnership's direct and indirect investors shall be bound by those actions.

(2) Unless an audited partnership makes the election under division (C)(3) of this section:

(a) The audited partnership, through its state partnership representative, shall do all of the following within ninety days after the federal adjustment is final:

(i) File a federal adjustments return with the tax commissioner, including a copy of the notifications provided under division (C)(2)(a)(ii) of this section;

(ii) Notify each of its direct investors, on a form prescribed by the commissioner, of the investor's distributive share of the final federal adjustments;

(iii) File an amended tax return on behalf of its nonresident direct investors and pay any additional tax that would have been due under sections 5733.41 and 5747.41, or division (D) of section 5747.08, of the Revised Code with respect to those direct investors had the final federal adjustments been reported properly on the original filing.

(b) Each direct investor that is subject to the tax imposed by section 5747.02 of the Revised Code shall file an original or amended tax return to include the investor's distributive share of the adjustments reported to the direct investor under division (C)(2)(a) of this section, and pay any additional tax due, within ninety days after the audited partnership files its federal adjustments return with the

commissioner.

(c)(i) Each direct and indirect investor of an audited partnership that is a pass-through entity and all investors in such a pass-through entity that are subject to the filing and payment requirements of Chapters 5733. and 5747. of the Revised Code are subject to the reporting and payment requirements of division (C)(2) or, upon a timely election, division (C)(3) of this section.

(ii) Such direct and indirect investors shall make the required returns and payments within ninety days after the deadline for filing and furnishing statements under section 6226(b)(4) of the Internal Revenue Code and applicable treasury regulations.

(3) If an audited partnership makes the election under this division, the audited partnership, through its state partnership representative, shall do all of the following within ninety days after all federal adjustments are final:

(a) File a federal adjustments return with the tax commissioner indicating the partnership has made the election under division (C)(3) of this section;

(b) Pay the amount of combined additional tax due under division (D)(2) of this section, calculated by multiplying the highest rate of tax set forth in section 5747.02 of the Revised Code by the sum of the following:

(i) The distributive shares of the final federal adjustments that are allocable or apportionable to this state of each investor who is a nonresident taxpayer or pass-through entity;

(ii) The distributive share of the final federal

adjustments for each investor who is a resident taxpayer.

(c) Notify each of its direct investors, on a form prescribed by the commissioner, of the investor's distributive share of the final federal adjustments and the amount paid on their behalf pursuant to division (C)(3)(b) of this section.

(4)(a) A direct investor of an audited partnership is not required to file an amended return or pay tax otherwise due under section 5747.02 of the Revised Code if the audited partnership properly reports and pays the tax under division (C)(3) of this section.

(b)(i) Nothing in division (C) of this section precludes a direct or indirect investor in the audited partnership from filing a return to report the investor's share of the final federal adjustments. Such an investor who files a return and reports the income related to the final federal adjustments is entitled to a refundable credit for taxes paid by the audited partnership under division (C)(3)(b) of this section. The credit shall be computed and claimed in the same manner as the credit allowed under division (I) of section 5747.08 of the Revised Code.

(ii) Notwithstanding division (C)(4)(b)(i) of this section, an exempt partner, whether a direct or indirect investor, may file an application for refund of its proportionate share of the amounts erroneously paid by the audited partnership pursuant to division (C)(3)(b) of this section on the exempt partner's behalf.

(5) Upon request by an audited partnership, the tax commissioner may agree, in writing, to allow an alternative method of reporting and payment than required by division (C)(2)

or (3) of this section. The request must be submitted to the commissioner in writing before the applicable deadline for filing a return under division (C)(2)(a) or (3) of this section. The commissioner's decision on whether to enter into an agreement under this division is not subject to further administrative review or appeal.

(6) Nothing in division (C) of this section precludes either of the following:

(a) A resident taxpayer from filing a return to claim the credit under division (B) of section 5747.05 or division ~~(D)(2)~~ (B)(2) of section 5747.02 of the Revised Code based upon any amounts paid by the audited partnership on such investor's behalf to another state.

(b) The tax commissioner from issuing an assessment under this chapter against any direct or indirect investor for taxes due from the investor if an audited partnership, or direct and indirect investor of an audited partnership that is a pass-through entity, fails to timely file any return or remit any payment required by this section or underreports income or underpays tax on behalf of an indirect investor who is a resident taxpayer.

(D) In the case of an underpayment, and unless otherwise agreed to in writing by the tax commissioner:

(1) The taxpayer's amended return shall be accompanied by payment of any combined additional tax due together with interest thereon. An amended return required by this section is a return subject to assessment under section 5747.13 of the Revised Code for the purpose of assessing any additional tax due under this section, together with any applicable penalty and

interest. It shall not reopen those facts, figures, computations, or attachments from a previously filed return no longer subject to assessment that are not affected, either directly or indirectly, by the final federal adjustment to the taxpayer's federal income tax return.

(2) The audited partnership's federal adjustments return shall be accompanied by payment of any combined additional tax due together with interest thereon. The federal adjustments return required by this section is a return subject to assessment under section 5747.13 of the Revised Code for the purpose of assessing any additional tax due under this section, together with any applicable penalty and interest. It shall not reopen those facts, figures, computations, or attachments from a previously filed return no longer subject to assessment that are not affected, either directly or indirectly, by the final federal adjustment.

(3) The tax commissioner may accept estimated payments of the tax arising from pending federal adjustments before the date for filing a federal adjustments return. The commissioner may adopt rules for the payment of such estimated taxes.

(E) In the case of an overpayment, and unless otherwise agreed to in writing by the tax commissioner:

(1) A taxpayer may file an application for refund under this division within the ninety-day period prescribed for filing the amended return even if it is filed beyond the period prescribed in section 5747.11 of the Revised Code if it otherwise conforms to the requirements of such section. An application filed under this division shall claim refund of overpayments resulting from alterations to only those facts, figures, computations, or attachments required in the taxpayer's

annual return that are affected, either directly or indirectly, by the final federal adjustment to the taxpayer's federal income tax return unless it is also filed within the time prescribed in section 5747.11 of the Revised Code. It shall not reopen those facts, figures, computations, or attachments that are not affected, either directly or indirectly, by the adjustment to the taxpayer's federal income tax return.

(2)(a) Except as otherwise provided in division (E)(2)(b) of this section, an audited partnership may file an application for a refund under this division within the ninety-day period prescribed for filing the federal adjustments return, even if it is filed beyond the period prescribed by section 5747.11 of the Revised Code, if it otherwise conforms to the requirements of that section. An application filed under this division may claim a refund of overpayments resulting only from final federal adjustments unless it is also filed within the time prescribed by section 5747.11 of the Revised Code. It shall not reopen those facts, figures, computations, or attachments that are not affected, either directly or indirectly, by the federal adjustment.

(b) An audited partnership may not file an application for refund under division (E) of this section based on final federal adjustments described in section 6225(a)(2) of the Internal Revenue Code.

(3) Any refund granted to a pass-through entity filing an application for refund under division (E) of this section shall be reduced by amounts previously claimed as a credit under section 5747.059 or division (I) of section 5747.08 of the Revised Code by the pass-through entity's direct or indirect investors.

(F) Excluding the deadline in division (C)(2)(c)(ii) of this section, an audited partnership, or a direct or indirect investor of an audited partnership that is a pass-through entity, may automatically extend the deadline for reporting, payments, and refunds under this section by sixty days if the entity has ten thousand or more direct investors and notifies the commissioner of such extension, in writing, before the unextended deadline.

Sec. 5747.38. (A) As used in this section and section 5747.39 of the Revised Code and in other sections of Chapter 5747. of the Revised Code in the context of the tax imposed under this section:

(1) "Electing pass-through entity" means a qualifying pass-through entity that elects to be subject to the tax levied under this section for a taxable year pursuant to division (C) of this section.

(2) "Owner" means a person that is a partner, member, shareholder, or investor in an electing pass-through entity for any portion of the taxable year.

(3) "Income" means the sum of owners' distributive shares of the income, gain, expense, or loss of an electing pass-through entity for the taxable year, as reported for federal income tax purposes.

(4) "Qualifying taxable income" means the sum of the following:

(a) The portion of an electing pass-through entity's income that is business income, subject to the applicable adjustments in divisions (A)(2) to (7) of section 5733.40 of the Revised Code, multiplied by the fraction described in division

(B)(1) of that section;

(b) The portion of the electing pass-through entity's income that is nonbusiness income allocated to this state under section 5747.20 of the Revised Code.

(B) For the same purposes for which the tax is levied under section 5747.02 of the Revised Code, a tax is hereby levied on each electing pass-through entity on the entity's qualifying taxable income for the taxable year, at the following rates:

(1) For an electing pass-through entity's taxable year that begins in 2022, five per cent;

(2) For an electing pass-through entity's taxable year that begins in 2023 and in any year thereafter, the rate equal to the tax rate imposed on ~~taxable~~ qualifying business income under division (A)(4)(a) of section 5747.02 of the Revised Code applicable to that taxable year.

(C) A pass-through entity that is not a disregarded entity, as defined in section 5733.01 of the Revised Code, may elect to be subject to the tax levied under this section by filing with the tax commissioner a form prescribed by the commissioner making such election on or before the deadline to file the return under section 5747.42 of the Revised Code for the taxable year. Such election applies only to the taxable year for which the election is made and is, once made, irrevocable for that year.

(D) The tax levied under this section shall be calculated without regard to any deductions or credits otherwise permitted to be claimed by an owner of the electing pass-through entity in computing the owner's aggregate tax liability under section

5747.02 of the Revised Code.

(E) The tax levied under this section is intended to comply with the provisions of internal revenue service notice 2020-75 in which such tax paid by an electing pass-through entity is deductible to the entity for federal income tax purposes.

(F) The tax commissioner shall adopt rules to administer the tax levied under this section. Such rules shall include a description of how the adjustments to income under divisions (A)(36) and (S)(15) of section 5747.01 of the Revised Code and the credit under section 5747.39 of the Revised Code apply to direct or indirect owners of an electing pass-through entity based on various ownership structures. Any rule adopted under this section is not a regulatory restriction for the purpose of section 121.95 of the Revised Code.

Sec. 5747.41. For the same purposes for which the tax is levied under section 5747.02 of the Revised Code, there is hereby levied a withholding tax on every qualifying pass-through entity having at least one qualifying investor who is an individual and on every qualifying trust having at least one qualifying beneficiary who is an individual. The withholding tax imposed by this section is imposed on the sum of the adjusted qualifying amounts of a qualifying pass-through entity's qualifying investors who are individuals and on the sum of the adjusted qualifying amounts of a qualifying trust's qualifying beneficiaries, at a rate equal to the tax rate imposed on ~~taxable~~ qualifying business income under division (A)(4)(a) of section 5747.02 of the Revised Code.

The tax imposed by this section applies only if the qualifying entity has nexus with this state under the

Constitution of the United States for any portion of the qualifying entity's qualifying taxable year, and the sum of the qualifying entity's adjusted qualifying amounts exceeds one thousand dollars for the qualifying entity's qualifying taxable year.

The tax imposed under this section does not apply to a qualifying pass-through entity that makes an election under division (C) of section 5747.38 of the Revised Code to be subject to the tax levied under that section for the entity's qualifying taxable year.

Sec. 5747.71. ~~There is hereby allowed a nonrefundable credit against a taxpayer's aggregate tax liability under section 5747.02 of the Revised Code for a~~ A taxpayer who is an "eligible individual" as defined in section 32 of the Internal Revenue Code may elect to claim a credit under either division (A) or (B) of this section against the taxpayer's aggregate tax liability under section 5747.02 of the Revised Code:

(A) A nonrefundable credit equal to thirty per cent of the federal credit allowed for the taxable year;

(B) A refundable credit equal to twelve per cent of the federal credit allowed for the taxable year, if the taxpayer has a dependent under the age of three at the end of the taxable year, or nine per cent of the federal credit allowed for the taxable year, in the case of all other taxpayers. ~~The credit shall equal thirty per cent of the federal credit allowed for the taxable year. The credit shall not exceed the aggregate amount of tax otherwise due under section 5747.02 of the Revised Code after deducting any other nonrefundable credits that precede the credit allowed under this section in the order prescribed by section 5747.98 of the Revised Code.~~

~~The~~ A credit allowed under this section shall be claimed in the order prescribed by section 5747.98 of the Revised Code. In the case of the credit allowed under division (A) of this section, the credit shall not exceed the aggregate amount of tax otherwise due under section 5747.02 of the Revised Code after deducting any other nonrefundable credits that precede the credit allowed under this section in the order prescribed by section 5747.98 of the Revised Code. In the case of the credit allowed under division (B) of this section, if the credit amount exceeds the aggregate amount of tax otherwise due under section 5747.02 of the Revised Code after deducting all other credits in that order, the excess shall be refunded.

Sec. 5747.87. (A) As used in this section:

(1) "Claim year" means, for individuals required to file an income tax return pursuant to this chapter, the individual's taxable year and, for all other individuals, the calendar year preceding the year in which an application for credit is filed under this section.

(2) "Eligible claimant" means an individual who has occupied a homestead as an owner or lessee for at least six months of the claim year and whose total household resources do not exceed the threshold described in division (G) of this section.

(3) "Gross rent" means the total rent paid during the claim year by a lessee for the right to occupy a homestead pursuant to an arm's length transaction with the property owner or the owner's representative.

(4) "Qualifying homestead" means a dwelling, including a manufactured or mobile home or a unit in a multiple-unit

dwelling or housing cooperative, that is located in this state, that is not fully exempt from property taxation for the claim year, and that meets one of the following requirements:

(a) The dwelling is owned by an individual who occupies the dwelling as a primary residence and the true value of the property, as listed on the tax list for the tax year ending in the individual's claim year, does not exceed the home value limit for that claim year;

(b) The dwelling is leased by an individual who occupies the dwelling as a primary residence and the gross rent paid by the lessee during the claim year did not exceed the product obtained by multiplying the rent limit for that claim year by the number of months the lessee occupied the dwelling as a primary residence.

(5) "Household" means an individual and the individual's spouse.

(6) "Income" means federal adjusted gross income, plus all income excluded or exempt from the computation of federal adjusted gross income, subtracted by all of the following:

(a) Up to three hundred dollars of gifts in cash or kind from nongovernmental sources;

(b) Up to three hundred dollars of lottery, casino gaming, or sports gaming winnings;

(c) Benefits provided under the supplemental nutrition assistance program administered by the department of job and family services pursuant to section 5101.54 of the Revised Code;

(d) Government payments made to a third party on behalf of an individual;

(e) State or municipal tax refunds or tax credits;

(f) Any government grant that a property owner must use for the rehabilitation of the owner's homestead;

(g) Stipends received by a person who is acting as a foster grandparent under the foster grandparent program authorized pursuant to 42 U.S.C 5011 or as a senior companion pursuant to 42 U.S.C 5013;

(h) Amounts deducted from benefits provided under Title II of the Social Security Act or from railroad retirement benefits for premiums paid pursuant to the medicare program established by Title XVIII of the Social Security Act;

(i) Contributions by an employer to life, accident, or health insurance plans;

(j) Any money received from a low-income customer assistance program, as defined in section 4928.01 of the Revised Code;

(k) Loan proceeds;

(l) Inheritance or life insurance benefits from a spouse;

(m) Payments from a long-term care policy made to a nursing home or other care facility;

(n) Accident or health insurance plan premiums paid by an employer for a plan that covers a member of the household or the member's family;

(o) Compensation for wrongful imprisonment.

(7) "Property tax due" means the property taxes or manufactured home taxes charged and payable against the homestead for the tax year ending in the eligible claimant's

claim year, after any reductions allowed under the Revised Code. "Property tax due" does not include taxes that appeared on the general tax list or manufactured home tax list for any preceding tax year or any penalties, interest, or special assessments.

(8) "Rent-equivalent tax paid" means fifteen per cent of gross rent.

(9) "Total household resources" means all income received by all individuals of a household in the claim year while members of the household, increased by the following deductions from federal gross income:

(a) Any net operating loss;

(b) Any net rental or royalty loss;

(c) Any carryback or carryforward of a net operating loss.

(10) "Home value limit" means the median home value of owner-occupied housing units in the county in this state that has the highest such median home value according to the most recent one-year data published in the American community survey.

(11) "Rent limit" means the median gross rent in the county in this state that has the highest such median gross rent according to the most recent one-year data published in the American community survey.

(12) "American community survey" means the supplementary statistics collected and published annually by the United States census bureau in accordance with 13 U.S.C. 141 and 193.

(B) A refundable credit or rebate is allowed to eligible claimants. In the case of eligible claimants required to file an annual return under this chapter for the claim year, a credit is allowed against the claimant's aggregate tax liability under

section 5747.02 of the Revised Code. For all other eligible claimants, a rebate may be claimed on the form prescribed by the tax commissioner pursuant to division (E) of this section. Subject to division (C) of this section, the credit or rebate shall equal one of the following:

(1) For eligible claimants who own the homestead for which the claim is made, the amount by which the eligible claimant's property tax due exceeds five per cent of the eligible claimant's total household resources for that claim year.

(2) For eligible claimants who lease the homestead for which the claim is made, the amount by which the eligible claimant's rent-equivalent tax paid in the claim year exceeds five per cent of the eligible claimant's total household resources for that year.

(C) The credit or rebate allowed under this section for a claim year shall not exceed a specified limit. For the first claim year ending on or after the effective date of this section, the limit equals one thousand dollars. For each succeeding claim year, the limit shall be adjusted as provided in division (G) of this section.

(D) For eligible claimants required to file an annual return under this chapter for the claim year, the credit shall be claimed in the order required under section 5747.98 of the Revised Code. If the amount of the credit under this section exceeds the aggregate amount of tax otherwise due under section 5747.02 of the Revised Code after deduction of all other credits in that order, the taxpayer is entitled to a refund of the excess.

(E)(1) The tax commissioner shall prescribe a form on

which eligible claimants who are not required to file an annual return under this chapter may apply for the rebate authorized under this section. Except as provided in division (E)(2) of this section, such eligible claimants shall apply for the rebate on that form after the first day of January following the end of the claim year but before the fifteenth day of the fourth month following the end of that claim year.

(2) An eligible claimant may request an extension of the time to file a rebate application under division (E)(1) of this section, on a form prescribed by the commissioner. Upon receipt of such a request, the commissioner shall extend the due date for filing the application to the fifteenth day of the tenth month after the last day of the claim year.

(F)(1) The credit or rebate authorized under this section shall be allowed to only one eligible claimant per homestead.

(2) Only the lessee shall claim a credit or rebate with respect to property that is rented or leased as a homestead.

(G) For the first claim year ending on or after the effective date of this section, an individual qualifies as an eligible claimant only if the individual's total household resources do not exceed sixty thousand dollars. For each following claim year, the tax commissioner shall adjust this total household resources limit and the credit or rebate limit described in division (C) of this section by completing the following calculations in September of each year:

(1) Determine the percentage increase in the gross domestic product deflator determined by the bureau of economic analysis of the United States department of commerce from the first day of January of the preceding year to the last day of

December of the preceding year;

(2) Multiply that percentage increase by the total household resources limit and the credit or rebate limit for the current year;

(3) Add the resulting products to the respective limits for the current year;

(4) Round the resulting sums to the nearest multiple of one thousand dollars, in the case of the total household resources limit, or nearest multiple of ten dollars, in the case of the credit limit.

The adjusted amounts apply to claim years beginning in the calendar year in which the adjustment is made and to claim years beginning in each ensuing calendar year until a calendar year in which a new adjustment is made pursuant to this division. The commissioner shall not make a new adjustment in any calendar year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment in the preceding calendar year.

(H) If a credit or rebate allowed under this section was based on an amount of property tax due that differs from the actual amount of such taxes paid by the eligible claimant for the tax year ending in that claim year, the eligible claimant shall file an annual return or application under division (E) of this section for the ensuing claim year that reports the difference. The claimant shall adjust the credit or rebate claimed for the ensuing year by the amount of the difference. If the claimant is not eligible for the credit or rebate for the ensuing claim year, the claimant shall pay or may request payment of the difference, as applicable.

(I) On or before the first day of November of each year, the tax commissioner shall determine and publish a home value limit and rent limit. The limits shall apply to claim years beginning in the calendar year in which the limits are determined.

Sec. 5747.98. (A) To provide a uniform procedure for calculating a taxpayer's aggregate tax liability under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order:

Either the retirement income credit under division (B) of section 5747.055 of the Revised Code or the lump sum retirement income credits under divisions (C), (D), and (E) of that section;

Either the senior citizen credit under division (F) of section 5747.055 of the Revised Code or the lump sum distribution credit under division (G) of that section;

The dependent care credit under section 5747.054 of the Revised Code;

The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;

The campaign contribution credit under section 5747.29 of the Revised Code;

The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;

The joint filing credit under division ~~(G)~~(E) of section 5747.05 of the Revised Code;

The nonrefundable earned income credit under division (A) of section 5747.71 of the Revised Code;

The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;

The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;

The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;

The nonrefundable vocational job credit under section 5747.057 of the Revised Code;

The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;

The enterprise zone credit under section 5709.66 of the Revised Code;

The credit for beginning farmers who participate in a financial management program under division (B) of section 5747.77 of the Revised Code;

The credit for commercial vehicle operator training expenses under section 5747.82 of the Revised Code;

The nonrefundable welcome home Ohio (WHO) program credit under section 122.633 of the Revised Code;

The credit for selling or renting agricultural assets to beginning farmers under division (A) of section 5747.77 of the Revised Code;

The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;

The small business investment credit under section 5747.81

of the Revised Code;

The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;

The opportunity zone investment credit under section 5747.86 of the Revised Code;

The enterprise zone credits under section 5709.65 of the Revised Code;

The research and development credit under section 5747.331 of the Revised Code;

The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;

The nonrefundable Ohio low-income housing tax credit under section 5747.83 of the Revised Code;

The nonrefundable affordable single-family home credit under section 5747.84 of the Revised Code;

The nonresident credit under division (A) of section 5747.05 of the Revised Code;

The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;

The refundable motion picture and broadway theatrical production credit under section 5747.66 of the Revised Code;

The refundable credit for film and theater capital improvement projects under section 5747.67 of the Revised Code;

The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;

The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;

The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;

The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;

The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;

The refundable credit under section 5747.39 of the Revised Code for taxes levied under section 5747.38 of the Revised Code paid by an electing pass-through entity;

The refundable earned income credit under division (B) of section 5747.71 of the Revised Code;

The refundable credit for property taxes or rent-equivalent taxes paid under section 5747.87 of the Revised Code.

(B) For any credit, except the refundable credits enumerated in this section and the credit granted under division (H) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the taxpayer's aggregate amount of tax due under section 5747.02 of the Revised Code, after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

Sec. 5749.01. As used in this chapter:

(A) "Ton" shall mean two thousand pounds as measured at the point and time of severance, after the removal of any impurities, under such rules and regulations as the tax commissioner may prescribe.

(B) "Taxpayer" means any person required to pay the tax levied by Chapter 5749. of the Revised Code.

(C) "Natural resource" means all forms of coal, salt, limestone, dolomite, sand, gravel, ~~natural~~ gas, ~~and~~ oil, condensate, and natural gas liquids.

(D) ~~"Owner"~~ "Owner," "oil," "condensate," and "exempt domestic well" have the same meanings as in section 1509.01 of the Revised Code.

(E) "Person" means any individual, firm, partnership, association, joint stock company, corporation, or estate, or combination thereof.

(F) "Return" means any report or statement required to be filed pursuant to Chapter 5749. of the Revised Code used to determine the tax due.

(G) "Severance" means the extraction or other removal of a natural resource from the soil or water of this state.

(H) "Severed" means the point at which the natural resource has been separated from the soil or water in this state.

(I) "Severer" means any person who actually removes the natural resources from the soil or water in this state.

(J) "Gas" means all hydrocarbons that are in a gaseous

state at standard temperature and pressure.

(K) "Natural gas liquids" means hydrocarbons separated from gas, including ethane, propane, butanes, pentanes, hexanes, and natural gasolines.

(L) "Average quarterly spot price" means the following:

(1) For oil, the average of each day's closing spot price reported for one barrel of crude oil for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner;

(2) For gas, the average of each day's closing spot price reported for one thousand cubic feet of natural gas for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner;

(3) For condensate, the average of each day's closing spot price reported for one barrel of Appalachian condensate for the calendar quarter that begins six months before the current calendar quarter, as reported by a source determined by the commissioner;

(4) For natural gas liquids, the average of each day's closing spot price reported for one million British thermal units of natural gas plant liquids composite for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner.

(M) "Former section 1509.50 of the Revised Code" means section 1509.50 of the Revised Code as it existed before its repeal by this act.

Sec. 5749.02. (A) For the purpose of providing revenue to administer the state's coal mining and reclamation regulatory program, to meet the environmental and resource management needs of this state, to provide revenue to the general revenue fund, and to reclaim land affected by mining, an excise tax is hereby levied on the privilege of engaging in the severance of natural resources from the soil or water of this state. The tax shall be imposed upon the severer at the rates prescribed by this section:

(1) Ten cents per ton of coal;

(2) Four cents per ton of salt;

(3) Two cents per ton of limestone or dolomite;

(4) Two cents per ton of sand and gravel;

(5) ~~Ten cents per barrel of oil;~~

~~(6) Two and one-half cents per thousand cubic feet of natural gas;~~

~~(7)~~ Six and one-half per cent of the product of the total volume of oil severed during the calendar quarter multiplied by the average quarterly spot price for oil applicable to that quarter;

(6)(a) For gas that enters the natural gas distribution system without further processing, six and one-half per cent of the product of the total volume of such gas severed during the calendar quarter multiplied by the average quarter spot price for gas applicable to that quarter;

(b) For gas other than that described in division (A)(6)(a) of this section, four and one-half per cent of the product of the total volume of such gas after the gas is processed

during the calendar quarter, regardless of where the processing facility is located, multiplied by the average quarterly spot price for gas applicable to that quarter.

(7) Six and one-half per cent of the product of the volume of condensate collected during the calendar quarter at a point other than the wellhead, regardless of where title is transferred, multiplied by the average quarterly spot price for condensate applicable to that quarter;

(8) Four and one-half per cent of the product of the volume of natural gas liquids collected during the calendar year at a point other than the wellhead, regardless of where title is transferred, multiplied by the average quarterly spot price for natural gas liquids applicable to that quarter;

(9) One cent per ton of clay, sandstone or conglomerate, shale, gypsum, or quartzite;

~~(8)~~ (10) Except as otherwise provided in this division or in rules adopted by the reclamation forfeiture fund advisory board under section 1513.182 of the Revised Code, an additional fourteen cents per ton of coal produced from an area under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code for which the performance security is provided under division (C)(2) of section 1513.08 of the Revised Code. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the reclamation forfeiture fund created in section 1513.18 of the Revised Code is equal to or greater than ten million dollars, the rate levied shall be twelve cents per ton. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the fund is at least five million dollars, but less than ten million dollars, the rate levied shall be fourteen cents per ton. Beginning July 1, 2007, if at the end of a fiscal

biennium the balance of the fund is less than five million dollars, the rate levied shall be sixteen cents per ton. Beginning July 1, 2009, not later than thirty days after the close of a fiscal biennium, the chief of the division of mineral resources management shall certify to the tax commissioner the amount of the balance of the reclamation forfeiture fund as of the close of the fiscal biennium. Any necessary adjustment of the rate levied shall take effect on the first day of the following January and shall remain in effect during the calendar biennium that begins on that date.

~~(9)~~ (11) An additional one and two-tenths cents per ton of coal mined by surface mining methods.

(B) After the director of budget and management transfers money from the severance tax receipts fund as required in division (H) of section 5749.06 of the Revised Code, money remaining in the severance tax receipts fund~~, except for money in the fund from the amounts due under section 1509.50 of the Revised Code,~~ shall be credited as follows:

(1) All of the moneys in the fund from the tax levied in division (A)(1) of this section shall be credited to the mining regulation and safety fund created in section 1513.30 of the Revised Code.

(2) The money in the fund from the tax levied in division (A)(2) of this section shall be credited to the mining regulation and safety fund.

(3) Of the moneys in the fund from the tax levied in divisions (A)(3) and (4) of this section, seven and five-tenths per cent shall be credited to the geological mapping fund and the remainder shall be credited to the mining regulation and

safety fund created in section 1513.30 of the Revised Code.

(4) ~~Of~~ All of the moneys in the fund from the tax levied in divisions (A)(5) ~~and (6)~~ to (8) of this section~~, ninety per cent~~ shall be credited to the ~~oil and gas well~~ general revenue fund~~ and ten per cent shall be credited to the geological mapping fund~~.

(5) All of the moneys in the fund from the tax levied in division ~~(A)(7)~~ (A)(9) of this section shall be credited to the mining regulation and safety fund.

(6) All of the moneys in the fund from the tax levied in division ~~(A)(8)~~ (A)(10) of this section shall be credited to the reclamation forfeiture fund.

(7) All of the moneys in the fund from the tax levied in division ~~(A)(9)~~ (A)(11) of this section shall be credited to the mining regulation and safety fund.

(C) When, at the close of any fiscal year, the chief finds that the balance of the reclamation forfeiture fund, plus the estimated revenues from the tax levied by division ~~(A)(8)~~ (A)(10) of this section for the remainder of the calendar year that includes the close of the fiscal year, are sufficient to complete the reclamation of all lands for which the performance security has been provided under division (C)(2) of section 1513.08 of the Revised Code, the purposes for which the tax under division ~~(A)(8)~~ (A)(10) of this section is levied shall be deemed accomplished at the end of that calendar year. The chief, within thirty days after the close of the fiscal year, shall certify those findings to the tax commissioner, and the tax levied under division ~~(A)(8)~~ (A)(10) of this section shall cease to be imposed for the subsequent calendar year after the last

day of that calendar year on coal produced under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code if the permittee has made tax payments under division ~~(A)(8)~~ (A)(10) of this section during each of the preceding five full calendar years. Not later than thirty days after the close of a fiscal year, the chief shall certify to the tax commissioner the identity of any permittees who accordingly no longer are required to pay the tax levied under division ~~(A)(8)~~ (A)(10) of this section for the subsequent calendar year.

(D) On or before the last day of the first month of each calendar quarter, the tax commissioner shall certify and post to the department of taxation's web site the average quarterly spot price applicable to oil, gas, condensate, and natural gas liquids for that quarter.

Sec. 5749.04. No severer shall sever or sell a natural resource in this state without first having obtained a permit from or having registered with the department of natural resources.

The commissioner may request that the department of natural resources revoke the permit or registration of a severer or owner if the commissioner finds that the severer or owner has failed to comply with former section 1509.50 or Chapter 5749. of the Revised Code.

Upon receipt of such a request, that officer may revoke the permit or registration.

Except as provided in section 5749.03 of the Revised Code, before severing a natural resource each severer shall file an application with the commissioner on a form prescribed by the commissioner to establish a severance tax account. The

application may require the severer to disclose any information the commissioner considers necessary to establish that account.

Sec. 5749.06. (A)(1) Each severer liable for the tax imposed by section 5749.02 of the Revised Code ~~and each severer or owner liable for the amounts due under section 1509.50 of the Revised Code, except for any amount due under division (B)(2) of that section,~~ shall make and file returns with the tax commissioner in the prescribed form and at the prescribed times, computing and reflecting therein the tax as required by this chapter~~ and amounts due under section 1509.50 of the Revised Code~~.

(2) The returns shall be filed for every calendar quarter, as required by this section, unless a different return period is prescribed for a taxpayer by the commissioner.

(B)(1) A separate return shall be filed for each calendar quarter, or other period, or any part thereof, during which the severer holds a permit or has registered as provided by section 5749.04 of the Revised Code, or is required to hold the permit or registration, or during which an owner is required to file a return. The return shall be filed on or before the fifteenth day of the second month following the end of each return period. The tax due is payable along with the return. All such returns shall contain such information as the commissioner may require to fairly administer the tax.

(2) All returns shall be signed by the severer ~~or owner, as applicable~~, shall contain the full and complete information requested, and shall be made under penalty of perjury.

(C) If the commissioner believes that quarterly payments of tax would result in a delay that might jeopardize the

collection of such tax payments, the commissioner may order that such payments be made weekly, or more frequently if necessary, such payments to be made not later than seven days following the close of the period for which the jeopardy payment is required. Such an order shall be delivered to the taxpayer in the manner provided in section 5703.37 of the Revised Code and shall remain in effect until the commissioner notifies the taxpayer to the contrary.

(D) Upon good cause the commissioner may extend for thirty days the period for filing any notice or return required to be filed under this section, and may remit all or a part of penalties that may become due under this chapter.

(E) Any tax ~~and any amount due under section 1509.50 of the Revised Code~~ not paid by the day the tax ~~or amount~~ is due shall bear interest computed at the rate per annum prescribed by section 5703.47 of the Revised Code ~~on that amount due~~ from the day that the ~~amount~~ tax was originally required to be paid to the day of actual payment or to the day an assessment was issued under section 5749.07 or 5749.10 of the Revised Code, whichever occurs first.

(F) A severer ~~or owner, as applicable,~~ that fails to file a complete return or pay the full amount due under this chapter within the time prescribed, including any extensions of time granted by the commissioner, shall be subject to a penalty not to exceed the greater of fifty dollars or ten per cent of the amount due for the period.

(G)(1) A severer ~~or owner, as applicable,~~ shall remit payments electronically and, if required by the commissioner, file each return electronically. The commissioner may require that the severer ~~or owner~~ use the Ohio business gateway, as

defined in section 718.01 of the Revised Code, or another electronic means to file returns and remit payments electronically.

(2) A severer ~~or owner~~ that is required to remit payments electronically under this section may apply to the commissioner, in the manner prescribed by the commissioner, to be excused from that requirement. The commissioner may excuse a severer ~~or owner~~ from the requirements of division (G) of this section for good cause.

(3) If a severer ~~or owner~~ that is required to remit payments or file returns electronically under this section fails to do so, the commissioner may impose a penalty on the severer ~~or owner~~ not to exceed the following:

(a) For the first or second payment or return the severer ~~or owner~~ fails to remit or file electronically, the greater of five per cent of the amount of the payment that was required to be remitted or twenty-five dollars;

(b) For every payment or return after the second that the severer ~~or owner~~ fails to remit or file electronically, the greater of ten per cent of the amount of the payment that was required to be remitted or fifty dollars.

(H)(1) All amounts that the commissioner receives under this section shall be deemed to be revenue from taxes imposed under this chapter or from the amount due under former section 1509.50 of the Revised Code, as applicable, and shall be deposited in the severance tax receipts fund, which is hereby created in the state treasury.

(2) The director of budget and management shall transfer from the severance tax receipts fund, as necessary, to the tax

refund fund amounts equal to the refunds certified by the commissioner under section 5749.08 of the Revised Code. Any amount transferred under division (H)(2) of this section shall be derived from receipts of the same tax or other amount from which the refund arose.

(3) After the director of budget and management makes any transfer required by division (H)(2) of this section, but not later than the twenty-fifth day of each month, the commissioner shall certify to the director the total amount remaining in the severance tax receipts fund organized according to the amount attributable to each natural resource and according to the amount attributable to a tax imposed by this chapter ~~and the amounts due under section 1509.50 of the Revised Code,~~ and shall provide for payment to the funds specified in division (B) of section 5749.02 of the Revised Code.

(I) Penalties imposed under this section are in addition to any other penalty imposed under this chapter and shall be considered as revenue arising from the tax levied under this chapter or the amount due under former section 1509.50 of the Revised Code, as applicable. The commissioner may collect any penalty or interest imposed under this section in the same manner as provided for the making of an assessment in section 5749.07 of the Revised Code. The commissioner may abate all or a portion of such interest or penalties and may adopt rules governing such abatements.

(J) For purposes of this section:

(1) "Tax imposed by section 5749.02 of the Revised Code" or "tax" includes amounts due under former section 1509.50 of the Revised Code.

(2) "Severer" includes an owner as defined in section 1509.01 of the Revised Code, with regard to amounts due from an owner under former section 1509.50 of the Revised Code.

Sec. 5749.07. (A) If any severer required by this chapter to make and file returns and pay the tax ~~levied~~ imposed by section 5749.02 of the Revised Code~~, or any severer or owner liable for the amounts due under section 1509.50 of the Revised Code,~~ fails to make such return or pay such tax ~~or amounts~~, the tax commissioner may make an assessment against the severer ~~or owner~~ based upon any information in the commissioner's possession.

No assessment shall be made or issued against any severer for any tax imposed by section 5749.02 of the Revised Code ~~or against any severer or owner for any amount due under section 1509.50 of the Revised Code~~ more than four years after the return was due or was filed, whichever is later. This section does not bar an assessment against a severer ~~or owner~~ who fails to file a return as required by this chapter, or who files a fraudulent return.

The commissioner shall give the party assessed written notice of such assessment in the manner provided in section 5703.37 of the Revised Code. With the notice, the commissioner shall provide instructions on how to petition for reassessment and request a hearing on the petition.

(B) Unless the party assessed files with the commissioner within sixty days after service of the notice of assessment, either personally or by certified mail, a written petition for reassessment signed by the party assessed or that party's authorized agent having knowledge of the facts, the assessment becomes final and the amount of the assessment is due and

payable from the party assessed to the treasurer of state. The petition shall indicate the objections of the party assessed, but additional objections may be raised in writing if received by the commissioner prior to the date shown on the final determination. If the petition has been properly filed, the commissioner shall proceed under section 5703.60 of the Revised Code.

(C) After an assessment becomes final, if any portion of the assessment remains unpaid, including accrued interest, a certified copy of the commissioner's entry making the assessment final may be filed in the office of the clerk of the court of common pleas in the county in which the party assessed resides or in which the party's business is conducted. If the party assessed maintains no place of business in this state and is not a resident of this state, the certified copy of the entry may be filed in the office of the clerk of the court of common pleas of Franklin county.

Immediately upon the filing of such entry, the clerk shall enter a judgment for the state against the party assessed in the amount shown on the entry. The judgment may be filed by the clerk in a loose-leaf book entitled "special judgments for state severance tax," and shall have the same effect as other judgments. Execution shall issue upon the judgment upon the request of the commissioner, and all laws applicable to sales on execution shall apply to sales made under the judgment.

If the assessment is not paid in its entirety within sixty days after the day the assessment is issued, the portion of the assessment consisting of tax due ~~or amounts due under section 1509.50 of the Revised Code~~ shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the

day the commissioner issues the assessment until it is paid or until it is certified to the attorney general for collection under section 131.02 of the Revised Code, whichever comes first. If the unpaid portion of the assessment is certified to the attorney general for collection, the entire unpaid portion of the assessment shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the date of certification until the date it is paid in its entirety. Interest shall be paid in the same manner as the tax and may be collected by the issuance of an assessment under this section.

(D) All money collected by the commissioner under this section shall be paid to the treasurer of state, and when paid shall be considered as revenue arising from the tax imposed by section 5749.02 of the Revised Code ~~and the amount due under section 1509.50 of the Revised Code, as applicable~~.

(E) For purposes of this section:

(1) "Tax imposed by section 5749.02 of the Revised Code" or "tax" includes amounts due under former section 1509.50 of the Revised Code.

(2) "Severer" includes an owner as defined in section 1509.01 of the Revised Code, with regard to amounts due from an owner under former section 1509.50 of the Revised Code.

Sec. 5749.08. The tax commissioner shall refund ~~to taxpayers~~ amounts paid under this chapter or former section 1509.50 of the Revised Code that were paid illegally or erroneously or paid on an illegal or erroneous assessment. Applications for refund shall be filed with the commissioner, on the form prescribed by the commissioner, within four years from the date of the illegal or erroneous payment. On the filing of

the application, the commissioner shall determine the amount of refund to which the applicant is entitled, plus interest computed in accordance with section 5703.47 of the Revised Code from the date of the payment of an erroneous or illegal assessment until the date the refund is paid. If the amount is not less than that claimed, the commissioner shall certify the amount to the director of budget and management and treasurer of state for payment from the tax refund fund created by section 5703.052 of the Revised Code. If the amount is less than that claimed, the commissioner shall proceed in accordance with section 5703.70 of the Revised Code.

Sec. 5749.10. If the tax commissioner finds that a ~~taxpayer,~~ person liable for tax under this chapter or for any amount due under former section 1509.50 of the Revised Code is about to depart from the state, or remove the ~~taxpayer's~~ person's property therefrom, or conceal ~~the taxpayer's~~ its person or property, or do any other act tending to prejudice or to render wholly or partly ineffectual proceedings to collect such tax or other amount due unless such proceedings are brought without delay, or if the commissioner believes that the collection of the tax or amount due from any ~~taxpayer~~ person will be jeopardized by delay, the commissioner shall give notice of such findings to ~~such taxpayer~~ the person together with the demand for an immediate return and immediate payment of such tax or other amount due, with penalty as provided in section 5749.15 of the Revised Code, whereupon such tax or other amount due shall become immediately due and payable. In such cases the commissioner may immediately file an entry with the clerk of the court of common pleas in the same manner and with the same effect as provided in section 5749.07 of the Revised Code, provided that if ~~such taxpayer~~the person, within five days from

notice of the assessment, furnishes evidence satisfactory to the commissioner, under ~~the regulations prescribed~~ rules adopted by the commissioner, that the ~~taxpayer~~ person is not in default in making returns or paying any tax prescribed by this chapter or amount due under former section 1509.50 of the Revised Code, or that the ~~taxpayer~~ person will duly return and pay, or post bond satisfactory to the commissioner conditioned upon payment of the tax or other amount finally determined to be due, then such tax or other amount due shall not be payable prior to the time and manner otherwise fixed for payment under section 5749.07 of the Revised Code, and the person assessed shall be restored the rights granted under such section. Upon satisfaction of the assessment the commissioner shall order the bond cancelled, securities released, and judgment vacated.

Any assessment issued under this section shall bear interest as prescribed under section 5749.07 of the Revised Code.

Sec. 5749.11. (A) There is hereby allowed a nonrefundable credit against the taxes imposed under division ~~(A)(8)~~ (A)(10) of section 5749.02 of the Revised Code for any severer to which a reclamation tax credit certificate is issued under section 1513.171 of the Revised Code. The credit shall be claimed in the amount shown on the certificate. The credit shall be claimed by deducting the amount of the credit from the amount of the first tax payment due under section 5749.06 of the Revised Code after the certificate is issued.

If the amount of the credit shown on a certificate exceeds the amount of the tax otherwise due with that first payment, the excess shall be claimed against the amount of tax otherwise due on succeeding payment dates until the entire credit amount has

been deducted. The total amount of credit claimed against payments shall not exceed the total amount of credit shown on the certificate.

(B) A severer claiming a credit under this section shall retain a reclamation tax credit certificate for not less than four years following the date of the last tax payment against which the credit allowed under that certificate was applied. Severers shall make tax credit certificates available for inspection by the tax commissioner upon the tax commissioner's request.

Sec. 5749.12. Any nonresident of this state who accepts the privilege extended by the laws of this state to nonresidents severing natural resources in this state, and any resident of this state who subsequently becomes a nonresident or conceals the resident's whereabouts, makes the secretary of state of Ohio the person's agent for the service of process or notice in any assessment, action, or proceedings instituted in this state against such person under this chapter or for purposes of amounts due under former section 1509.50 of the Revised Code.

Such process or notice shall be served as provided under section 5703.37 of the Revised Code.

Sec. 5749.13. The tax commissioner may prescribe requirements as to the keeping of records and other pertinent documents and the filing of copies of federal income tax returns and determinations. The commissioner may require any person, by rule or by notice served on that person, to keep such records as the commissioner considers necessary to show whether that person is liable, and the extent of liability, for the tax imposed under this chapter and the amount due under former section 1509.50 of the Revised Code. Such records and other documents

shall be open during business hours to the inspection of the commissioner, and shall be preserved for a period of four years after the date the return was required to be filed or actually was filed, whichever is later, unless the commissioner, in writing, consents to their destruction within that period, or by order requires that they be kept longer.

Sec. 5749.14. The tax commissioner shall enforce and administer this chapter ~~and applicable provisions of section 1509.50 of the Revised Code~~. In addition to any other powers conferred upon the commissioner by law, the commissioner may:

(A) Prescribe all forms required to be filed pursuant to this chapter;

(B) ~~Promulgate~~ Adopt such rules as the commissioner finds necessary to carry out this chapter ~~and applicable provisions of section 1509.50 of the Revised Code~~;

(C) Appoint and employ such personnel as may be necessary to carry out the duties imposed upon the commissioner by this chapter.

Sec. 5749.15. Any person who fails to file a return or pay the tax as required under this chapter or other amount due under former section 1509.50 of the Revised Code who is assessed such taxes or other amount due pursuant to section 5749.07 or 5749.10 of the Revised Code may be liable for a penalty of up to twenty-five per cent of the amount assessed. The tax commissioner may adopt rules relating to the imposition and remission of penalties imposed under this section.

Sec. 5751.01. As used in this chapter:

(A) "Person" means, but is not limited to, individuals, combinations of individuals of any form, receivers, assignees,

trustees in bankruptcy, firms, companies, joint-stock companies, business trusts, estates, partnerships, limited liability partnerships, limited liability companies, associations, joint ventures, clubs, societies, for-profit corporations, S corporations, qualified subchapter S subsidiaries, qualified subchapter S trusts, trusts, entities that are disregarded for federal income tax purposes, and any other entities.

(B) "Consolidated elected taxpayer" means a group of two or more persons treated as a single taxpayer for purposes of this chapter as the result of an election made under section 5751.011 of the Revised Code.

(C) "Combined taxpayer" means a group of two or more persons treated as a single taxpayer for purposes of this chapter under section 5751.012 of the Revised Code.

(D) "Taxpayer" means any person, or any group of persons in the case of a consolidated elected taxpayer or combined taxpayer treated as one taxpayer, required to register or pay tax under this chapter. "Taxpayer" does not include excluded persons.

(E) "Excluded person" means any of the following:

(1) Any person with not more than one hundred fifty thousand dollars of taxable gross receipts during the calendar year. Division (E)(1) of this section does not apply to a person that is a member of a consolidated elected taxpayer.

(2) A public utility that paid the excise tax imposed by section 5727.24 or 5727.30 of the Revised Code based on one or more measurement periods that include the entire tax period under this chapter, except in the following circumstances:

(a) A public utility that is a combined company is a

taxpayer with regard to the following gross receipts:

(i) Taxable gross receipts directly attributed to a public utility activity, but not directly attributed to an activity that is subject to the excise tax imposed by section 5727.24 or 5727.30 of the Revised Code;

(ii) Taxable gross receipts that cannot be directly attributed to any activity, multiplied by a fraction whose numerator is the taxable gross receipts described in division (E)(2)(a)(i) of this section and whose denominator is the total taxable gross receipts that can be directly attributed to any activity;

(iii) Except for any differences resulting from the use of an accrual basis method of accounting for purposes of determining gross receipts under this chapter and the use of the cash basis method of accounting for purposes of determining gross receipts under section 5727.24 of the Revised Code, the gross receipts directly attributed to the activity of a natural gas company shall be determined in a manner consistent with division (D) of section 5727.03 of the Revised Code.

(b) A heating company that became exempt from the excise tax imposed by section 5727.30 of the Revised Code on May 1, 2023, shall not be an excluded person for tax periods beginning on or after July 1, 2023.

As used in division (E)(2) of this section, "combined company" and "public utility" have the same meanings as in section 5727.01 of the Revised Code.

(3) A financial institution, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years

that include the entire tax period under this chapter;

(4) A person directly or indirectly owned by one or more financial institutions, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter.

For the purposes of division (E)(4) of this section, a person owns another person under the following circumstances:

(a) In the case of corporations issuing capital stock, one corporation owns another corporation if it owns fifty per cent or more of the other corporation's capital stock with current voting rights;

(b) In the case of a limited liability company, one person owns the company if that person's membership interest, as defined in section 1706.01 of the Revised Code, is fifty per cent or more of the combined membership interests of all persons owning such interests in the company;

(c) In the case of a partnership, trust, or other unincorporated business organization other than a limited liability company, one person owns the organization if, under the articles of organization or other instrument governing the affairs of the organization, that person has a beneficial interest in the organization's profits, surpluses, losses, or distributions of fifty per cent or more of the combined beneficial interests of all persons having such an interest in the organization.

(5) A domestic insurance company or foreign insurance company, as defined in section 5725.01 of the Revised Code, that paid the insurance company premiums tax imposed by section

5725.18 or Chapter 5729. of the Revised Code, or an unauthorized insurance company whose gross premiums are subject to tax under section 3905.36 of the Revised Code based on one or more measurement periods that include the entire tax period under this chapter;

(6) A person that solely facilitates or services one or more securitizations of phase-in-recovery property pursuant to a final financing order as those terms are defined in section 4928.23 of the Revised Code. For purposes of this division, "securitization" means transferring one or more assets to one or more persons and then issuing securities backed by the right to receive payment from the asset or assets so transferred.

(7) Except as otherwise provided in this division, a pre-income tax trust as defined in section 5747.01 of the Revised Code and any pass-through entity of which such pre-income tax trust owns or controls, directly, indirectly, or constructively through related interests, more than five per cent of the ownership or equity interests. If the pre-income tax trust has made a qualifying pre-income tax trust election under division (EE) of section 5747.01 of the Revised Code, then the trust and the pass-through entities of which it owns or controls, directly, indirectly, or constructively through related interests, more than five per cent of the ownership or equity interests, shall not be excluded persons for purposes of the tax imposed under section 5751.02 of the Revised Code.

(8) Nonprofit organizations or the state and its agencies, instrumentalities, or political subdivisions.

(F) Except as otherwise provided in divisions (F)(2), (3), and (4) of this section, "gross receipts" means the total amount realized by a person, without deduction for the cost of goods

sold or other expenses incurred, that contributes to the production of gross income of the person, including the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.

(1) The following are examples of gross receipts:

(a) Amounts realized from the sale, exchange, or other disposition of the taxpayer's property to or with another;

(b) Amounts realized from the taxpayer's performance of services for another;

(c) Amounts realized from another's use or possession of the taxpayer's property or capital;

(d) Any combination of the foregoing amounts.

(2) "Gross receipts" excludes the following amounts:

(a) Interest income except interest on credit sales;

(b) Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity as defined under section 5733.04 of the Revised Code;

(c) Receipts from the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, without regard to the length of time the person held the asset. Notwithstanding section 1221 of the Internal Revenue Code, receipts from hedging transactions also are excluded to the extent the transactions are entered into primarily to protect a financial position, such as managing the risk of exposure to (i) foreign currency fluctuations that affect assets, liabilities, profits, losses, equity, or investments in foreign operations; (ii) interest rate

fluctuations; or (iii) commodity price fluctuations. As used in division (F)(2)(c) of this section, "hedging transaction" has the same meaning as used in section 1221 of the Internal Revenue Code and also includes transactions accorded hedge accounting treatment under statement of financial accounting standards number 133 of the financial accounting standards board. For the purposes of division (F)(2)(c) of this section, the actual transfer of title of real or tangible personal property to another entity is not a hedging transaction.

(d) Proceeds received attributable to the repayment, maturity, or redemption of the principal of a loan, bond, mutual fund, certificate of deposit, or marketable instrument;

(e) The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan to the person;

(f) Contributions received by a trust, plan, or other arrangement, any of which is described in section 501(a) of the Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 1, Subchapter (D) of the Internal Revenue Code applies;

(g) Compensation, whether current or deferred, and whether in cash or in kind, received or to be received by an employee, former employee, or the employee's legal successor for services rendered to or for an employer, including reimbursements received by or for an individual for medical or education expenses, health insurance premiums, or employee expenses, or on account of a dependent care spending account, legal services plan, any cafeteria plan described in section 125 of the Internal Revenue Code, or any similar employee reimbursement;

(h) Proceeds received from the issuance of the taxpayer's

own stock, options, warrants, puts, or calls, or from the sale of the taxpayer's treasury stock;

(i) Proceeds received on the account of payments from insurance policies, except those proceeds received for the loss of business revenue;

(j) Gifts or charitable contributions received; membership dues received by trade, professional, homeowners', or condominium associations; payments received for educational courses, meetings, meals, or similar payments to a trade, professional, or other similar association; and fundraising receipts received by any person when any excess receipts are donated or used exclusively for charitable purposes;

(k) Damages received as the result of litigation in excess of amounts that, if received without litigation, would be gross receipts;

(l) Property, money, and other amounts received or acquired by an agent on behalf of another in excess of the agent's commission, fee, or other remuneration;

(m) Tax refunds, other tax benefit recoveries, and reimbursements for the tax imposed under this chapter made by entities that are part of the same combined taxpayer or consolidated elected taxpayer group, and reimbursements made by entities that are not members of a combined taxpayer or consolidated elected taxpayer group that are required to be made for economic parity among multiple owners of an entity whose tax obligation under this chapter is required to be reported and paid entirely by one owner, pursuant to the requirements of sections 5751.011 and 5751.012 of the Revised Code;

(n) Pension reversions;

(o) Contributions to capital;

(p) Sales or use taxes collected as a vendor or an out-of-state seller on behalf of the taxing jurisdiction from a consumer or other taxes the taxpayer is required by law to collect directly from a purchaser and remit to a local, state, or federal tax authority;

(q) In the case of receipts from the sale of cigarettes, tobacco products, or vapor products by a wholesale dealer, retail dealer, distributor, manufacturer, vapor distributor, or seller, all as defined in section 5743.01 of the Revised Code, an amount equal to the federal and state excise taxes paid by any person on or for such cigarettes, tobacco products, or vapor products under subtitle E of the Internal Revenue Code or Chapter 5743. of the Revised Code;

(r) In the case of receipts from the sale, transfer, exchange, or other disposition of motor fuel as "motor fuel" is defined in section 5736.01 of the Revised Code, an amount equal to the value of the motor fuel, including federal and state motor fuel excise taxes and receipts from billing or invoicing the tax imposed under section 5736.02 of the Revised Code to another person;

(s) In the case of receipts from the sale of beer or intoxicating liquor, as defined in section 4301.01 of the Revised Code, by a person holding a permit issued under Chapter 4301. or 4303. of the Revised Code, an amount equal to federal and state excise taxes paid by any person on or for such beer or intoxicating liquor under subtitle E of the Internal Revenue Code or Chapter 4301. or 4305. of the Revised Code;

(t) Receipts realized by a new motor vehicle dealer or

used motor vehicle dealer, as defined in section 4517.01 of the Revised Code, from the sale or other transfer of a motor vehicle, as defined in that section, to another motor vehicle dealer for the purpose of resale by the transferee motor vehicle dealer, but only if the sale or other transfer was based upon the transferee's need to meet a specific customer's preference for a motor vehicle;

(u) Receipts from a financial institution described in division (E)(3) of this section for services provided to the financial institution in connection with the issuance, processing, servicing, and management of loans or credit accounts, if such financial institution and the recipient of such receipts have at least fifty per cent of their ownership interests owned or controlled, directly or constructively through related interests, by common owners;

(v) Receipts realized from administering anti-neoplastic drugs and other cancer chemotherapy, biologicals, therapeutic agents, and supportive drugs in a physician's office to patients with cancer;

(w) Funds received or used by a mortgage broker that is not a dealer in intangibles, other than fees or other consideration, pursuant to a table-funding mortgage loan or warehouse-lending mortgage loan. Terms used in division (F)(2)(w) of this section have the same meanings as in section 1322.01 of the Revised Code, except "mortgage broker" means a person assisting a buyer in obtaining a mortgage loan for a fee or other consideration paid by the buyer or a lender, or a person engaged in table-funding or warehouse-lending mortgage loans that are first lien mortgage loans.

(x) Property, money, and other amounts received by a

professional employer organization, as defined in section 4125.01 of the Revised Code, or an alternate employer organization, as defined in section 4133.01 of the Revised Code, from a client employer, as defined in either of those sections as applicable, in excess of the administrative fee charged by the professional employer organization or the alternate employer organization to the client employer;

(y) In the case of amounts retained as commissions by a permit holder under Chapter 3769. of the Revised Code, an amount equal to the amounts specified under that chapter that must be paid to or collected by the tax commissioner as a tax and the amounts specified under that chapter to be used as purse money;

(z) ~~Qualifying distribution center receipts as determined~~ Receipts from fees imposed under ~~section 5751.40~~sections 128.41 and 128.42 of the Revised Code;

(aa) Receipts of an employer from payroll deductions relating to the reimbursement of the employer for advancing moneys to an unrelated third party on an employee's behalf;

(bb) Cash discounts allowed and taken;

(cc) Returns and allowances;

(dd) Bad debts from receipts on the basis of which the tax imposed by this chapter was paid in a prior quarterly tax payment period. For the purpose of this division, "bad debts" means any debts that have become worthless or uncollectible between the preceding and current quarterly tax payment periods, have been uncollected for at least six months, and that may be claimed as a deduction under section 166 of the Internal Revenue Code and the regulations adopted under that section, or that could be claimed as such if the taxpayer kept its accounts on

the accrual basis. "Bad debts" does not include repossessed property, uncollectible amounts on property that remains in the possession of the taxpayer until the full purchase price is paid, or expenses in attempting to collect any account receivable or for any portion of the debt recovered.

(ee) Any amount realized from the sale of an account receivable to the extent the receipts from the underlying transaction giving rise to the account receivable were included in the gross receipts of the taxpayer;

(ff) Any receipts directly attributed to a transfer agreement or to the enterprise transferred under that agreement under section 4313.02 of the Revised Code;

(gg) Qualified uranium receipts as determined under section 5751.41 of the Revised Code;

(hh) In the case of amounts collected by a licensed casino operator from casino gaming, amounts in excess of the casino operator's gross casino revenue. In this division, "casino operator" and "casino gaming" have the meanings defined in section 3772.01 of the Revised Code, and "gross casino revenue" has the meaning defined in section 5753.01 of the Revised Code.

(ii) Receipts realized from the sale of agricultural commodities by an agricultural commodity handler, both as defined in section 926.01 of the Revised Code, that is licensed by the director of agriculture to handle agricultural commodities in this state;

(jj) Qualifying integrated supply chain receipts as determined under section 5751.42 of the Revised Code;

(kk) In the case of a railroad company described in division (D)(9) of section 5727.01 of the Revised Code that

purchases dyed diesel fuel directly from a supplier as defined by section 5736.01 of the Revised Code, an amount equal to the product of the number of gallons of dyed diesel fuel purchased directly from such a supplier multiplied by the average wholesale price for a gallon of diesel fuel as determined under section 5736.02 of the Revised Code for the period during which the fuel was purchased multiplied by a fraction, the numerator of which equals the rate of tax levied by section 5736.02 of the Revised Code less the rate of tax computed in section 5751.03 of the Revised Code, and the denominator of which equals the rate of tax computed in section 5751.03 of the Revised Code;

(ll) Receipts realized by an out-of-state disaster business from disaster work conducted in this state during a disaster response period pursuant to a qualifying solicitation received by the business. Terms used in division (F)(2)(ll) of this section have the same meanings as in section 5703.94 of the Revised Code.

(mm) In the case of receipts from the sale or transfer of a mortgage-backed security or a mortgage loan by a mortgage lender holding a valid certificate of registration issued under Chapter 1322. of the Revised Code or by a person that is a member of the mortgage lender's consolidated elected taxpayer group, an amount equal to the principal balance of the mortgage loan;

(nn) Amounts of excess surplus of the state insurance fund received by the taxpayer from the Ohio bureau of workers' compensation pursuant to rules adopted under section 4123.321 of the Revised Code;

(oo) Except as otherwise provided in division (B) of section 5751.091 of the Revised Code, receipts of a megaproject

supplier from sales of tangible personal property directly to a megaproject operator in this state for use at the site of the megaproject operator's megaproject, provided that the sale occurs during the period that the megaproject operator has an agreement with the tax credit authority for the megaproject under division (D) of section 122.17 of the Revised Code that remains in effect and has not expired or been terminated, and provided the megaproject supplier holds a certificate for such megaproject issued under section 5751.052 of the Revised Code for the calendar year in which the sales are made and, if the megaproject supplier meets the requirements described in division (A)(13)(b) of section 122.17 of the Revised Code, the megaproject supplier holds a certificate for such megaproject issued under division (D)(11) of section 122.17 of the Revised Code on the first day of that calendar year;

(pp) Receipts from the sale of each new piece of capital equipment that has a cost in excess of one hundred million dollars and that is used at the site of a megaproject that satisfies the criteria described in division (A)(11)(a)(ii) of section 122.17 of the Revised Code, provided that the sale occurs during the period that a megaproject operator has an agreement for that megaproject with the tax credit authority under division (D) of section 122.17 of the Revised Code that remains in effect and has not expired or been terminated;

(qq) In the case of amounts collected by a sports gaming proprietor from sports gaming, amounts in excess of the proprietor's sports gaming receipts. As used in this division, "sports gaming proprietor" has the same meaning as in section 3775.01 of the Revised Code and "sports gaming receipts" has the same meaning as in section 5753.01 of the Revised Code.

(rr) Amounts received from any federal, state, or local grant, and amounts of indebtedness discharged or forgiven pursuant to federal, state, or local law, for providing or expanding access to broadband service in this state. As used in this division, "broadband service" has the same meaning as in section 188.01 of the Revised Code.

(ss) Receipts provided to a taxpayer to compensate for lost business resulting from the train derailment near the city of East Palestine on February 3, 2023, by any of the following:

(i) A federal, state, or local government agency;

(ii) A railroad company, as that term is defined in section 5727.01 of the Revised Code;

(iii) Any subsidiary, insurer, or agent of a railroad company or any related person.

(tt) An amount equal to the fee imposed by section 3743.22 of the Revised Code billed to the purchaser, collected by the taxpayer, and remitted to the fire marshal during the tax period, provided that the fee is separately stated on the invoice, bill of sale, or similar document given to the purchaser of 1.4G fireworks in this state~~.~~;

(uu) Any receipts for which the tax imposed by this chapter is prohibited by the constitution or laws of the United States or the constitution of this state~~;~~

~~(vv) Receipts from fees imposed under sections 128.41 and 128.42 of the Revised Code~~.

(3) In the case of a taxpayer when acting as a real estate broker, "gross receipts" includes only the portion of any fee for the service of a real estate broker, or service of a real

estate salesperson associated with that broker, that is retained by the broker and not paid to an associated real estate salesperson or another real estate broker. For the purposes of this division, "real estate broker" and "real estate salesperson" have the same meanings as in section 4735.01 of the Revised Code.

(4) A taxpayer's method of accounting for gross receipts for a tax period shall be the same as the taxpayer's method of accounting for federal income tax purposes for the taxpayer's federal taxable year that includes the tax period. If a taxpayer's method of accounting for federal income tax purposes changes, its method of accounting for gross receipts under this chapter shall be changed accordingly.

(G) "Taxable gross receipts" means gross receipts situsedto this state under section 5751.033 of the Revised Code.

(H) A person has "substantial nexus with this state" if any of the following applies. The person:

(1) Owns or uses a part or all of its capital in this state;

(2) Holds a certificate of compliance with the laws of this state authorizing the person to do business in this state;

(3) Has bright-line presence in this state;

(4) Otherwise has nexus with this state to an extent that the person can be required to remit the tax imposed under this chapter under the Constitution of the United States.

(I) A person has "bright-line presence" in this state for a reporting period and for the remaining portion of the calendar year if any of the following applies. The person:

(1) Has at any time during the calendar year property in this state with an aggregate value of at least fifty thousand dollars. For the purpose of division (I)(1) of this section, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge.

(2) Has during the calendar year payroll in this state of at least fifty thousand dollars. Payroll in this state includes all of the following:

(a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code;

(b) Any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state; and

(c) Any amount the person pays for services performed in this state on its behalf by another.

(3) Has during the calendar year taxable gross receipts of at least five hundred thousand dollars;

(4) Has at any time during the calendar year within this state at least twenty-five per cent of the person's total property, total payroll, or total gross receipts;

(5) Is domiciled in this state as an individual or for corporate, commercial, or other business purposes.

(J) "Tangible personal property" has the same meaning as in section 5739.01 of the Revised Code.

(K) "Internal Revenue Code" means the Internal Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term used in this chapter that is not otherwise defined has the same meaning as when used in a comparable context in the laws of the

United States relating to federal income taxes unless a different meaning is clearly required. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

(L) "Calendar quarter" means a three-month period ending on the thirty-first day of March, the thirtieth day of June, the thirtieth day of September, or the thirty-first day of December.

(M) "Tax period" means the calendar quarter on the basis of which a taxpayer is required to pay the tax imposed under this chapter.

(N) "Agent" means a person authorized by another person to act on its behalf to undertake a transaction for the other, including any of the following:

(1) A person receiving a fee to sell financial instruments;

(2) A person retaining only a commission from a transaction with the other proceeds from the transaction being remitted to another person;

(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;

(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;

(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.

(O) "Received" includes amounts accrued under the accrual method of accounting.

(P) "Reporting person" means a person in a consolidated

elected taxpayer or combined taxpayer group that is designated by that group to legally bind the group for all filings and tax liabilities and to receive all legal notices with respect to matters under this chapter, or, for the purposes of section 5751.04 of the Revised Code, a separate taxpayer that is not a member of such a group.

(Q) "Megaproject," "megaproject operator," and "megaproject supplier" have the same meanings as in section 122.17 of the Revised Code.

(R) "Exclusion amount" means three million dollars beginning in 2024 and six million dollars beginning in 2025.

Sec. 5751.20. No determinations, computations, certifications, or payments shall be made under this section after June 30, 2015.

(A) As used in sections 5751.20 to 5751.22 of the Revised Code:

(1) "School district," "joint vocational school district," "local taxing unit," "recognized valuation," "fixed-rate levy," and "fixed-sum levy" have the same meanings as used in section 5727.84 of the Revised Code.

(2) "State education aid" for a school district means the following:

(a) For fiscal years prior to fiscal year 2010, the sum of state aid amounts computed for the district under the following provisions, as they existed for the applicable fiscal year: division (A) of section 3317.022 of the Revised Code, including the amounts calculated under former section 3317.029 and section 3317.0217 of the Revised Code; divisions (C)(1), (C)(4), (D), (E), and (F) of section 3317.022; divisions (B), (C), and (D) of

section 3317.023; divisions (L) and (N) of section 3317.024; section 3317.0216; and any unit payments for gifted student services paid under section 3317.05 and former sections 3317.052 and 3317.053 of the Revised Code; except that, for fiscal years 2008 and 2009, the amount computed for the district under Section 269.20.80 of H.B. 119 of the 127th general assembly and as that section subsequently may be amended shall be substituted for the amount computed under division (D) of section 3317.022 of the Revised Code, and the amount computed under Section 269.30.80 of H.B. 119 of the 127th general assembly and as that section subsequently may be amended shall be included.

(b) For fiscal years 2010 and 2011, the sum of the amounts computed under former sections 3306.052, 3306.12, 3306.13, 3306.19, 3306.191, and 3306.192 of the Revised Code;

(c) For fiscal years 2012 and 2013, the sum of the amounts paid under Sections 267.30.50, 267.30.53, and 267.30.56 of H.B. 153 of the 129th general assembly;

(d) For fiscal year 2014 and each fiscal year thereafter, the sum of state amounts computed for the district under section 3317.022 of the Revised Code; except that, for fiscal years 2014 and 2015, the amount computed for the district under the section of this act entitled "TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS" shall be included.

(3) "State education aid" for a joint vocational school district means the following:

(a) For fiscal years prior to fiscal year 2010, the sum of the state aid computed for the district under division (N) of section 3317.024 and former section 3317.16 of the Revised Code, except that, for fiscal years 2008 and 2009, the amount computed

under Section 269.30.80 of H.B. 119 of the 127th general assembly and as that section subsequently may be amended shall be included.

(b) For fiscal years 2010 and 2011, the amount paid in accordance with Section 265.30.50 of H.B. 1 of the 128th general assembly.

(c) For fiscal years 2012 and 2013, the amount paid in accordance with Section 267.30.60 of H.B. 153 of the 129th general assembly.

(d) For fiscal year 2014 and each fiscal year thereafter, the amount computed for the district under section 3317.16 of the Revised Code; except that, for fiscal years 2014 and 2015, the amount computed for the district under the section of this act entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL DISTRICTS" shall be included.

(4) "State education aid offset" means the amount determined for each school district or joint vocational school district under division (A)(1) of section 5751.21 of the Revised Code.

(5) "Machinery and equipment property tax value loss" means the amount determined under division (C)(1) of this section.

(6) "Inventory property tax value loss" means the amount determined under division (C)(2) of this section.

(7) "Furniture and fixtures property tax value loss" means the amount determined under division (C)(3) of this section.

(8) "Machinery and equipment fixed-rate levy loss" means the amount determined under division (D)(1) of this section.

(9) "Inventory fixed-rate levy loss" means the amount determined under division (D)(2) of this section.

(10) "Furniture and fixtures fixed-rate levy loss" means the amount determined under division (D)(3) of this section.

(11) "Total fixed-rate levy loss" means the sum of the machinery and equipment fixed-rate levy loss, the inventory fixed-rate levy loss, the furniture and fixtures fixed-rate levy loss, and the telephone company fixed-rate levy loss.

(12) "Fixed-sum levy loss" means the amount determined under division (E) of this section.

(13) "Machinery and equipment" means personal property subject to the assessment rate specified in division (F) of section 5711.22 of the Revised Code.

(14) "Inventory" means personal property subject to the assessment rate specified in division (E) of section 5711.22 of the Revised Code.

(15) "Furniture and fixtures" means personal property subject to the assessment rate specified in division (G) of section 5711.22 of the Revised Code.

(16) "Qualifying levies" are levies in effect for tax year 2004 or applicable to tax year 2005 or approved at an election conducted before September 1, 2005. For the purpose of determining the rate of a qualifying levy authorized by section 5705.212 or 5705.213 of the Revised Code, the rate shall be the rate that would be in effect for tax year 2010.

(17) "Telephone property" means tangible personal property of a telephone, telegraph, or interexchange telecommunications company subject to an assessment rate specified in section

5727.111 of the Revised Code in tax year 2004.

(18) "Telephone property tax value loss" means the amount determined under division (C)(4) of this section.

(19) "Telephone property fixed-rate levy loss" means the amount determined under division (D)(4) of this section.

(20) "Taxes charged and payable" means taxes charged and payable after the reduction required by section 319.301 of the Revised Code but before ~~the reductions~~ any reduction required by ~~sections 319.302 and~~ section 323.152 of the Revised Code.

(21) "Median estate tax collections" means, in the case of a municipal corporation to which revenue from the taxes levied in Chapter 5731. of the Revised Code was distributed in each of calendar years 2006, 2007, 2008, and 2009, the median of those distributions. In the case of a municipal corporation to which no distributions were made in one or more of those years, "median estate tax collections" means zero.

(22) "Total resources," in the case of a school district, means the sum of the amounts in divisions (A)(22)(a) to (h) of this section less any reduction required under division (A)(32) or (33) of this section.

(a) The state education aid for fiscal year 2010;

(b) The sum of the payments received by the school district in fiscal year 2010 for current expense levy losses pursuant to division (C)(2) of section 5727.85 and divisions (C)(8) and (9) of section 5751.21 of the Revised Code, excluding the portion of such payments attributable to levies for joint vocational school district purposes;

(c) The sum of fixed-sum levy loss payments received by

the school district in fiscal year 2010 pursuant to division (E)(1) of section 5727.85 and division (E)(1) of section 5751.21 of the Revised Code for fixed-sum levies charged and payable for a purpose other than paying debt charges;

(d) Fifty per cent of the school district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2008, including taxes charged and payable from emergency levies charged and payable under section 5709.194 of the Revised Code and excluding taxes levied for joint vocational school district purposes;

(e) Fifty per cent of the school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses for tax year 2009, including taxes charged and payable from emergency levies and excluding taxes levied for joint vocational school district purposes;

(f) The school district's taxes charged and payable against all property on the general tax list of personal property for current expenses for tax year 2009, including taxes charged and payable from emergency levies;

(g) The amount certified for fiscal year 2010 under division (A)(2) of section 3317.08 of the Revised Code;

(h) Distributions received during calendar year 2009 from taxes levied under section 718.09 of the Revised Code.

(23) "Total resources," in the case of a joint vocational school district, means the sum of amounts in divisions (A)(23)(a) to (g) of this section less any reduction required under division (A)(32) of this section.

(a) The state education aid for fiscal year 2010;

(b) The sum of the payments received by the joint vocational school district in fiscal year 2010 for current expense levy losses pursuant to division (C)(2) of section 5727.85 and divisions (C)(8) and (9) of section 5751.21 of the Revised Code;

(c) Fifty per cent of the joint vocational school district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2008;

(d) Fifty per cent of the joint vocational school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses for tax year 2009;

(e) Fifty per cent of a city, local, or exempted village school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses of the joint vocational school district for tax year 2008;

(f) Fifty per cent of a city, local, or exempted village school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses of the joint vocational school district for tax year 2009;

(g) The joint vocational school district's taxes charged and payable against all property on the general tax list of personal property for current expenses for tax year 2009.

(24) "Total resources," in the case of county mental health and disability related functions, means the sum of the

amounts in divisions (A)(24)(a) and (b) of this section less any reduction required under division (A)(32) of this section.

(a) The sum of the payments received by the county for mental health and developmental disability related functions in calendar year 2010 under division (A)(1) of section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) With respect to taxes levied by the county for mental health and developmental disability related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009.

(25) "Total resources," in the case of county senior services related functions, means the sum of the amounts in divisions (A)(25)(a) and (b) of this section less any reduction required under division (A)(32) of this section.

(a) The sum of the payments received by the county for senior services related functions in calendar year 2010 under division (A)(1) of section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) With respect to taxes levied by the county for senior services related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009.

(26) "Total resources," in the case of county children's services related functions, means the sum of the amounts in divisions (A)(26)(a) and (b) of this section less any reduction required under division (A)(32) of this section.

(a) The sum of the payments received by the county for children's services related functions in calendar year 2010 under division (A)(1) of section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) With respect to taxes levied by the county for children's services related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009.

(27) "Total resources," in the case of county public health related functions, means the sum of the amounts in divisions (A)(27)(a) and (b) of this section less any reduction required under division (A)(32) of this section.

(a) The sum of the payments received by the county for public health related functions in calendar year 2010 under division (A)(1) of section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) With respect to taxes levied by the county for public health related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009.

(28) "Total resources," in the case of all county functions not included in divisions (A)(24) to (27) of this section, means the sum of the amounts in divisions (A)(28)(a) to (d) of this section less any reduction required under division (A)(32) or (33) of this section.

(a) The sum of the payments received by the county for all other purposes in calendar year 2010 under division (A)(1) of

section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) The county's percentage share of county undivided local government fund allocations as certified to the tax commissioner for calendar year 2010 by the county auditor under division (J) of section 5747.51 of the Revised Code or division (F) of section 5747.53 of the Revised Code multiplied by the total amount actually distributed in calendar year 2010 from the county undivided local government fund;

(c) With respect to taxes levied by the county for all other purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009, excluding taxes charged and payable for the purpose of paying debt charges;

(d) The sum of the amounts distributed to the county in calendar year 2010 for the taxes levied pursuant to sections 5739.021 and 5741.021 of the Revised Code.

(29) "Total resources," in the case of a municipal corporation, means the sum of the amounts in divisions (A)(29)(a) to (g) of this section less any reduction required under division (A)(32) or (33) of this section.

(a) The sum of the payments received by the municipal corporation in calendar year 2010 for current expense levy losses under division (A)(1) of section 5727.86 and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) The municipal corporation's percentage share of county undivided local government fund allocations as certified to the tax commissioner for calendar year 2010 by the county auditor

under division (J) of section 5747.51 of the Revised Code or division (F) of section 5747.53 of the Revised Code multiplied by the total amount actually distributed in calendar year 2010 from the county undivided local government fund;

(c) The sum of the amounts distributed to the municipal corporation in calendar year 2010 pursuant to section 5747.50 of the Revised Code;

(d) With respect to taxes levied by the municipal corporation, the taxes charged and payable against all property on the tax list of real and public utility property for current expenses, defined in division (A)(35) of this section, for tax year 2009;

(e) The amount of admissions tax collected by the municipal corporation in calendar year 2008, or if such information has not yet been reported to the tax commissioner, in the most recent year before 2008 for which the municipal corporation has reported data to the commissioner;

(f) The amount of income taxes collected by the municipal corporation in calendar year 2008, or if such information has not yet been reported to the tax commissioner, in the most recent year before 2008 for which the municipal corporation has reported data to the commissioner;

(g) The municipal corporation's median estate tax collections.

(30) "Total resources," in the case of a township, means the sum of the amounts in divisions (A)(30)(a) to (c) of this section less any reduction required under division (A)(32) or (33) of this section.

(a) The sum of the payments received by the township in

calendar year 2010 pursuant to division (A)(1) of section 5727.86 of the Revised Code and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time, excluding payments received for debt purposes;

(b) The township's percentage share of county undivided local government fund allocations as certified to the tax commissioner for calendar year 2010 by the county auditor under division (J) of section 5747.51 of the Revised Code or division (F) of section 5747.53 of the Revised Code multiplied by the total amount actually distributed in calendar year 2010 from the county undivided local government fund;

(c) With respect to taxes levied by the township, the taxes charged and payable against all property on the tax list of real and public utility property for tax year 2009 excluding taxes charged and payable for the purpose of paying debt charges.

(31) "Total resources," in the case of a local taxing unit that is not a county, municipal corporation, or township, means the sum of the amounts in divisions (A)(31)(a) to (e) of this section less any reduction required under division (A)(32) of this section.

(a) The sum of the payments received by the local taxing unit in calendar year 2010 pursuant to division (A)(1) of section 5727.86 of the Revised Code and divisions (A)(1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) The local taxing unit's percentage share of county undivided local government fund allocations as certified to the tax commissioner for calendar year 2010 by the county auditor

under division (J) of section 5747.51 of the Revised Code or division (F) of section 5747.53 of the Revised Code multiplied by the total amount actually distributed in calendar year 2010 from the county undivided local government fund;

(c) With respect to taxes levied by the local taxing unit, the taxes charged and payable against all property on the tax list of real and public utility property for tax year 2009 excluding taxes charged and payable for the purpose of paying debt charges;

(d) The amount received from the tax commissioner during calendar year 2010 for sales or use taxes authorized under sections 5739.023 and 5741.022 of the Revised Code;

(e) For institutions of higher education receiving tax revenue from a local levy, as identified in section 3358.02 of the Revised Code, the final state share of instruction allocation for fiscal year 2010 as calculated by the chancellor of higher education and reported to the state controlling board.

(32) If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "total resources" used to compute payments to be made under division (C)(12) of section 5751.21 or division (A)(1)(b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under division (C)(2) of section 5727.85, division (A)(1) of section 5727.85, divisions (C)(8) and (9) of section 5751.21, or division (A)(1) of section 5751.22 of the Revised Code.

(33) In the case of a county, municipal corporation,

school district, or township with fixed-rate levy losses attributable to a tax levied under section 5705.23 of the Revised Code, "total resources" used to compute payments to be made under division (C)(3) of section 5727.85, division (A)(1)(d) of section 5727.86, division (C)(12) of section 5751.21, or division (A)(1)(c) of section 5751.22 of the Revised Code shall be reduced by the amounts described in divisions (A)(34)(a) to (c) of this section to the extent that those amounts were included in calculating the "total resources" of the school district or local taxing unit under division (A)(22), (28), (29), or (30) of this section.

(34) "Total library resources," in the case of a county, municipal corporation, school district, or township public library that receives the proceeds of a tax levied under section 5705.23 of the Revised Code, means the sum of the amounts in divisions (A)(34)(a) to (c) of this section less any reduction required under division (A)(32) of this section.

(a) The sum of the payments received by the county, municipal corporation, school district, or township public library in calendar year 2010 pursuant to sections 5727.86 and 5751.22 of the Revised Code, as they existed at that time, for fixed-rate levy losses attributable to a tax levied under section 5705.23 of the Revised Code for the benefit of the public library;

(b) The public library's percentage share of county undivided local government fund allocations as certified to the tax commissioner for calendar year 2010 by the county auditor under division (J) of section 5747.51 of the Revised Code or division (F) of section 5747.53 of the Revised Code multiplied by the total amount actually distributed in calendar year 2010

from the county undivided local government fund;

(c) With respect to a tax levied pursuant to section 5705.23 of the Revised Code for the benefit of the public library, the amount of such tax that is charged and payable against all property on the tax list of real and public utility property for tax year 2009 excluding any tax that is charged and payable for the purpose of paying debt charges.

(35) "Municipal current expense property tax levies" means all property tax levies of a municipality, except those with the following levy names: airport resurfacing; bond or any levy name including the word "bond"; capital improvement or any levy name including the word "capital"; debt or any levy name including the word "debt"; equipment or any levy name including the word "equipment," unless the levy is for combined operating and equipment; employee termination fund; fire pension or any levy containing the word "pension," including police pensions; fireman's fund or any practically similar name; sinking fund; road improvements or any levy containing the word "road"; fire truck or apparatus; flood or any levy containing the word "flood"; conservancy district; county health; note retirement; sewage, or any levy containing the words "sewage" or "sewer"; park improvement; parkland acquisition; storm drain; street or any levy name containing the word "street"; lighting, or any levy name containing the word "lighting"; and water.

(36) "Current expense TPP allocation" means, in the case of a school district or joint vocational school district, the sum of the payments received by the school district in fiscal year 2011 pursuant to divisions (C)(10) and (11) of section 5751.21 of the Revised Code to the extent paid for current expense levies. In the case of a municipal corporation, "current

expense TPP allocation" means the sum of the payments received by the municipal corporation in calendar year 2010 pursuant to divisions (A)(1) and (2) of section 5751.22 of the Revised Code to the extent paid for municipal current expense property tax levies as defined in division (A)(35) of this section, excluding any such payments received for current expense levy losses attributable to a tax levied under section 5705.23 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "current expense TPP allocation" used to compute payments to be made under division (C)(12) of section 5751.21 or division (A)(1)(b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under divisions (C)(10) and (11) of section 5751.21 or division (A)(1) of section 5751.22 of the Revised Code.

(37) "TPP allocation" means the sum of payments received by a local taxing unit in calendar year 2010 pursuant to divisions (A)(1) and (2) of section 5751.22 of the Revised Code, excluding any such payments received for fixed-rate levy losses attributable to a tax levied under section 5705.23 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "TPP allocation" used to compute payments to be made under division (A)(1)(b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under division (A)(1) of that section.

(38) "Total TPP allocation" means, in the case of a school

district or joint vocational school district, the sum of the amounts received in fiscal year 2011 pursuant to divisions (C)(10) and (11) and (D) of section 5751.21 of the Revised Code. In the case of a local taxing unit, "total TPP allocation" means the sum of payments received by the unit in calendar year 2010 pursuant to divisions (A)(1), (2), and (3) of section 5751.22 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "total TPP allocation" used to compute payments to be made under division (C)(12) of section 5751.21 or division (A)(1)(b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under divisions (C)(10) and (11) of section 5751.21 or division (A)(1) of section 5751.22 of the Revised Code.

(39) "Non-current expense TPP allocation" means the difference of total TPP allocation minus the sum of current expense TPP allocation and the portion of total TPP allocation constituting reimbursement for debt levies, pursuant to division (D) of section 5751.21 of the Revised Code in the case of a school district or joint vocational school district and pursuant to division (A)(3) of section 5751.22 of the Revised Code in the case of a municipal corporation.

(40) "TPP allocation for library purposes" means the sum of payments received by a county, municipal corporation, school district, or township public library in calendar year 2010 pursuant to section 5751.22 of the Revised Code for fixed-rate levy losses attributable to a tax levied under section 5705.23 of the Revised Code. If a fixed-rate levy authorized under section 5705.23 of the Revised Code that is a qualifying levy is

not charged and payable in any year after tax year 2010, "TPP allocation for library purposes" used to compute payments to be made under division (A)(1)(d) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under division (A)(1) of section 5751.22 of the Revised Code.

(41) "Threshold per cent" means, in the case of a school district or joint vocational school district, two per cent for fiscal year 2012 and four per cent for fiscal years 2013 and thereafter. In the case of a local taxing unit or public library that receives the proceeds of a tax levied under section 5705.23 of the Revised Code, "threshold per cent" means two per cent for tax year 2011, four per cent for tax year 2012, and six per cent for tax years 2013 and thereafter.

(B)(1) The commercial activities tax receipts fund is hereby created in the state treasury and shall consist of money arising from the tax imposed under this chapter. Eighty-five one-hundredths of one per cent of the money credited to that fund shall be credited to the revenue enhancement fund and shall be used to defray the costs incurred by the department of taxation in administering the tax imposed by this chapter and in implementing tax reform measures. The remainder of the money in the commercial activities tax receipts fund shall first be credited to the commercial activity tax motor fuel receipts fund, pursuant to division (B)(2) of this section, and the remainder shall be credited in the following percentages each fiscal year to the general revenue fund, to the school district tangible property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments

described in section 5751.21 of the Revised Code, and to the local government tangible property tax replacement fund, which is hereby created in the state treasury for the purpose of making the payments described in section 5751.22 of the Revised Code, in the following percentages:

	1	2	3	4
A	Fiscal year	General Revenue Fund	School District Tangible Property Tax Replacement Fund	Local Government Tangible Property Tax Replacement Fund
B	2006	67.7%	22.6%	9.7%
C	2007	0%	70.0%	30.0%
D	2008	0%	70.0%	30.0%
E	2009	0%	70.0%	30.0%
F	2010	0%	70.0%	30.0%
G	2011	0%	70.0%	30.0%
H	2012	25.0%	52.5%	22.5%
I	2013 and thereafter	50.0%	35.0%	15.0%

(2) Not later than the twentieth day of February, May, August, and November of each year, the commissioner shall

provide for payment from the commercial activities tax receipts fund to the commercial activity tax motor fuel receipts fund an amount that bears the same ratio to the balance in the commercial activities tax receipts fund that (a) the taxable gross receipts attributed to motor fuel used for propelling vehicles on public highways as indicated by returns filed by the tenth day of that month for a liability that is due and payable on or after July 1, 2013, for a tax period ending before July 1, 2014, bears to (b) all taxable gross receipts as indicated by those returns for such liabilities.

(C) Not later than September 15, 2005, the tax commissioner shall determine for each school district, joint vocational school district, and local taxing unit its machinery and equipment, inventory property, furniture and fixtures property, and telephone property tax value losses, which are the applicable amounts described in divisions (C)(1), (2), (3), and (4) of this section, except as provided in division (C)(5) of this section:

(1) Machinery and equipment property tax value loss is the taxable value of machinery and equipment property as reported by taxpayers for tax year 2004 multiplied by:

(a) For tax year 2006, thirty-three and eight-tenths per cent;

(b) For tax year 2007, sixty-one and three-tenths per cent;

(c) For tax year 2008, eighty-three per cent;

(d) For tax year 2009 and thereafter, one hundred per cent.

(2) Inventory property tax value loss is the taxable value

of inventory property as reported by taxpayers for tax year 2004 multiplied by:

(a) For tax year 2006, a fraction, the numerator of which is five and three-fourths and the denominator of which is twenty-three;

(b) For tax year 2007, a fraction, the numerator of which is nine and one-half and the denominator of which is twenty-three;

(c) For tax year 2008, a fraction, the numerator of which is thirteen and one-fourth and the denominator of which is twenty-three;

(d) For tax year 2009 and thereafter a fraction, the numerator of which is seventeen and the denominator of which is twenty-three.

(3) Furniture and fixtures property tax value loss is the taxable value of furniture and fixture property as reported by taxpayers for tax year 2004 multiplied by:

(a) For tax year 2006, twenty-five per cent;

(b) For tax year 2007, fifty per cent;

(c) For tax year 2008, seventy-five per cent;

(d) For tax year 2009 and thereafter, one hundred per cent.

The taxable value of property reported by taxpayers used in divisions (C)(1), (2), and (3) of this section shall be such values as determined to be final by the tax commissioner as of August 31, 2005. Such determinations shall be final except for any correction of a clerical error that was made prior to August

31, 2005, by the tax commissioner.

(4) Telephone property tax value loss is the taxable value of telephone property as taxpayers would have reported that property for tax year 2004 if the assessment rate for all telephone property for that year were twenty-five per cent, multiplied by:

(a) For tax year 2006, zero per cent;

(b) For tax year 2007, zero per cent;

(c) For tax year 2008, zero per cent;

(d) For tax year 2009, sixty per cent;

(e) For tax year 2010, eighty per cent;

(f) For tax year 2011 and thereafter, one hundred per cent.

(5) Division (C)(5) of this section applies to any school district, joint vocational school district, or local taxing unit in a county in which is located a facility currently or formerly devoted to the enrichment or commercialization of uranium or uranium products, and for which the total taxable value of property listed on the general tax list of personal property for any tax year from tax year 2001 to tax year 2004 was fifty per cent or less of the taxable value of such property listed on the general tax list of personal property for the next preceding tax year.

In computing the fixed-rate levy losses under divisions (D)(1), (2), and (3) of this section for any school district, joint vocational school district, or local taxing unit to which division (C)(5) of this section applies, the taxable value of such property as listed on the general tax list of personal

property for tax year 2000 shall be substituted for the taxable value of such property as reported by taxpayers for tax year 2004, in the taxing district containing the uranium facility, if the taxable value listed for tax year 2000 is greater than the taxable value reported by taxpayers for tax year 2004. For the purpose of making the computations under divisions (D)(1), (2), and (3) of this section, the tax year 2000 valuation is to be allocated to machinery and equipment, inventory, and furniture and fixtures property in the same proportions as the tax year 2004 values. For the purpose of the calculations in division (A) of section 5751.21 of the Revised Code, the tax year 2004 taxable values shall be used.

To facilitate the calculations required under division (C) of this section, the county auditor, upon request from the tax commissioner, shall provide by August 1, 2005, the values of machinery and equipment, inventory, and furniture and fixtures for all single-county personal property taxpayers for tax year 2004.

(D) Not later than September 15, 2005, the tax commissioner shall determine for each tax year from 2006 through 2009 for each school district, joint vocational school district, and local taxing unit its machinery and equipment, inventory, and furniture and fixtures fixed-rate levy losses, and for each tax year from 2006 through 2011 its telephone property fixed-rate levy loss. Except as provided in division (F) of this section, such losses are the applicable amounts described in divisions (D)(1), (2), (3), and (4) of this section:

(1) The machinery and equipment fixed-rate levy loss is the machinery and equipment property tax value loss multiplied by the sum of the tax rates of fixed-rate qualifying levies.

(2) The inventory fixed-rate loss is the inventory property tax value loss multiplied by the sum of the tax rates of fixed-rate qualifying levies.

(3) The furniture and fixtures fixed-rate levy loss is the furniture and fixture property tax value loss multiplied by the sum of the tax rates of fixed-rate qualifying levies.

(4) The telephone property fixed-rate levy loss is the telephone property tax value loss multiplied by the sum of the tax rates of fixed-rate qualifying levies.

(E) Not later than September 15, 2005, the tax commissioner shall determine for each school district, joint vocational school district, and local taxing unit its fixed-sum levy loss. The fixed-sum levy loss is the amount obtained by subtracting the amount described in division (E)(2) of this section from the amount described in division (E)(1) of this section:

(1) The sum of the machinery and equipment property tax value loss, the inventory property tax value loss, and the furniture and fixtures property tax value loss, and, for 2008 through 2010, the telephone property tax value loss of the district or unit multiplied by the sum of the fixed-sum tax rates of qualifying levies. For 2006 through 2010, this computation shall include all qualifying levies remaining in effect for the current tax year and any school district levies charged and payable under section 5705.194 or 5705.213 of the Revised Code that are qualifying levies not remaining in effect for the current year. For 2011 through 2017 in the case of school district levies charged and payable under section 5705.194 or 5705.213 of the Revised Code and for all years after 2010 in the case of other fixed-sum levies, this computation

shall include only qualifying levies remaining in effect for the current year. For purposes of this computation, a qualifying school district levy charged and payable under section 5705.194 or 5705.213 of the Revised Code remains in effect in a year after 2010 only if, for that year, the board of education levies a school district levy charged and payable under section 5705.194, 5705.199, 5705.213, or 5705.219 of the Revised Code for an annual sum at least equal to the annual sum levied by the board in tax year 2004 less the amount of the payment certified under this division for 2006.

(2) The total taxable value in tax year 2004 less the sum of the machinery and equipment, inventory, furniture and fixtures, and telephone property tax value losses in each school district, joint vocational school district, and local taxing unit multiplied by one-half of one mill per dollar.

(3) For the calculations in divisions (E)(1) and (2) of this section, the tax value losses are those that would be calculated for tax year 2009 under divisions (C)(1), (2), and (3) of this section and for tax year 2011 under division (C)(4) of this section.

(4) To facilitate the calculation under divisions (D) and (E) of this section, not later than September 1, 2005, any school district, joint vocational school district, or local taxing unit that has a qualifying levy that was approved at an election conducted during 2005 before September 1, 2005, shall certify to the tax commissioner a copy of the county auditor's certificate of estimated property tax millage for such levy as required under division (B) of section 5705.03 of the Revised Code, which is the rate that shall be used in the calculations under such divisions.

If the amount determined under division (E) of this section for any school district, joint vocational school district, or local taxing unit is greater than zero, that amount shall equal the reimbursement to be paid pursuant to division (E) of section 5751.21 or division (A)(3) of section 5751.22 of the Revised Code, and the one-half of one mill that is subtracted under division (E)(2) of this section shall be apportioned among all contributing fixed-sum levies in the proportion that each levy bears to the sum of all fixed-sum levies within each school district, joint vocational school district, or local taxing unit.

(F) If a school district levies a tax under section 5705.219 of the Revised Code, the fixed-rate levy loss for qualifying levies, to the extent repealed under that section, shall equal the sum of the following amounts in lieu of the amounts computed for such levies under division (D) of this section:

(1) The sum of the rates of qualifying levies to the extent so repealed multiplied by the sum of the machinery and equipment, inventory, and furniture and fixtures tax value losses for 2009 as determined under that division;

(2) The sum of the rates of qualifying levies to the extent so repealed multiplied by the telephone property tax value loss for 2011 as determined under that division.

The fixed-rate levy losses for qualifying levies to the extent not repealed under section 5705.219 of the Revised Code shall be as determined under division (D) of this section. The revised fixed-rate levy losses determined under this division and division (D) of this section first apply in the year following the first year the district levies the tax under

section 5705.219 of the Revised Code.

(G) Not later than October 1, 2005, the tax commissioner shall certify to the department of education for every school district and joint vocational school district the machinery and equipment, inventory, furniture and fixtures, and telephone property tax value losses determined under division (C) of this section, the machinery and equipment, inventory, furniture and fixtures, and telephone fixed-rate levy losses determined under division (D) of this section, and the fixed-sum levy losses calculated under division (E) of this section. The calculations under divisions (D) and (E) of this section shall separately display the levy loss for each levy eligible for reimbursement.

(H) Not later than October 1, 2005, the tax commissioner shall certify the amount of the fixed-sum levy losses to the county auditor of each county in which a school district, joint vocational school district, or local taxing unit with a fixed-sum levy loss reimbursement has territory.

(I) Not later than the twenty-eighth day of February each year beginning in 2011 and ending in 2014, the tax commissioner shall certify to the department of education for each school district first levying a tax under section 5705.219 of the Revised Code in the preceding year the revised fixed-rate levy losses determined under divisions (D) and (F) of this section.

(J)(1) There is hereby created in the state treasury the commercial activity tax motor fuel receipts fund.

(2)(a) On or before June 15, 2014, the director of the Ohio public works commission shall certify to the director of budget and management the amount of debt service paid from the general revenue fund in fiscal years 2013 and 2014 on bonds

issued to finance or assist in the financing of the cost of local subdivision public infrastructure capital improvement projects, as provided for in Sections 2k, 2m, 2p, and 2s of Article VIII, Ohio Constitution, that are attributable to costs for construction, reconstruction, maintenance, or repair of public highways and bridges and other statutory highway purposes. That certification shall allocate the total amount of debt service paid from the general revenue fund and attributable to those costs in each of fiscal years 2013 and 2014 according to the applicable section of the Ohio Constitution under which the bonds were originally issued.

(b) On or before June 30, 2014, the director of budget and management shall determine an amount up to but not exceeding the amount certified under division (J)(2)(a) of this section and shall reserve that amount from the cash balance in the commercial activity tax motor fuel receipts fund for transfer to the general revenue fund at times and in amounts to be determined by the director. The director shall transfer the cash balance in the commercial activity tax motor fuel receipts fund in excess of the amount so reserved to the highway operating fund on or before June 30, 2014.

(3)(a) On or before the fifteenth day of June of each fiscal year beginning with fiscal year 2015, the director of the Ohio public works commission shall certify to the director of budget and management the amount of debt service paid from the general revenue fund in the current fiscal year on bonds issued to finance or assist in the financing of the cost of local subdivision public infrastructure capital improvement projects, as provided for in Sections 2k, 2m, and 2p of Article VIII, Ohio Constitution, that are attributable to costs for construction, reconstruction, maintenance, or repair of public highways and

bridges and other statutory highway purposes. That certification shall allocate the total amount of debt service paid from the general revenue fund and attributable to those costs in the current fiscal year according to the applicable section of the Ohio Constitution under which the bonds were originally issued.

(b) On or before the thirtieth day of June of each fiscal year beginning with fiscal year 2015, the director of budget and management shall determine an amount up to but not exceeding the amount certified under division (J)(3)(a) of this section and shall reserve that amount from the cash balance in the petroleum activity tax public highways fund or the commercial activity tax motor fuel receipts fund for transfer to the general revenue fund at times and in amounts to be determined by the director. The director shall transfer the cash balance in the petroleum activity tax public highways fund or the commercial activity tax motor fuel receipts fund in excess of the amount so reserved to the highway operating fund on or before the thirtieth day of June of the current fiscal year.

Section 2. That existing sections 122.175, 131.44, 131.51, 319.30, 319.301, 319.54, 321.24, 321.26, 323.08, 323.152, 323.155, 323.158, 351.01, 351.021, 353.06, 718.83, 1509.01, 1509.02, 1509.11, 1509.34, 1513.08, 1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 4503.06, 4503.065, 5703.021, 5703.052, 5703.19, 5703.80, 5709.92, 5709.93, 5715.19, 5715.30, 5739.01, 5739.02, 5739.03, 5739.05, 5739.08, 5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 5747.03, 5747.031, 5747.08, 5747.10, 5747.38, 5747.41, 5747.71, 5747.98, 5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 5751.20 of the Revised Code are hereby repealed.

Section 3. That sections 319.302, 1509.50, 5739.41, and 5751.40 of the Revised Code are hereby repealed.

Section 4. Within thirty days after the effective date of this section, the Director of Budget and Management shall transfer the cash balance of the Expanded Sales Tax Holiday Fund to the General Revenue Fund. Upon completion of the transfer, the Expanded Sales Tax Holiday Fund is abolished.

Section 5. That Section 259.30 of H.B. 33 of the 135th General Assembly be amended to read as follows:

Sec. 259.30. MINORITY BUSINESS BONDING FUND

Notwithstanding Chapters 122., 169., and 175. of the Revised Code, the Director of Development may, upon the recommendation of the Minority Development Financing Advisory Board, pledge up to $10,000,000 in the biennium ending June 30, 2025, of unclaimed funds administered by the Director of Commerce and allocated to the Minority Business Bonding Program under section 169.05 of the Revised Code.

If needed for the payment of losses arising from the Minority Business Bonding Program, the Director of Budget and Management may, at the request of the Director of Development, request that the Director of Commerce transfer unclaimed funds that have been reported by holders of unclaimed funds under section 169.05 of the Revised Code to the Minority Bonding Fund (Fund 4490). The transfer of unclaimed funds shall only occur after proceeds of the initial transfer of $2,700,000 by the Controlling Board to the Minority Business Bonding Program have been used for that purpose. If expenditures are required for payment of losses arising from the Minority Business Bonding Program, such expenditures shall be made from appropriation item

195658, Minority Business Bonding Contingency in the Minority Business Bonding Fund, and such amounts are hereby appropriated.

BUSINESS ASSISTANCE PROGRAMS

The foregoing appropriation item 195649, Business Assistance Programs, shall be used for administrative expenses associated with the operation of loan incentives.

STATE SPECIAL PROJECTS

The State Special Projects Fund (Fund 4F20), may be used for the deposit of private-sector funds from utility companies and for the deposit of other miscellaneous state funds. State moneys so deposited may also be used to match federal funding and to support programs of the Community Service Division and Business Services Division.

MINORITY BUSINESS ENTERPRISE LOAN

The foregoing appropriation item 195646, Minority Business Enterprise Loan, shall be used for awards under the Minority Business Enterprise Loan Program and to cover operating expenses of the Minority Business Development Division. All repayments from the Minority Development Financing Advisory Board Loan Program shall be deposited in the state treasury to the credit of the Minority Business Enterprise Loan Fund (Fund 4W10).

BROADBAND POLE REPLACEMENT AND UNDERGROUNDING PROGRAM

The foregoing appropriation item 1956G9, Broadband Pole Replacement and Undergrounding Program, shall be used by the Department of Development to support the Broadband Pole Replacement and Undergrounding Program under section 191.27 of the Revised Code.

ONE TIME PRIORITY PROJECTS

(A) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $10,000,000 in each fiscal year shall be allocated to the Foundation for Appalachian Ohio.

(B) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $9,500,000 in each fiscal year shall be allocated for the GRIT program to be administered by the Governor's Office of Appalachia and the Department of Development. The program shall expand the qualified worker pipeline, remove barriers to fill local and remote jobs, and promote entrepreneurial endeavors in economically distressed and at-risk areas within the Appalachian region of Ohio, as defined in section 107.21 of the Revised Code, and other like counties within the state. The amount set aside for the GRIT program under this division shall be used for the following:

(1) In collaboration with private businesses and public sector partners, to establish virtual workforce development centers and supportive resources and to place unemployed and underemployed youth and adults into jobs;

(2) To support the assessment, coaching, wraparound services, and other career development and training activities for both high school youth and adults.

The amount set aside for the GRIT program under this division may be used for operating costs.

(C) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $3,000,000 in fiscal year 2024 shall be used to support the Mentor Erosion Mitigation Project. Any funds distributed for this project under this division shall be matched in an amount equal to $500,000 using city or county funding sources.

(D) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $1,835,000 in fiscal year 2024 shall be allocated to the Tuscarawas County Commissioners for infrastructure improvements or demolition in Tuscarawas County. An amount equal to the unexpended, unencumbered portion of the amount allocated to Tuscarawas County Commissioners in this division at the end of fiscal year 2024 is hereby reappropriated for the same purpose in fiscal year 2025.

(E) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $1,000,000 in fiscal year 2024 shall be allocated to the Ohio Manufacturing and Innovation Center.

(F) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $500,000 in fiscal year 2024 shall be allocated to Mercer County to support the construction of the Market Hall.

(G) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $500,000 in fiscal year 2024 shall be used to support a study, including the acquisition of any necessary equipment, to determine an estimate of storage capacity and maximum annual yield of the network of aquifers that are in the state of Ohio and north of the Maumee River, but that may also cross into other states.

(H) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $300,000 in each fiscal year shall be used to support the Camp James A. Garfield Joint Military Training Center and the Youngstown Air Reserve Station.

(I) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $300,000 in fiscal year 2024 and $125,000 in fiscal year 2025 shall be allocated to the Buckeye Lake Region

Corporation for operating expenses associated with community development activities in the Buckeye Lake region, including, but not limited to, development planning, technical assistance for small businesses, and community clean energy projects.

(J) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $200,000 in each fiscal year shall be allocated to Flying HIGH Inc., in partnership with a local economic development organization, to operate integrated workforce development services for regional in-demand jobs. This portion of the appropriation shall be used for services including career coaching, support services to overcome employment barriers, primary and behavioral health care, housing assistance, pre-apprenticeship vocational training, job placement, and post-placement follow-up.

(K) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $200,000 in fiscal year 2024 shall be allocated to West Chester Township to support security costs at the Voices of America Country Music Fest located in the township.

(L) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $200,000 in fiscal year 2024 shall be used for Eldora Speedway located in Darke County for improvements or assisting with operations.

(M) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $30,000 in fiscal year 2024 shall be used for the Armstrong Air and Space Museum.

(N) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $4,000,000 in fiscal year 2024 shall be allocated to the Cleveland Water Alliance Sustainable Water

Technologies Initiative.

(O) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $3,000,000 in FY 2024 shall be used to support runway improvements and extensions for the Youngstown-Warren Regional Airport in Trumbull County. An amount equal to the unexpended, unencumbered portion of this appropriation at the end of fiscal year 2024 is hereby reappropriated for the same purposes in fiscal year 2025.

(P) Of the foregoing appropriation item 1956H2, One Time Priority Projects, $250,000 in each fiscal year shall be allocated to Heritage Ohio to support the Ohio Community Revitalization Program.

WELCOME HOME OHIO PROGRAM

The foregoing appropriation item 1956H3, Welcome Home Ohio Program, shall be used for grants under the Welcome Home Ohio Program established in sections 122.631 through 122.633 of the Revised Code. Of the foregoing appropriation item 1956H3, Welcome Home Ohio Program, $25,000,000 in each fiscal year shall be used to distribute grants for land banks to purchase residential property at foreclosure sales under section 122.631 of the Revised Code. Of the foregoing appropriation item 1956H3, Welcome Home ~~ohio~~ Ohio Program, $25,000,000 in each fiscal year shall be used to distribute grants to rehabilitate or construct residential property for income-restricted owners under section 122.632 of the Revised Code.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of the appropriation item 1956H3, Welcome Home Ohio Program, at the end

of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

WATER AND SEWER QUALITY PROGRAM

The foregoing appropriation item 1956A1, Water and Sewer Quality Program, shall be used to award grants under the Water and Sewer Quality Program established in Section 259.30 of H.B. 168 of the 134th General Assembly. This appropriation shall be used to fund a new round of grants under which all political subdivisions may apply for water and sewer improvements under the program.

COUNTY AND INDEPENDENT FAIRS GRANT

The foregoing appropriation item 1956H4, County and Independent Fairs Grant, shall be used to award grants to county and independent fairs to increase fair access or economic impact. The Department of Development shall set an application deadline and distribute grants evenly among all grant applicants.

BROADBAND DEVELOPMENT GRANTS

On July 1, 2023, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of the appropriation item 195550, Broadband Development Grants, at the end of fiscal year 2023 to be reappropriated in fiscal year 2024. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2024.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of the

appropriation item 195550, Broadband Development Grants, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

ADVANCED ENERGY LOAN PROGRAMS

The foregoing appropriation item 195660, Advanced Energy Loan Programs, shall be used to provide financial assistance to customers for eligible advanced energy projects for residential, commercial, and industrial business, local government, educational institution, nonprofit, and agriculture customers. The appropriation item may be used to match federal grant funding and to pay for the program's administrative costs as provided in sections 4928.61 to 4928.63 of the Revised Code and rules adopted by the Director of Development.

SPORTS EVENTS GRANTS

The foregoing appropriation item 195496, Sports Events Grants, shall be used for grants as described in sections 122.12 and 122.121 of the Revised Code.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the amount of the unexpended, unencumbered balance of appropriation item 195496, Sports Events Grants, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

WOMEN OWNED BUSINESS LOAN

The foregoing appropriation item 195632, Women Owned Business Loan, shall be used to operate the Women Owned Business Loan Program.

MINORITY BUSINESS MICRO-LOAN

The foregoing appropriation item 195694, Micro-Loan, shall be used to operate the Minority Business Micro-Loan Program.

TRANSFER FROM THE STATE SMALL BUSINESS CREDIT INITIATIVE FUND TO THE MBD FINANCIAL ASSISTANCE FUND

On July 1, 2023, or as soon as possible thereafter, the Director of Budget and Management may transfer $15,000,000 cash from the State Small Business Credit Initiative Fund (Fund 3FJ0) to the MBD Financial Assistance Fund (Fund 5XH0). All repayments of loans issued under Fund 5XH0 shall be credited to the fund.

Upon the completion of the original Collateral Enhancement Program, the Director of Development shall certify to the Director of Budget and Management the remaining cash balance in the State Small Business Credit Initiative Fund (Fund 3FJ0). The Director of Budget and Management may transfer the certified amount from Fund 3FJ0 to the MBD Financial Assistance Fund (Fund 5XH0).

ALL OHIO FUTURE FUND

The foregoing appropriation item 195576, All Ohio Future Fund, shall be used for the purposes enumerated in section 126.62 of the Revised Code.

MEAT PROCESSING INVESTMENT PROGRAM

The foregoing appropriation item 195408, Meat Processing Investment Program, shall be used by the Department of Development to award grants under the Ohio Meat Processing Grant Program to custom processors of food animals from farms. The grants shall be used to support the construction of new, or improvements at existing, processing facilities.

BROWNFIELD REMEDIATION

The appropriation item 1956A2, Brownfield Remediation, shall be used to award grants under the Brownfield Remediation Program as described in section 122.6511 of the Revised Code. An amount up to two and one-half per cent of the appropriation item 1956A2, Brownfield Remediation, may be used to pay the administrative costs of the program.

On July 1, 2023, or as soon as possible thereafter, the Director of Development shall certify the unexpended, unencumbered balance of appropriation item 1956A2, Brownfield Remediation, at the end of fiscal year 2023 to be reappropriated in fiscal year 2024. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2024.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of appropriation item 1956A2, Brownfield Remediation, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

DEMOLITION AND SITE REVITALIZATION

The appropriation item 1956A3, Demolition and Site Revitalization, shall be used to award grants under the Building Demolition and Site Revitalization Program as described in section 122.6512 of the Revised Code. An amount up to two and one-half per cent of the appropriation item 1956A3, Demolition and Site Revitalization, may be used to pay the administrative costs of the program.

On July 1, 2023, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of appropriation item 1956A3, Demolition and Site Revitalization, at the end of fiscal year 2023 to be reappropriated in fiscal year 2024. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2024.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of appropriation item 1956A3, Demolition and Site Revitalization, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

INNOVATION HUBS

The foregoing appropriation item 1956F8, Innovation Hubs, shall be allocated to eligible innovation hubs as defined by the Department of Development. Innovation hubs located within an existing innovation district, as defined by the Department of Development, are ineligible to receive funding under the foregoing appropriation item.

Funding awarded to innovation hubs under the foregoing appropriation item may be used for, but not limited to, capital expenses to establish an innovation hub near a research-oriented anchor institution, recruiting or providing research and development opportunities within an innovation hub, or creating new or preserving existing jobs and employment opportunities, any of which would improve the economic welfare to the

innovation hub's region.

On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of appropriation item 1956F8, Innovation Hubs, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

VOLUME CAP ADMINISTRATION

The foregoing appropriation item 195654, Volume Cap Administration, shall be used for expenses related to the administration of the Volume Cap Program. Revenues received by the Volume Cap Administration Fund (Fund 6170) shall consist of application fees, forfeited deposits, and interest earned from the custodial account held by the Treasurer of State.

LOW- AND MODERATE- INCOME HOUSING PROGRAMS

The foregoing appropriation item 195638, Low- and Moderate- Income Housing Programs, shall be used to support housing activities described under Chapter 174. of the Revised Code. The Director of Development shall spend not less than $65,000,000 in fiscal year 2025 for these purposes.

On June 30, 2025, or as soon as possible thereafter, the Director of Budget and Management shall certify an amount equal to the difference of the fiscal year 2025 appropriation for appropriation item 195638, Low- and Moderate- Income Housing Programs, and the revenue deposited to the credit of the Low- and Moderate-income Housing Trust Fund (Fund 6460) in fiscal year 2025. If the revenue deposited to the credit of Fund 6460 is less than the appropriation for fiscal year 2025, the

Director of Budget and Management shall transfer the certified amount from the General Revenue Fund to Fund 6460. Cash transfers from the GRF to Fund 6460 do not constitute revenue credited to the fund for purposes of this section.

Section 6. That existing Section 259.30 of H.B. 33 of the 135th General Assembly is hereby repealed.

Section 7. (A) The amendment by this act of sections 131.44, 5739.02, 5739.03, and 5739.05 of the Revised Code and the portion of section 5739.01 of the Revised Code that relates to a sales tax holiday applies on the first day of the first month beginning after the effective date of this section.

(B) The amendment by this act of sections 1509.01, 1509.02, 1509.11, 1509.34, 1513.08, 1513.182, 5703.052, 5703.19, 5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 5749.12, 5749.13, 5749.14, and 5749.15 of the Revised Code applies on and after the first day of the first calendar quarter beginning on or after the effective date of this section.

(C) The amendment or enactment by this act of division (C) of section 5739.091 and sections 351.01, 351.021, 353.06, 5739.08, and 5739.09 of the Revised Code applies on and after the first day of the first month beginning thirty or more days after the effective date of this section.

(D) The amendment by this act of section 5741.01 of the Revised Code and the portion of section 5739.01 of the Revised Code not described in division (A) of this section applies on and after the first day of the first month beginning thirty or more days after the effective date of this section.

(E) The amendment by this act of sections 319.30, 319.301,

321.24, 323.08, 323.152, 323.155, 323.158, 718.83, 3354.24, 3354.25, 4503.06, 4503.065, 5703.021, 5703.80, 5709.92, 5709.93, 5715.19, 5715.30, 5747.03, and 5751.20 of the Revised Code applies, with respect to real property, to tax years ending on or after the effective date of this section and, with respect to manufactured and mobile homes, to tax years beginning on or after the effective date of this section.

(F) The amendment by this act of sections 5747.01, 5747.02, 5747.031, 5747.38, and 5747.41 of the Revised Code applies to taxable years ending on or after the effective date of this section.

(G) The amendment by this act of section 5747.71 of the Revised Code applies to taxable years ending on or after the effective date of this section.

(H) The enactment by this act of section 5747.87 of the Revised Code applies to claim years, as defined in that section, ending on or after the effective date of this section.

Section 8. The amendment or repeal by this act of sections 319.302, 5751.01, and 5751.40 of the Revised Code takes effect on January 1, 2026.

The repeal by this act of section 1509.50 of the Revised Code takes effect on the first day of the first calendar quarter beginning on or after the effective date of this section.

The repeal by this act of section 5739.41 of the Revised Code takes effect on the first day of the first month beginning on or after the effective date of this section.

The amendment of section 131.51 of the Revised Code by this act takes effect July 1, 2025.

Section 9. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the following sections, presented in this act as composites of the sections as amended by the acts indicated, are the resulting versions of the sections in effect prior to the effective date of the sections as presented in this act:

Section 319.54 of the Revised Code as amended by both H.B. 265 and H.B. 496 of the 135th General Assembly.

Section 323.152 of the Revised Code as amended by both H.B. 33 and S.B. 43 of the 135th General Assembly.

Section 4503.065 of the Revised Code as amended by both H.B. 33 and S.B. 43 of the 135th General Assembly.

Section 5739.01 of the Revised Code as amended by both H.B. 315 and S.B. 196 of the 135th General Assembly.

Section 5747.01 of the Revised Code as amended by both H.B. 101 and S.B. 154 of the 135th General Assembly.

Section 5747.03 of the Revised Code as amended by both H.B. 281 and S.B. 246 of the 134th General Assembly.

Section 10. This act shall be known as A Good Deal for Ohio.