

**As Reported by the House Finance Committee**

**131st General Assembly**

**Regular Session**

**2015-2016**

**Sub. S. B. No. 235**

**Senators Beagle, Coley**

**Cosponsors: Senators Eklund, Patton, Seitz Representative Sprague**

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**A BILL**

To amend sections 122.121, 149.311, 339.02, 339.05, 1  
749.07, 749.18, 951.02, 951.13, 1711.50, 2  
1711.57, 4141.01, 4141.25, 4141.30, 4727.02, 3  
4727.03, 4727.06, 4727.10, 4727.11, 4727.12, 4  
4727.19, 4727.20, 5709.20, 5709.45, 5726.01, 5  
5739.02, and 5739.03, to enact sections 718.60, 6  
4175.01, 4175.02, 4175.03, 4175.04, 4175.05, 7  
4175.06, 4175.07, 4175.08, and 5709.52 of the 8  
Revised Code, and to repeal Section 4 of Sub. 9  
H.B. 5 of the 130th General Assembly to 10  
authorize political subdivisions to exempt from 11  
property taxation the increased value of 12  
property on which industrial or commercial 13  
development is planned for up to six years, to 14  
make changes to Ohio's unemployment compensation 15  
law, and to modify laws governing other state 16  
and local government authority and operations. 17

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

**Section 1.** That sections 122.121, 149.311, 339.02, 339.05, 18  
749.07, 749.18, 951.02, 951.13, 1711.50, 1711.57, 4141.01, 19

4141.25, 4141.30, 4727.02, 4727.03, 4727.06, 4727.10, 4727.11, 20  
4727.12, 4727.19, 4727.20, 5709.20, 5709.45, 5726.01, 5739.02, 21  
and 5739.03 be amended and sections 718.60, 4175.01, 4175.02, 22  
4175.03, 4175.04, 4175.05, 4175.06, 4175.07, 4175.08, and 23  
5709.52 of the Revised Code be enacted to read as follows: 24

**Sec. 122.121.** (A) If a local organizing committee, 25  
endorsing municipality, or endorsing county enters into a 26  
joinder undertaking with a site selection organization, the 27  
local organizing committee, endorsing municipality, or endorsing 28  
county may apply to the director of development services, on a 29  
form and in the manner prescribed by the director, for a grant 30  
based on the projected incremental increase in the receipts from 31  
the tax imposed under section 5739.02 of the Revised Code within 32  
the market area designated under division (C) of this section, 33  
for the two-week period that ends at the end of the day after 34  
the date on which a game will be held, that is directly 35  
attributable, as determined by the director, to the preparation 36  
for and presentation of the game. The director shall determine 37  
the projected incremental increase in the tax imposed under 38  
section 5739.02 of the Revised Code by using a formula approved 39  
by the destination marketing association international for event 40  
impact or another formula of similar purpose approved by the 41  
director. The local organizing committee, endorsing 42  
municipality, or endorsing county is eligible to receive a grant 43  
under this section only if the projected incremental increase in 44  
receipts from the tax imposed under section 5739.02 of the 45  
Revised Code, as determined by the director, exceeds two hundred 46  
fifty thousand dollars. The amount of the grant shall be not 47  
less than fifty per cent of the projected incremental increase 48  
in receipts, as determined by the director, but shall not exceed 49  
five hundred thousand dollars. The director shall not issue 50

grants with a total value of more than one million dollars in 51  
any fiscal year, and shall not issue any grant before July 1, 52  
2013. 53

(B) If the director of development services approves an 54  
application for a local organizing committee, endorsing 55  
municipality, or endorsing county and that local organizing 56  
committee, endorsing municipality, or endorsing county enters 57  
into a joinder agreement with a site selection organization, the 58  
local organizing committee, endorsing municipality, or endorsing 59  
county shall file a copy of the joinder agreement with the 60  
director. The grant shall be used exclusively by the local 61  
organizing committee, endorsing municipality, or endorsing 62  
county to fulfill a portion of its obligations to a site 63  
selection organization under game support contracts, which 64  
obligations may include the payment of costs relating to the 65  
preparations necessary for the conduct of the game, including 66  
acquiring, renovating, or constructing facilities; to pay the 67  
costs of conducting the game; and to assist the local organizing 68  
committee, endorsing municipality, or endorsing county in 69  
providing assurances required by a site selection organization 70  
sponsoring one or more games. 71

(C) For the purposes of division (A) of this section, the 72  
director of development services, in consultation with the tax 73  
commissioner, shall designate the market area for a game. The 74  
market area shall consist of the combined statistical area, as 75  
defined by the United States office of management and budget, in 76  
which an endorsing municipality or endorsing county is located. 77

(D) A local organizing committee, endorsing municipality, 78  
or endorsing county shall provide information required by the 79  
director of development services and tax commissioner to enable 80

the director and commissioner to fulfill their duties under this 81  
section, including annual audited statements of any financial 82  
records required by a site selection organization and data 83  
obtained by the local organizing committee, endorsing 84  
municipality, or endorsing county relating to attendance at a 85  
game and to the economic impact of the game. A local organizing 86  
committee, an endorsing municipality, or an endorsing county 87  
shall provide an annual audited financial statement if so 88  
required by the director and commissioner, not later than the 89  
end of the fourth month after the date the period covered by the 90  
financial statement ends. 91

(E) Within thirty days after the game, the local 92  
organizing committee, endorsing municipality, or endorsing 93  
county shall report to the director of development services 94  
about the economic impact of the game. The report shall be in 95  
the form and substance required by the director, including, but 96  
not limited to, a final income statement for the event showing 97  
total revenue and expenditures and revenue and expenditures in 98  
the market area for the game, and ticket sales for the game and 99  
any related activities for which admission was charged. The 100  
director shall determine, based on the reported information and 101  
the exercise of reasonable judgment, the incremental increase in 102  
receipts from the tax imposed under section 5739.02 of the 103  
Revised Code directly attributable to the game. If the actual 104  
incremental increase in such receipts is less than the projected 105  
incremental increase in receipts, the director may require the 106  
local organizing committee, endorsing municipality, or endorsing 107  
county to refund to the state all or a portion of the grant. 108

(F) No disbursement may be made under this section if the 109  
director of development services determines that it would be 110  
used for the purpose of soliciting the relocation of a 111

professional sports franchise located in this state. 112

(G) This section may not be construed as creating or 113  
requiring a state guarantee of obligations imposed on an 114  
endorsing municipality or endorsing county under a game support 115  
contract or any other agreement relating to hosting one or more 116  
games in this state. 117

(H) Beginning in fiscal year 2018 and in each fiscal year 118  
thereafter, an amount equal to the unexpended, unencumbered 119  
balance of the immediately preceding fiscal year's appropriation 120  
for grants awarded under this section is hereby reappropriated 121  
to the development services agency for the same purpose for the 122  
current fiscal year. 123

**Sec. 149.311.** (A) As used in this section: 124

(1) "Historic building" means a building, including its 125  
structural components, that is located in this state and that is 126  
either individually listed on the national register of historic 127  
places under 16 U.S.C. 470a, located in a registered historic 128  
district, and certified by the state historic preservation 129  
officer as being of historic significance to the district, or is 130  
individually listed as an historic landmark designated by a 131  
local government certified under 16 U.S.C. 470a(c). 132

(2) "Qualified rehabilitation expenditures" means 133  
expenditures paid or incurred during the rehabilitation period, 134  
and before and after that period as determined under 26 U.S.C. 135  
47, by an owner or qualified lessee of an historic building to 136  
rehabilitate the building. "Qualified rehabilitation 137  
expenditures" includes architectural or engineering fees paid or 138  
incurred in connection with the rehabilitation, and expenses 139  
incurred in the preparation of nomination forms for listing on 140

the national register of historic places. "Qualified	141
rehabilitation expenditures" does not include any of the	142
following:	143
(a) The cost of acquiring, expanding, or enlarging an	144
historic building;	145
(b) Expenditures attributable to work done to facilities	146
related to the building, such as parking lots, sidewalks, and	147
landscaping;	148
(c) New building construction costs.	149
(3) "Owner" of an historic building means a person holding	150
the fee simple interest in the building. "Owner" does not	151
include the state or a state agency, or any political	152
subdivision as defined in section 9.23 of the Revised Code.	153
(4) "Qualified lessee" means a person subject to a lease	154
agreement for an historic building and eligible for the federal	155
rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee"	156
does not include the state or a state agency or political	157
subdivision as defined in section 9.23 of the Revised Code.	158
(5) "Certificate owner" means the owner or qualified	159
lessee of an historic building to which a rehabilitation tax	160
credit certificate was issued under this section.	161
(6) "Registered historic district" means an historic	162
district listed in the national register of historic places	163
under 16 U.S.C. 470a, an historic district designated by a local	164
government certified under 16 U.S.C. 470a(c), or a local	165
historic district certified under 36 C.F.R. 67.8 and 67.9.	166
(7) "Rehabilitation" means the process of repairing or	167
altering an historic building or buildings, making possible an	168

efficient use while preserving those portions and features of 169  
the building and its site and environment that are significant 170  
to its historic, architectural, and cultural values. 171

(8) "Rehabilitation period" means one of the following: 172

(a) If the rehabilitation initially was not planned to be 173  
completed in stages, a period chosen by the owner or qualified 174  
lessee not to exceed twenty-four months during which 175  
rehabilitation occurs; 176

(b) If the rehabilitation initially was planned to be 177  
completed in stages, a period chosen by the owner or qualified 178  
lessee not to exceed sixty months during which rehabilitation 179  
occurs. Each stage shall be reviewed as a phase of a 180  
rehabilitation as determined under 26 C.F.R. 1.48-12 or a 181  
successor to that section. 182

(9) "State historic preservation officer" or "officer" 183  
means the state historic preservation officer appointed by the 184  
governor under 16 U.S.C. 470a. 185

(10) "Catalytic project" means the rehabilitation of an 186  
historic building, the rehabilitation of which will foster 187  
economic development within two thousand five hundred feet of 188  
the historic building. 189

(B) The owner or qualified lessee of an historic building 190  
may apply to the director of development services for a 191  
rehabilitation tax credit certificate for qualified 192  
rehabilitation expenditures paid or incurred by such owner or 193  
qualified lessee after April 4, 2007, for rehabilitation of an 194  
historic building. If the owner of an historic building enters a 195  
pass-through agreement with a qualified lessee for the purposes 196  
of the federal rehabilitation tax credit under 26 U.S.C. 47, the 197

qualified rehabilitation expenditures paid or incurred by the 198  
owner after April 4, 2007, may be attributed to the qualified 199  
lessee. 200

The form and manner of filing such applications shall be 201  
prescribed by rule of the director. Each application shall state 202  
the amount of qualified rehabilitation expenditures the 203  
applicant estimates will be paid or incurred. The director may 204  
require applicants to furnish documentation of such estimates. 205

The director, after consultation with the tax commissioner 206  
and in accordance with Chapter 119. of the Revised Code, shall 207  
adopt rules that establish all of the following: 208

(1) Forms and procedures by which applicants may apply for 209  
rehabilitation tax credit certificates; 210

(2) Criteria for reviewing, evaluating, and approving 211  
applications for certificates within the limitations under 212  
division (D) of this section, criteria for assuring that the 213  
certificates issued encompass a mixture of high and low 214  
qualified rehabilitation expenditures, and criteria for issuing 215  
certificates under division (C) (3) (b) of this section; 216

(3) Eligibility requirements for obtaining a certificate 217  
under this section; 218

(4) The form of rehabilitation tax credit certificates; 219

(5) Reporting requirements and monitoring procedures; 220

(6) Procedures and criteria for conducting cost-benefit 221  
analyses of historic buildings that are the subjects of 222  
applications filed under this section. The purpose of a cost- 223  
benefit analysis shall be to determine whether rehabilitation of 224  
the historic building will result in a net revenue gain in state 225



and local taxes once the building is used.	226
(7) Any other rules necessary to implement and administer this section.	227 228
(C) The director of development services shall review the applications with the assistance of the state historic preservation officer and determine whether all of the following criteria are met:	229 230 231 232
(1) That the building that is the subject of the application is an historic building and the applicant is the owner or qualified lessee of the building;	233 234 235
(2) That the rehabilitation will satisfy standards prescribed by the United States secretary of the interior under 16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a successor to that section;	236 237 238 239
(3) That receiving a rehabilitation tax credit certificate under this section is a major factor in:	240 241
(a) The applicant's decision to rehabilitate the historic building; or	242 243
(b) To increase the level of investment in such rehabilitation.	244 245
An applicant shall demonstrate to the satisfaction of the state historic preservation officer and director of development services that the rehabilitation will satisfy the standards described in division (C) (2) of this section before the applicant begins the physical rehabilitation of the historic building.	246 247 248 249 250 251
(D) (1) If the director of development services determines that an application meets the criteria in divisions (C) (1), (2),	252 253

and (3) of this section, the director shall conduct a cost- 254  
benefit analysis for the historic building that is the subject 255  
of the application to determine whether rehabilitation of the 256  
historic building will result in a net revenue gain in state and 257  
local taxes once the building is used. The director shall 258  
consider the results of the cost-benefit analysis in determining 259  
whether to approve the application. The director shall also 260  
consider the potential economic impact and the regional 261  
distributive balance of the credits throughout the state. The 262  
director may approve an application only after completion of the 263  
cost-benefit analysis. 264

(2) A rehabilitation tax credit certificate shall not be 265  
issued for an amount greater than the estimated amount furnished 266  
by the applicant on the application for such certificate and 267  
approved by the director. The director shall not approve more 268  
than a total of sixty million dollars of rehabilitation tax 269  
credits per fiscal year but the director may reallocate unused 270  
tax credits from a prior fiscal year for new applicants and such 271  
reallocated credits shall not apply toward the dollar limit of 272  
this division. 273

(3) For rehabilitations with a rehabilitation period not 274  
exceeding twenty-four months as provided in division (A) (8) (a) 275  
of this section, a rehabilitation tax credit certificate shall 276  
not be issued before the rehabilitation of the historic building 277  
is completed. 278

(4) For rehabilitations with a rehabilitation period not 279  
exceeding sixty months as provided in division (A) (8) (b) of this 280  
section, a rehabilitation tax credit certificate shall not be 281  
issued before a stage of rehabilitation is completed. After all 282  
stages of rehabilitation are completed, if the director cannot 283

determine that the criteria in division (C) of this section are 284  
satisfied for all stages of rehabilitations, the director shall 285  
certify this finding to the tax commissioner, and any 286  
rehabilitation tax credits received by the applicant shall be 287  
repaid by the applicant and may be collected by assessment as 288  
unpaid tax by the commissioner. 289

(5) The director of development services shall require the 290  
applicant to provide a third-party cost certification by a 291  
certified public accountant of the actual costs attributed to 292  
the rehabilitation of the historic building when qualified 293  
rehabilitation expenditures exceed two hundred thousand dollars. 294

If an applicant whose application is approved for receipt 295  
of a rehabilitation tax credit certificate fails to provide to 296  
the director sufficient evidence of reviewable progress, 297  
including a viable financial plan, copies of final construction 298  
drawings, and evidence that the applicant has obtained all 299  
historic approvals within twelve months after the date the 300  
applicant received notification of approval, and if the 301  
applicant fails to provide evidence to the director that the 302  
applicant has secured and closed on financing for the 303  
rehabilitation within eighteen months after receiving 304  
notification of approval, the director may rescind the approval 305  
of the application. The director shall notify the applicant if 306  
the approval has been rescinded. Credits that would have been 307  
available to an applicant whose approval was rescinded shall be 308  
available for other qualified applicants. Nothing in this 309  
division prohibits an applicant whose approval has been 310  
rescinded from submitting a new application for a rehabilitation 311  
tax credit certificate. 312

(6) The director of development services may approve the 313

application of, and issue a rehabilitation tax credit 314  
certificate to, the owner of a catalytic project, provided the 315  
application otherwise meets the criteria described in divisions 316  
(C) and (D) of this section. The director may not ~~issue~~ approve 317  
more than one application for a rehabilitation tax credit 318  
certificate under division (D) (6) of this section during each 319  
state fiscal biennium. The director shall not approve an 320  
application for a rehabilitation tax credit certificate under 321  
division (D) (6) of this section during the state fiscal biennium 322  
beginning July 1, 2017, or during any state fiscal biennium 323  
thereafter. The director shall consider the following criteria 324  
in determining whether to ~~issue~~ approve an application for a 325  
certificate under division (D) (6) of this section: 326

(a) Whether the historic building is a catalytic project; 327

(b) The effect issuance of the certificate would have on 328  
the availability of credits for other applicants that qualify 329  
for a credit certificate within the credit dollar limit 330  
described in division (D) (2) of this section; 331

(c) The number of jobs, if any, the catalytic project will 332  
create. 333

(7) (a) The owner or qualified lessee of a historic 334  
building may apply for a rehabilitation tax credit certificate 335  
under both divisions (B) and (D) (6) of this section. In such a 336  
case, the director of development services shall consider each 337  
application at the time the application is submitted. 338

(b) The director of development services shall not issue 339  
more than one certificate under this section with respect to the 340  
same qualified rehabilitation expenditures. 341

(E) Issuance of a certificate represents a finding by the 342

director of development services of the matters described in 343  
divisions (C) (1), (2), and (3) of this section only; issuance of 344  
a certificate does not represent a verification or certification 345  
by the director of the amount of qualified rehabilitation 346  
expenditures for which a tax credit may be claimed under section 347  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 348  
Revised Code. The amount of qualified rehabilitation 349  
expenditures for which a tax credit may be claimed is subject to 350  
inspection and examination by the tax commissioner or employees 351  
of the commissioner under section 5703.19 of the Revised Code 352  
and any other applicable law. Upon the issuance of a 353  
certificate, the director shall certify to the tax commissioner, 354  
in the form and manner requested by the tax commissioner, the 355  
name of the applicant, the amount of qualified rehabilitation 356  
expenditures shown on the certificate, and any other information 357  
required by the rules adopted under this section. 358

(F) (1) On or before the first day of August each year, the 359  
director of development services and tax commissioner jointly 360  
shall submit to the president of the senate and the speaker of 361  
the house of representatives a report on the tax credit program 362  
established under this section and sections 5725.151, 5725.34, 363  
5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. The 364  
report shall present an overview of the program and shall 365  
include information on the number of rehabilitation tax credit 366  
certificates issued under this section during the preceding 367  
fiscal year, an update on the status of each historic building 368  
for which an application was approved under this section, the 369  
dollar amount of the tax credits granted under sections 370  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the 371  
Revised Code, and any other information the director and 372  
commissioner consider relevant to the topics addressed in the 373

report. 374

(2) On or before December 1, 2015, the director of 375  
development services and tax commissioner jointly shall submit 376  
to the president of the senate and the speaker of the house of 377  
representatives a comprehensive report that includes the 378  
information required by division (F)(1) of this section and a 379  
detailed analysis of the effectiveness of issuing tax credits 380  
for rehabilitating historic buildings. The report shall be 381  
prepared with the assistance of an economic research 382  
organization jointly chosen by the director and commissioner. 383

(G) There is hereby created in the state treasury the 384  
historic rehabilitation tax credit operating fund. The director 385  
of development services is authorized to charge reasonable 386  
application and other fees in connection with the administration 387  
of tax credits authorized by this section and sections 5725.151, 388  
5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised 389  
Code. Any such fees collected shall be credited to the fund and 390  
used to pay reasonable costs incurred by the department of 391  
development services in administering this section and sections 392  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the 393  
Revised Code. 394

The Ohio historic preservation office is authorized to 395  
charge reasonable fees in connection with its review and 396  
approval of applications under this section. Any such fees 397  
collected shall be credited to the fund and used to pay 398  
administrative costs incurred by the Ohio historic preservation 399  
office pursuant to this section. 400

(H) Notwithstanding sections 5725.151, 5725.34, 5726.52, 401  
5729.17, 5733.47, and 5747.76 of the Revised Code, the 402  
certificate owner of a tax credit certificate issued under 403

division (D) (6) of this section may claim a tax credit equal to 404  
twenty-five per cent of the dollar amount indicated on the 405  
certificate for a total credit of not more than twenty-five 406  
million dollars. The credit claimed by such a certificate owner 407  
for any calendar year, tax year, or taxable year under section 408  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 409  
Revised Code shall not exceed five million dollars. If the 410  
certificate owner is eligible for more than five million dollars 411  
in total credits, the certificate owner may carry forward the 412  
balance of the credit in excess of the amount claimed for that 413  
year for not more than five ensuing calendar years, tax years, 414  
or taxable years. If the credit claimed in any calendar year, 415  
tax year, or taxable year exceeds the tax otherwise due, the 416  
excess shall be refunded to the taxpayer. 417

(I) The director of development services, in consultation 418  
with the director of budget and management, shall develop and 419  
adopt a system of tracking any information necessary to 420  
anticipate the impact of credits issued under this section on 421  
tax revenues for current and future fiscal years. Such 422  
information may include the number of applications approved, the 423  
estimated rehabilitation expenditures and rehabilitation period 424  
associated with such applications, the number and amount of tax 425  
credit certificates issued, and any other information the 426  
director of budget and management requires for the purposes of 427  
this division. 428

**Sec. 339.02.** (A) As used in this section, "area served by 429  
the hospital" means the geographic area, whether or not included 430  
within the county, from which a county hospital regularly draws 431  
patients. 432

(B) Unless a board of county hospital trustees for the 433

county is in existence in accordance with this section, such 434  
board shall be created pursuant to this section after the board 435  
of county commissioners first determines by resolution to 436  
establish a county hospital. Copies of such resolution shall be 437  
certified to the probate judge of the county senior in point of 438  
service and to the judge, other than a probate judge, of the 439  
court of common pleas of the county senior in point of service. 440  
The board of county commissioners together with the probate 441  
judge of the county senior in point of service and the judge of 442  
the court of common pleas of the county senior in point of 443  
service shall, within ten days after such certification, appoint 444  
a board of county hospital trustees. 445

(C) In making appointments to a board of county hospital 446  
trustees, both of the following apply with respect to the 447  
individuals who may be appointed: 448

(1) Members shall be electors and representative of the 449  
area served by the hospital, except that not more than two 450  
members may be electors of the area served by the hospital that 451  
is outside the county in which the hospital is located. 452

(2) A physician may serve as a member, including a 453  
physician who is authorized to admit and treat patients at the 454  
hospital, except as follows: 455

(a) Not more than two physicians may serve as members at 456  
the same time; 457

(b) No physician who is employed by the hospital may serve 458  
as a member. 459

(D) A board of county hospital trustees shall be composed 460  
of six members, unless the board of county commissioners 461  
determines that the board of trustees can more effectively 462



function with eight or ten members in which case there may be 463  
eight or ten members, as designated by the board of county 464  
commissioners. 465

(E) With respect to the initial appointment of members to 466  
a board of county hospital trustees, all of the following apply: 467

(1) When the board is composed of six members, their terms 468  
of office shall be one for one year, one for two years, one for 469  
three years, one for four years, one for five years, and one for 470  
six years from the first Monday of March thereafter. 471

(2) When the board is composed of eight members, their 472  
terms of office shall be one for one year, one for two years, 473  
two for three years, one for four years, one for five years, and 474  
two for six years from the first Monday of March thereafter. 475

(3) When the board is composed of ten members, their terms 476  
of office shall be two for one year, one for two years, two for 477  
three years, two for four years, one for five years, and two for 478  
six years from the first Monday of March thereafter. 479

(F) Except as provided in division (G) (2) of this section, 480  
all of the following apply with respect to vacancies on a board 481  
of county hospital trustees: 482

(1) Annually, on the first Monday of March, the board of 483  
county commissioners together with the probate judge of the 484  
county senior in point of service and the judge of the court of 485  
common pleas of the county senior in point of service shall 486  
appoint or reappoint for a term of six years a sufficient number 487  
of members to replace those members whose terms have expired. 488

(2) The appointing authority shall fill a vacancy not 489  
later than six months after the vacancy occurs. If the vacancy 490  
remains unfilled on that date, the remaining members of the 491

board, by majority vote, shall appoint an individual to fill the 492  
vacancy. 493

(3) The appointing authority may fill a vacancy by seeking 494  
nominations from a selection committee consisting of one county 495  
commissioner designated by the board of county commissioners, 496  
the chair of the board of county hospital trustees, and the 497  
county hospital administrator. If nominations for filling a 498  
vacancy are sought from a selection committee, the committee 499  
shall nominate at least three individuals for the vacancy. The 500  
appointing authority may fill the vacancy by appointing one of 501  
the nominated individuals or by appointing another individual 502  
selected by the appointing authority. 503

(4) Any member appointed to fill a vacancy occurring prior 504  
to the expiration date of the term for which the member's 505  
predecessor was appointed shall hold office as a member for the 506  
remainder of that term. 507

(G) (1) The board of county commissioners together with the 508  
probate judge senior in point of service and the judge of the 509  
court of common pleas senior in point of service in any county 510  
in which a board of county hospital trustees has been appointed 511  
may expand the number of members to eight or to ten. When the 512  
number of members is increased to eight, one shall be appointed 513  
for a three-year and one for a six-year term from the first 514  
Monday of March thereafter. When the number of members is 515  
increased from six to ten, the term for additional members shall 516  
be: one for one year, one for three years, one for four years, 517  
and one for six years from the first Monday of March thereafter. 518  
When the number of members is increased from eight to ten, the 519  
term for additional members shall be: one for one year and one 520  
for four years from the first Monday of March thereafter. 521

Thereafter, except as provided in division (G) (2) of this 522  
section, upon the expiration of the term of office of each 523  
member, the vacancy shall be filled in the manner specified in 524  
division (F) of this section. 525

(2) The board of county commissioners together with the 526  
probate judge senior in point of service and the judge of the 527  
court of common pleas senior in point of service may reduce the 528  
number of members of a board of county hospital trustees to 529  
eight or to six. The reduction shall occur on expiration of a 530  
member's term of office, at which time no appointment shall be 531  
made. While the board of county commissioners and the judges are 532  
in the process of reducing the number of members, the board of 533  
county hospital trustees may consist of nine or seven members 534  
for one year. 535

(H) Any member of a board of county hospital trustees may 536  
be removed from office by the appointing authority for neglect 537  
of duty, misconduct, or malfeasance in office. The member shall 538  
be informed in writing of the charges and afforded an 539  
opportunity for a hearing before the appointing authority. The 540  
appointing authority shall not remove a member from office for 541  
political reasons. 542

(I) The board of county commissioners may provide members 543  
of a board of county hospital trustees a stipend for their 544  
service or require the members to serve without compensation. 545  
The members shall be allowed their necessary and reasonable 546  
expenses incurred in the performance of their duties, including 547  
the cost of their participation in any continuing education 548  
programs or developmental programs that the members consider 549  
necessary. Allowable stipends and expenses shall be paid out of 550  
the funds provided for the county hospital. 551

(J) The persons selected to be members of a board of 552  
county hospital trustees shall forthwith be notified, by mail, 553  
of their appointment. When a board is initially appointed, the 554  
notice shall state a time, not more than ten days later, when 555  
such board shall meet at the county seat of such county to 556  
organize. On the date stated, the board shall meet and organize. 557

(K) A board of county hospital trustees shall organize by 558  
electing one of its number as chairperson and such other 559  
officers as specified in the board's rules. Four members of a 560  
six-member board constitute a quorum, five members constitute a 561  
quorum of an eight-member board, and six members constitute a 562  
quorum of a ten-member board. 563

A board of county hospital trustees shall hold meetings at 564  
least quarterly, shall adopt necessary rules of procedure, and 565  
shall keep a record of its proceedings and a strict account of 566  
all its receipts, disbursements, and expenditures. On completion 567  
of the construction and equipping of a county hospital, the 568  
board shall file such account with the board of county 569  
commissioners and make final settlement with the board of county 570  
commissioners for the construction and equipping of the 571  
hospital. 572

Members of the board of county hospital trustees may 573  
attend board meetings by means of communications equipment 574  
authorized under this division by rule of the board, including 575  
by video conference or teleconference. Notwithstanding division 576  
(C) of section 121.22 of the Revised Code, board members who 577  
attend a board meeting by means of authorized communications 578  
equipment shall be considered present in person at the meeting, 579  
shall be permitted to vote, and shall be counted for purposes of 580  
determining whether a quorum is present at the meeting. 581

The board of county hospital trustees shall maintain a 582  
record of any vote or other action taken at a board meeting 583  
conducted by means of authorized communications equipment. The 584  
record also shall identify the members attending the board 585  
meeting by means of authorized communications equipment. 586

The board of county hospital trustees shall adopt rules 587  
designating the communications equipment that is authorized for 588  
use during board meetings. The board also shall adopt rules that 589  
establish procedures and guidelines for using authorized 590  
communications equipment during board meetings and that ensure 591  
verification of the identity of any board members attending 592  
board meetings by such means. 593

**Sec. 339.05.** (A) A board of county hospital trustees may 594  
adopt, annually, bidding procedures and purchasing or leasing 595  
policies provided through a joint purchasing arrangement 596  
sponsored by a nonprofit organization, for services, supplies, 597  
and equipment, that are routinely used in the operation of the 598  
hospital and that cost in excess of the amount specified in 599  
section 307.86 of the Revised Code as the amount above which 600  
purchases must be competitively bid. If a board of county 601  
hospital trustees adopts those policies and procedures, and if 602  
the board of county commissioners approves them, the board of 603  
county hospital trustees may follow those policies and 604  
procedures in lieu of following the competitive bidding 605  
procedures of sections 307.86 to 307.92 of the Revised Code. 606

(B) Notwithstanding section 307.86 of the Revised Code, 607  
the board of county hospital trustees is exempt from competitive 608  
bidding as required under that section if the board, by a 609  
unanimous vote of its members, makes a determination that a real 610  
and present emergency exists, and either of the following 611

applies: 612

(1) The estimated cost is less than one hundred thousand 613  
dollars. 614

(2) There is actual physical damage to structures or 615  
equipment. 616

The board shall enter the determination of emergency and 617  
the reasons for it in the minutes of its proceedings. 618

(C) For purposes of this section, a vote is unanimous if 619  
all members of a board of county hospital trustees are present, 620  
or a lesser number of members of the board if not all members 621  
are present, provided that the number of members present 622  
constitutes a quorum. Board members participating in a vote by 623  
means of authorized communications equipment in accordance with 624  
section 339.02 of the Revised Code are considered to be present 625  
in person and may vote on matters under this section. 626

(D) Whenever a contract of purchase, lease, or 627  
construction is exempted from competitive bidding because the 628  
estimated cost is less than one hundred thousand dollars, but 629  
the estimated cost is fifty thousand dollars or more, the board 630  
shall solicit informal estimates from not fewer than three 631  
persons who could perform the contract, before awarding the 632  
contract. With regard to each such contract, the board shall 633  
maintain a record of the informal estimates, including the name 634  
of each person from whom an informal estimate was solicited. The 635  
board shall maintain the record for the longer of at least one 636  
year after the contract is awarded or an amount of time required 637  
by the federal government. 638

Sec. 718.60. (A) There is hereby created the municipal 639  
income tax net operating loss review committee for the purpose 640

of evaluating and quantifying the potential fiscal impact to 641  
municipal corporations levying an income tax of requiring such 642  
municipal corporations to allow taxpayers to carry forward net 643  
operating losses for five years. The committee is a public body 644  
for the purposes of section 121.22 of the Revised Code. 645

(B) The committee shall be composed of the following 646  
members: 647

(1) Two members of the house of representatives who are 648  
not of the same political party, appointed by the speaker of the 649  
house of representatives; 650

(2) Two members of the senate who are not of the same 651  
political party, appointed by the president of the senate; 652

(3) Three members representing municipal income taxpayers, 653  
appointed by the speaker of the house of representatives; 654

(4) Three members representing municipal corporations that 655  
levy an income tax in calendar year 2016, appointed by the 656  
president of the senate. At least two of the members appointed 657  
under division (B)(4) of this section shall represent municipal 658  
corporations that do not allow taxpayers to carry forward net 659  
operating losses to future taxable years. 660

(5) One member appointed by the governor, who shall serve 661  
as the chairperson of the committee. 662

An appointed member shall serve until the member resigns 663  
or is removed by the member's appointing authority. Vacancies 664  
shall be filled in the same manner as original appointments. A 665  
vacancy on the committee does not impair the right of the other 666  
members to exercise all the functions of the committee. 667

The committee shall meet at the call of the chairperson. 668

The presence of a majority of the members of the committee 669  
constitutes a quorum for the conduct of business of the 670  
committee. The concurrence of at least a majority of the members 671  
of the committee is necessary to approve the report issued by 672  
the committee under division (D) of this section. Members of the 673  
committee shall not be compensated or reimbursed for members' 674  
expenses. 675

(C) (1) As used in this section, "reporting municipal 676  
corporation" means any municipal corporation that does not allow 677  
net operating losses incurred before January 1, 2017, to be 678  
carried forward and utilized to offset income or net profit 679  
generated in such municipal corporation in future taxable years. 680

(2) On or before August 31, 2021, each reporting municipal 681  
corporation shall report to the municipal income tax net 682  
operating loss review committee the difference between (a) the 683  
municipal corporation's actual municipal income tax revenue 684  
received for taxable years ending in 2018 and 2019 and (b) the 685  
projected amount of municipal income tax revenue that the 686  
municipal corporation would have received for taxable years 687  
ending in 2018 and 2019 if the municipal corporation were not 688  
required to allow net operating losses incurred in prior taxable 689  
years to be carried forward to taxable years ending in 2018 or 690  
2019. Each municipal corporation's calculations shall be made 691  
using the microsimulation model adopted by the committee at its 692  
meeting on May 5, 2016, but applied to taxable years ending in 693  
2018 and 2019. 694

(D) The municipal income tax net operating loss review 695  
committee shall review the information reported by municipal 696  
corporations under division (C) of this section and calculate 697  
the total of the revenue effects reported by such municipal 698



corporations. On or before May 1, 2022, the committee shall 699  
issue a written report to the speaker and minority leader of the 700  
house of representatives and the president and minority leader 701  
of the senate reporting the committee's findings and the 702  
estimated revenue impact of requiring municipal corporations 703  
levying an income tax to allow net operating loss to be carried 704  
forward for five years. The report shall contain recommendations 705  
to address revenue shortfalls, which may include, but which 706  
shall not be limited to, the use of supplemental funds from the 707  
local government fund to mitigate those shortfalls. 708

(E) Nothing in this section delays or otherwise affects 709  
the taxable years to which division (E)(8) of section 718.01 of 710  
the Revised Code applies as prescribed in that division. 711

(F) The municipal income tax net operating loss review 712  
committee shall cease to exist on May 1, 2022. 713

**Sec. 749.07.** The board of hospital commissioners shall 714  
hold regular meetings at such time and place as is agreed upon, 715  
and shall keep a complete record of its proceedings. No contract 716  
which the board enters into shall be valid until concurred in at 717  
a regular meeting by a majority of all the members thereof, and 718  
such concurrence entered on the minutes of its proceedings. 719

Members of the board of hospital commissioners may attend 720  
board meetings by means of communications equipment authorized 721  
under this section by rule of the board, including by video 722  
conference or teleconference. Notwithstanding division (C) of 723  
section 121.22 of the Revised Code, board members who attend a 724  
board meeting by means of authorized communications equipment 725  
shall be considered present in person at the meeting, shall be 726  
permitted to vote, and shall be counted for purposes of 727  
determining whether a quorum is present at the meeting. 728

The board of hospital commissioners shall maintain a 729  
record of any vote or other action taken at a board meeting 730  
conducted by means of authorized communications equipment. The 731  
record also shall identify the members attending the board 732  
meeting by means of authorized communications equipment. 733

The board of hospital commissioners shall adopt rules 734  
designating the communications equipment that is authorized for 735  
use during board meetings. The board also shall adopt rules that 736  
establish procedures and guidelines for using authorized 737  
communications equipment during board meetings and that ensure 738  
verification of the identity of any board members attending 739  
board meetings by such means. 740

**Sec. 749.18.** If an agreement under section 749.16 of the 741  
Revised Code concerns or includes participation of a joint 742  
township hospital district, or of a county, in the maintenance 743  
and operation of a municipal hospital, the municipal corporation 744  
may establish a board of governors to exercise, subject to such 745  
further limitations as are imposed by the agreement, the powers 746  
vested in the board of hospital commissioners, provided that any 747  
such limitations shall not deny the board of governors the 748  
authority to retain counsel, to institute legal action in its 749  
own name, or to employ any other lawful means, for the 750  
collection of delinquent accounts. The board of governors may 751  
include in its membership representatives of a participating 752  
district who are electors of the district, or of a participating 753  
county who are electors of that county or an adjacent county, as 754  
are provided for in the agreement. 755

Except as otherwise provided in this section, the 756  
municipal members of the board of governors shall consist of the 757  
mayor and at least three resident freeholders of the municipal 758

corporation, at least one of whom shall be a doctor of medicine, 759  
to be appointed by the mayor with the consent of the legislative 760  
authority. However, if necessary to secure qualified individuals 761  
to serve on the board of governors, the municipal members of the 762  
board may be residents of the county in which the municipal 763  
corporation is located or of an adjacent county. 764

The term of office of municipal members of the board of 765  
governors shall be as provided in section 749.05 of the Revised 766  
Code and vacancies on the board with respect to those members 767  
shall be filled as provided in that section. Unless otherwise 768  
provided in the agreement, any vacancy on the board with respect 769  
to a member appointed by a participating joint township hospital 770  
district or county shall be filled by the appointing body not 771  
later than ninety days after the vacancy occurs and if the 772  
vacancy remains unfilled on that date, the remaining members of 773  
the board, by majority vote, shall appoint an individual to fill 774  
the vacancy. Unless otherwise provided in the agreement, 775  
vacancies on the board with respect to any other members shall 776  
be filled by the remaining members of the board, by majority 777  
vote. Any member appointed to fill a vacancy occurring prior to 778  
the expiration date of the term for which the member's 779  
predecessor was appointed shall hold office as a member for the 780  
remainder of that term. 781

The board of governors, subject to the terms of the 782  
agreement, shall establish regulations and elect officers as its 783  
members determine. The members shall be entitled to the 784  
compensation for their services provided by the agreement. 785

Members of the board of governors may attend board 786  
meetings by means of communications equipment authorized under 787  
this section by rule of the board, including by video conference 788

or teleconference. Notwithstanding division (C) of section 789  
121.22 of the Revised Code, board members who attend a board 790  
meeting by means of authorized communications equipment shall be 791  
considered present in person at the meeting, shall be permitted 792  
to vote, and shall be counted for purposes of determining 793  
whether a quorum is present at the meeting. 794

The board of governors shall maintain a record of any vote 795  
or other action taken at a board meeting conducted by means of 796  
authorized communications equipment. The record also shall 797  
identify the members attending the board meeting by means of 798  
authorized communications equipment. 799

The board of governors shall adopt rules designating the 800  
communications equipment that is authorized for use during board 801  
meetings. The board also shall adopt rules that establish 802  
procedures and guidelines for using authorized communications 803  
equipment during board meetings and that ensure verification of 804  
the identity of any board members attending board meetings by 805  
such means. 806

**Sec. 951.02.** No person, who is the owner or keeper of 807  
horses, mules, cattle, bison, sheep, goats, swine, llamas, 808  
alpacas, or ~~geese~~ poultry, shall permit them to run at large in 809  
the public road, highway, street, lane, or alley, or upon 810  
unenclosed land, or cause the animals to be herded, kept, or 811  
detained for the purpose of grazing on premises other than those 812  
owned or lawfully occupied by the owner or keeper of the 813  
animals. 814

**Sec. 951.13.** The person or county, township, city, or 815  
village whose law enforcement officer takes an animal running at 816  
large in violation of section 951.02 of the Revised Code is 817  
entitled to receive from the owner or keeper of the animal the 818

following compensation: 819

(A) For taking and advertising each ~~horse, mule, head of~~ 820  
~~cattle, bison, swine, sheep, goat, llama, alpaca, or goose~~ 821  
animal, five dollars; 822

(B) Reasonable expenses actually incurred for keeping each 823  
~~animal described in division (A) of this section.~~ 824

Compensation for taking, advertising, and keeping a single 825  
herd or flock shall not exceed fifty dollars when the flock or 826  
herd belongs to one person. 827

**Sec. 1711.50.** As used in sections 1711.50 to 1711.57 of 828  
the Revised Code: 829

(A) "Amusement ride" means any mechanical, aquatic, or 830  
inflatable device, or combination of those devices that carries 831  
or conveys passengers on, along, around, over, or through a 832  
fixed or restricted course or within a defined area for the 833  
purpose of providing amusement, pleasure, or excitement. 834  
"Amusement ride" includes carnival rides, bungee jumping 835  
facilities, and fair rides, but does not include passenger 836  
tramways as defined in section 4169.01 of the Revised Code, 837  
manufactured rock climbing walls in climbing facilities 838  
regulated under Chapter 4175. of the Revised Code, or amusement 839  
rides operated solely at trade shows for a limited period of 840  
time. For purposes of this division, "trade show" means a place 841  
of exhibition not open to the general public where amusement 842  
ride manufacturers display, promote, operate, and sell amusement 843  
rides to prospective purchasers. 844

(B) "Temporary amusement ride" means an amusement ride 845  
that is relocated at least once per year with or without 846  
disassembly. 847

(C) "Permanent amusement ride" means an amusement ride	848
that is erected to remain a lasting part of the premises.	849
(D) "Owner" means any person who owns or leases and	850
controls or manages the operation of an amusement ride, and	851
includes individuals, partnerships, corporations, both profit	852
and nonprofit, and the state and any of its political	853
subdivisions and their departments or agencies.	854
(E) "Operation" means the use or operation, or both, of an	855
amusement ride with riders.	856
(F) "Rider" means any person who sits, stands, or is	857
otherwise conveyed or carried as a passenger on an amusement	858
ride, but does not include employees or agents of the owner of	859
the amusement ride.	860
(G) "Amusement ride operator" means any person causing the	861
amusement ride to go, stop, or perform its function.	862
(H) "Reassembly" means the installation, erection, or	863
reconstruction of the main mechanical, safety, electrical, or	864
electronic components of an amusement ride following	865
transportation or storage and prior to operation. Replacement of	866
mechanical, safety, electrical, or electronic components of an	867
amusement ride for the purpose of repair or maintenance is not	868
reassembly.	869
(I) "Repair" means to restore an amusement ride to a	870
condition equal to or better than original design	871
specifications.	872
(J) "Maintenance" means the preservation and upkeep of an	873
amusement ride for the purpose of maintaining its designed	874
operational capability.	875

(K) "Inspection" means a physical examination of an amusement ride by an inspector for the purpose of approving the application for a permit. "Inspection" includes a reinspection.

(L) "Accident" means an occurrence during the operation of an amusement ride that results in death or injury requiring immediate hospital admission.

(M) "Serious injury" means an injury that does not require immediate hospital admission but does require medical treatment, other than first aid, by a physician.

(N) "First aid" means the one-time treatment or subsequent observation of scratches, cuts not requiring stitches, burns, splinters, and contusions or a diagnostic procedure, including examinations and x-rays, that does not ordinarily require medical treatment even though provided by a physician or other licensed professional personnel.

(O) "Advisory council" means the advisory council on amusement ride safety created by section 1711.51 of the Revised Code.

(P) "Safe operation" means, except as provided in section 1711.57 of the Revised Code, the practical application of maintenance, inspection, and operational processes, as indicated by the manufacturer, owner, or advisory council, that secures a rider from threat of physical danger, harm, or loss.

(Q) "Private facility" means any facility that is accessible only to members of the facility and not accessible to the general public, even upon payment of a fee or charge, and that requires approval for membership by a membership committee representing the current members who have a policy requiring monetary payment to belong to the facility.

(R) "Bungee jumping" means a fall or jump from a height by an individual who is attached to an elastic cord that prevents the individual from hitting the ground, water, or other solid, semi-solid, liquid, or elastic surface.

(S) "Bungee jumping facility" means a device or structure utilized for bungee jumping.

(T) "Kiddie ride" means an amusement ride designed for use by children under thirteen years of age who are unaccompanied by another person. "Kiddie ride" includes a roller coaster that is not more than forty feet in elevation at any point on the ride.

(U) "Climbing facility" has the same meaning as in section 4175.01 of the Revised Code.

**Sec. 1711.57.** Sections 1711.50 to 1711.57 of the Revised Code do not apply to any of the following:

(A) A private facility;

(B) A single-passenger coin-operated ride that is manually, mechanically, or electrically operated, is customarily placed either singly or in groups in a public location, and does not normally require the supervision or services of an amusement ride operator;

(C) Nonmechanized playground equipment, including swings, stationary spring-mounted animal features, rider-propelled merry-go-rounds, climbers, slides, rock climbing walls, trampolines, and swinging gates, except where an admission fee is charged for usage or an admission fee is charged to areas where such equipment is located;

(D) Devices regulated or licensed by the federal aviation administration or the federal railroad administration in the



United States department of transportation, the department of 933  
transportation, or the bureau of motor vehicles in the 934  
department of public safety; 935

(E) Vessels regulated by the department of natural 936  
resources under Chapters 1547. and 1548. of the Revised Code or 937  
under the jurisdiction of the United States coast guard; 938

(F) Tractors, trucks, or similar vehicles at competition 939  
events; 940

(G) Automobiles or motorcycles at competition events; 941

(H) Animals ridden in competitive events or shows; 942

(I) Physical fitness devices; 943

(J) Devices to which the definition of "safe operation" in 944  
section 1711.50 of the Revised Code does not apply as determined 945  
by the director of agriculture, including mechanized bulls, 946  
surfboards, zip lines, vertical wind tunnels, skateboard or 947  
bicycle rodeo devices, cable wakeboard or ski facilities, or 948  
other devices that are not intended or manufactured to secure 949  
the rider from threat of physical danger, harm, or loss. 950

(K) A manufactured climbing wall that is located in a 951  
climbing facility, as defined and regulated by Chapter 4175. of 952  
the Revised Code. 953

**Sec. 4141.01.** As used in this chapter, unless the context 954  
otherwise requires: 955

(A) (1) "Employer" means the state, its instrumentalities, 956  
its political subdivisions and their instrumentalities, Indian 957  
tribes, and any individual or type of organization including any 958  
partnership, limited liability company, association, trust, 959  
estate, joint-stock company, insurance company, or corporation, 960

whether domestic or foreign, or the receiver, trustee in 961  
bankruptcy, trustee, or the successor thereof, or the legal 962  
representative of a deceased person who subsequent to December 963  
31, 1971, or in the case of political subdivisions or their 964  
instrumentalities, subsequent to December 31, 1973: 965

(a) Had in employment at least one individual, or in the 966  
case of a nonprofit organization, subsequent to December 31, 967  
1973, had not less than four individuals in employment for some 968  
portion of a day in each of twenty different calendar weeks, in 969  
either the current or the preceding calendar year whether or not 970  
the same individual was in employment in each such day; or 971

(b) Except for a nonprofit organization, had paid for 972  
service in employment wages of fifteen hundred dollars or more 973  
in any calendar quarter in either the current or preceding 974  
calendar year; or 975

(c) Had paid, subsequent to December 31, 1977, for 976  
employment in domestic service in a local college club, or local 977  
chapter of a college fraternity or sorority, cash remuneration 978  
of one thousand dollars or more in any calendar quarter in the 979  
current calendar year or the preceding calendar year, or had 980  
paid subsequent to December 31, 1977, for employment in domestic 981  
service in a private home cash remuneration of one thousand 982  
dollars in any calendar quarter in the current calendar year or 983  
the preceding calendar year: 984

(i) For the purposes of divisions (A) (1) (a) and (b) of 985  
this section, there shall not be taken into account any wages 986  
paid to, or employment of, an individual performing domestic 987  
service as described in this division. 988

(ii) An employer under this division shall not be an 989

employer with respect to wages paid for any services other than 990  
domestic service unless the employer is also found to be an 991  
employer under division (A) (1) (a), (b), or (d) of this section. 992

(d) As a farm operator or a crew leader subsequent to 993  
December 31, 1977, had in employment individuals in agricultural 994  
labor; and 995

(i) During any calendar quarter in the current calendar 996  
year or the preceding calendar year, paid cash remuneration of 997  
twenty thousand dollars or more for the agricultural labor; or 998

(ii) Had at least ten individuals in employment in 999  
agricultural labor, not including agricultural workers who are 1000  
aliens admitted to the United States to perform agricultural 1001  
labor pursuant to sections 1184(c) and 1101(a) (15) (H) of the 1002  
"Immigration and Nationality Act," 66 Stat. 163, 189, 8 U.S.C.A. 1003  
1101(a) (15) (H) (ii) (a), 1184(c), for some portion of a day in 1004  
each of the twenty different calendar weeks, in either the 1005  
current or preceding calendar year whether or not the same 1006  
individual was in employment in each day; or 1007

(e) Is not otherwise an employer as defined under division 1008  
(A) (1) (a) or (b) of this section; and 1009

(i) For which, within either the current or preceding 1010  
calendar year, service, except for domestic service in a private 1011  
home not covered under division (A) (1) (c) of this section, is or 1012  
was performed with respect to which such employer is liable for 1013  
any federal tax against which credit may be taken for 1014  
contributions required to be paid into a state unemployment 1015  
fund; 1016

(ii) Which, as a condition for approval of this chapter 1017  
for full tax credit against the tax imposed by the "Federal 1018

Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, 1019  
is required, pursuant to such act to be an employer under this 1020  
chapter; or 1021

(iii) Who became an employer by election under division 1022  
(A) (4) or (5) of this section and for the duration of such 1023  
election; or 1024

(f) In the case of the state, its instrumentalities, its 1025  
political subdivisions, and their instrumentalities, and Indian 1026  
tribes, had in employment, as defined in divisions (B) (2) (a) and 1027  
(B) (2) (1) of this section, at least one individual; 1028

(g) For the purposes of division (A) (1) (a) of this 1029  
section, if any week includes both the thirty-first day of 1030  
December and the first day of January, the days of that week 1031  
before the first day of January shall be considered one calendar 1032  
week and the days beginning the first day of January another 1033  
week. 1034

(2) Each individual employed to perform or to assist in 1035  
performing the work of any agent or employee of an employer is 1036  
employed by such employer for all the purposes of this chapter, 1037  
whether such individual was hired or paid directly by such 1038  
employer or by such agent or employee, provided the employer had 1039  
actual or constructive knowledge of the work. All individuals 1040  
performing services for an employer of any person in this state 1041  
who maintains two or more establishments within this state are 1042  
employed by a single employer for the purposes of this chapter. 1043

(3) An employer subject to this chapter within any 1044  
calendar year is subject to this chapter during the whole of 1045  
such year and during the next succeeding calendar year. 1046

(4) An employer not otherwise subject to this chapter who 1047

files with the director of job and family services a written 1048  
election to become an employer subject to this chapter for not 1049  
less than two calendar years shall, with the written approval of 1050  
such election by the director, become an employer subject to 1051  
this chapter to the same extent as all other employers as of the 1052  
date stated in such approval, and shall cease to be subject to 1053  
this chapter as of the first day of January of any calendar year 1054  
subsequent to such two calendar years only if at least thirty 1055  
days prior to such first day of January the employer has filed 1056  
with the director a written notice to that effect. 1057

(5) Any employer for whom services that do not constitute 1058  
employment are performed may file with the director a written 1059  
election that all such services performed by individuals in the 1060  
employer's employ in one or more distinct establishments or 1061  
places of business shall be deemed to constitute employment for 1062  
all the purposes of this chapter, for not less than two calendar 1063  
years. Upon written approval of the election by the director, 1064  
such services shall be deemed to constitute employment subject 1065  
to this chapter from and after the date stated in such approval. 1066  
Such services shall cease to be employment subject to this 1067  
chapter as of the first day of January of any calendar year 1068  
subsequent to such two calendar years only if at least thirty 1069  
days prior to such first day of January such employer has filed 1070  
with the director a written notice to that effect. 1071

(B) (1) "Employment" means service performed by an 1072  
individual for remuneration under any contract of hire, written 1073  
or oral, express or implied, including service performed in 1074  
interstate commerce and service performed by an officer of a 1075  
corporation, without regard to whether such service is 1076  
executive, managerial, or manual in nature, and without regard 1077  
to whether such officer is a stockholder or a member of the 1078

board of directors of the corporation, unless it is shown to the 1079  
satisfaction of the director that such individual has been and 1080  
will continue to be free from direction or control over the 1081  
performance of such service, both under a contract of service 1082  
and in fact. The director shall adopt rules to define "direction 1083  
or control." 1084

(2) "Employment" includes: 1085

(a) Service performed after December 31, 1977, by an 1086  
individual in the employ of the state or any of its 1087  
instrumentalities, or any political subdivision thereof or any 1088  
of its instrumentalities or any instrumentality of more than one 1089  
of the foregoing or any instrumentality of any of the foregoing 1090  
and one or more other states or political subdivisions and 1091  
without regard to divisions (A) (1) (a) and (b) of this section, 1092  
provided that such service is excluded from employment as 1093  
defined in the "Federal Unemployment Tax Act," 53 Stat. 183, 26 1094  
U.S.C.A. 3301, 3306(c) (7) and is not excluded under division (B) 1095  
(3) of this section; or the services of employees covered by 1096  
voluntary election, as provided under divisions (A) (4) and (5) 1097  
of this section; 1098

(b) Service performed after December 31, 1971, by an 1099  
individual in the employ of a religious, charitable, 1100  
educational, or other organization which is excluded from the 1101  
term "employment" as defined in the "Federal Unemployment Tax 1102  
Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, solely by reason 1103  
of section 26 U.S.C.A. 3306(c) (8) of that act and is not 1104  
excluded under division (B) (3) of this section; 1105

(c) Domestic service performed after December 31, 1977, 1106  
for an employer, as provided in division (A) (1) (c) of this 1107  
section; 1108

(d) Agricultural labor performed after December 31, 1977, 1109  
for a farm operator or a crew leader, as provided in division 1110  
(A) (1) (d) of this section; 1111

(e) Service not covered under division (B) (1) of this 1112  
section which is performed after December 31, 1971: 1113

(i) As an agent-driver or commission-driver engaged in 1114  
distributing meat products, vegetable products, fruit products, 1115  
bakery products, beverages other than milk, laundry, or dry- 1116  
cleaning services, for the individual's employer or principal; 1117

(ii) As a traveling or city salesperson, other than as an 1118  
agent-driver or commission-driver, engaged on a full-time basis 1119  
in the solicitation on behalf of and in the transmission to the 1120  
salesperson's employer or principal except for sideline sales 1121  
activities on behalf of some other person of orders from 1122  
wholesalers, retailers, contractors, or operators of hotels, 1123  
restaurants, or other similar establishments for merchandise for 1124  
resale, or supplies for use in their business operations, 1125  
provided that for the purposes of division (B) (2) (e) (ii) of this 1126  
section, the services shall be deemed employment if the contract 1127  
of service contemplates that substantially all of the services 1128  
are to be performed personally by the individual and that the 1129  
individual does not have a substantial investment in facilities 1130  
used in connection with the performance of the services other 1131  
than in facilities for transportation, and the services are not 1132  
in the nature of a single transaction that is not a part of a 1133  
continuing relationship with the person for whom the services 1134  
are performed. 1135

(f) An individual's entire service performed within or 1136  
both within and without the state if: 1137

(i) The service is localized in this state. 1138

(ii) The service is not localized in any state, but some 1139  
of the service is performed in this state and either the base of 1140  
operations, or if there is no base of operations then the place 1141  
from which such service is directed or controlled, is in this 1142  
state or the base of operations or place from which such service 1143  
is directed or controlled is not in any state in which some part 1144  
of the service is performed but the individual's residence is in 1145  
this state. 1146

(g) Service not covered under division (B) (2) (f) (ii) of 1147  
this section and performed entirely without this state, with 1148  
respect to no part of which contributions are required and paid 1149  
under an unemployment compensation law of any other state, the 1150  
Virgin Islands, Canada, or of the United States, if the 1151  
individual performing such service is a resident of this state 1152  
and the director approves the election of the employer for whom 1153  
such services are performed; or, if the individual is not a 1154  
resident of this state but the place from which the service is 1155  
directed or controlled is in this state, the entire services of 1156  
such individual shall be deemed to be employment subject to this 1157  
chapter, provided service is deemed to be localized within this 1158  
state if the service is performed entirely within this state or 1159  
if the service is performed both within and without this state 1160  
but the service performed without this state is incidental to 1161  
the individual's service within the state, for example, is 1162  
temporary or transitory in nature or consists of isolated 1163  
transactions; 1164

(h) Service of an individual who is a citizen of the 1165  
United States, performed outside the United States except in 1166  
Canada after December 31, 1971, or the Virgin Islands, after 1167



December 31, 1971, and before the first day of January of the 1168  
year following that in which the United States secretary of 1169  
labor approves the Virgin Islands law for the first time, in the 1170  
employ of an American employer, other than service which is 1171  
"employment" under divisions (B) (2) (f) and (g) of this section 1172  
or similar provisions of another state's law, if: 1173

(i) The employer's principal place of business in the 1174  
United States is located in this state; 1175

(ii) The employer has no place of business in the United 1176  
States, but the employer is an individual who is a resident of 1177  
this state; or the employer is a corporation which is organized 1178  
under the laws of this state, or the employer is a partnership 1179  
or a trust and the number of partners or trustees who are 1180  
residents of this state is greater than the number who are 1181  
residents of any other state; or 1182

(iii) None of the criteria of divisions (B) (2) (f) (i) and 1183  
(ii) of this section is met but the employer has elected 1184  
coverage in this state or the employer having failed to elect 1185  
coverage in any state, the individual has filed a claim for 1186  
benefits, based on such service, under this chapter. 1187

(i) For the purposes of division (B) (2) (h) of this 1188  
section, the term "American employer" means an employer who is 1189  
an individual who is a resident of the United States; or a 1190  
partnership, if two-thirds or more of the partners are residents 1191  
of the United States; or a trust, if all of the trustees are 1192  
residents of the United States; or a corporation organized under 1193  
the laws of the United States or of any state, provided the term 1194  
"United States" includes the states, the District of Columbia, 1195  
the Commonwealth of Puerto Rico, and the Virgin Islands. 1196

(j) Notwithstanding any other provisions of divisions (B) 1197  
(1) and (2) of this section, service, except for domestic 1198  
service in a private home not covered under division (A) (1) (c) 1199  
of this section, with respect to which a tax is required to be 1200  
paid under any federal law imposing a tax against which credit 1201  
may be taken for contributions required to be paid into a state 1202  
unemployment fund, or service, except for domestic service in a 1203  
private home not covered under division (A) (1) (c) of this 1204  
section, which, as a condition for full tax credit against the 1205  
tax imposed by the "Federal Unemployment Tax Act," 84 Stat. 713, 1206  
26 U.S.C.A. 3301 to 3311, is required to be covered under this 1207  
chapter. 1208

(k) Construction services performed by any individual 1209  
under a construction contract, as defined in section 4141.39 of 1210  
the Revised Code, if the director determines that the employer 1211  
for whom services are performed has the right to direct or 1212  
control the performance of the services and that the individuals 1213  
who perform the services receive remuneration for the services 1214  
performed. The director shall presume that the employer for whom 1215  
services are performed has the right to direct or control the 1216  
performance of the services if ten or more of the following 1217  
criteria apply: 1218

(i) The employer directs or controls the manner or method 1219  
by which instructions are given to the individual performing 1220  
services; 1221

(ii) The employer requires particular training for the 1222  
individual performing services; 1223

(iii) Services performed by the individual are integrated 1224  
into the regular functioning of the employer; 1225

- (iv) The employer requires that services be provided by a particular individual; 1226  
1227
- (v) The employer hires, supervises, or pays the wages of the individual performing services; 1228  
1229
- (vi) A continuing relationship between the employer and the individual performing services exists which contemplates continuing or recurring work, even if not full-time work; 1230  
1231  
1232
- (vii) The employer requires the individual to perform services during established hours; 1233  
1234
- (viii) The employer requires that the individual performing services be devoted on a full-time basis to the business of the employer; 1235  
1236  
1237
- (ix) The employer requires the individual to perform services on the employer's premises; 1238  
1239
- (x) The employer requires the individual performing services to follow the order of work established by the employer; 1240  
1241  
1242
- (xi) The employer requires the individual performing services to make oral or written reports of progress; 1243  
1244
- (xii) The employer makes payment to the individual for services on a regular basis, such as hourly, weekly, or monthly; 1245  
1246
- (xiii) The employer pays expenses for the individual performing services; 1247  
1248
- (xiv) The employer furnishes the tools and materials for use by the individual to perform services; 1249  
1250
- (xv) The individual performing services has not invested in the facilities used to perform services; 1251  
1252

(xvi) The individual performing services does not realize a profit or suffer a loss as a result of the performance of the services;	1253 1254 1255
(xvii) The individual performing services is not performing services for more than two employers simultaneously;	1256 1257
(xviii) The individual performing services does not make the services available to the general public;	1258 1259
(xix) The employer has a right to discharge the individual performing services;	1260 1261
(xx) The individual performing services has the right to end the individual's relationship with the employer without incurring liability pursuant to an employment contract or agreement.	1262 1263 1264 1265
(1) Service performed by an individual in the employ of an Indian tribe as defined by section 4(e) of the "Indian Self-Determination and Education Assistance Act," 88 Stat. 2204 (1975), 25 U.S.C.A. 450b(e), including any subdivision, subsidiary, or business enterprise wholly owned by an Indian tribe provided that the service is excluded from employment as defined in the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 and 3306(c)(7) and is not excluded under division (B)(3) of this section.	1266 1267 1268 1269 1270 1271 1272 1273 1274
(3) "Employment" does not include the following services if they are found not subject to the "Federal Unemployment Tax Act," 84 Stat. 713 (1970), 26 U.S.C.A. 3301 to 3311, and if the services are not required to be included under division (B)(2)(j) of this section:	1275 1276 1277 1278 1279
(a) Service performed after December 31, 1977, in agricultural labor, except as provided in division (A)(1)(d) of	1280 1281

this section;	1282
(b) Domestic service performed after December 31, 1977, in	1283
a private home, local college club, or local chapter of a	1284
college fraternity or sorority except as provided in division	1285
(A) (1) (c) of this section;	1286
(c) Service performed after December 31, 1977, for this	1287
state or a political subdivision as described in division (B) (2)	1288
(a) of this section when performed:	1289
(i) As a publicly elected official;	1290
(ii) As a member of a legislative body, or a member of the	1291
judiciary;	1292
(iii) As a military member of the Ohio national guard;	1293
(iv) As an employee, not in the classified service as	1294
defined in section 124.11 of the Revised Code, serving on a	1295
temporary basis in case of fire, storm, snow, earthquake, flood,	1296
or similar emergency;	1297
(v) In a position which, under or pursuant to law, is	1298
designated as a major nontenured policymaking or advisory	1299
position, not in the classified service of the state, or a	1300
policymaking or advisory position the performance of the duties	1301
of which ordinarily does not require more than eight hours per	1302
week.	1303
(d) In the employ of any governmental unit or	1304
instrumentality of the United States;	1305
(e) Service performed after December 31, 1971:	1306
(i) Service in the employ of an educational institution or	1307
institution of higher education, including those operated by the	1308

state or a political subdivision, if such service is performed 1309  
by a student who is enrolled and is regularly attending classes 1310  
at the educational institution or institution of higher 1311  
education; or 1312

(ii) By an individual who is enrolled at a nonprofit or 1313  
public educational institution which normally maintains a 1314  
regular faculty and curriculum and normally has a regularly 1315  
organized body of students in attendance at the place where its 1316  
educational activities are carried on as a student in a full- 1317  
time program, taken for credit at the institution, which 1318  
combines academic instruction with work experience, if the 1319  
service is an integral part of the program, and the institution 1320  
has so certified to the employer, provided that this subdivision 1321  
shall not apply to service performed in a program established 1322  
for or on behalf of an employer or group of employers. 1323

(f) Service performed by an individual in the employ of 1324  
the individual's son, daughter, or spouse and service performed 1325  
by a child under the age of eighteen in the employ of the 1326  
child's father or mother; 1327

(g) Service performed for one or more principals by an 1328  
individual who is compensated on a commission basis, who in the 1329  
performance of the work is master of the individual's own time 1330  
and efforts, and whose remuneration is wholly dependent on the 1331  
amount of effort the individual chooses to expend, and which 1332  
service is not subject to the "Federal Unemployment Tax Act," 53 1333  
Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. Service performed 1334  
after December 31, 1971: 1335

(i) By an individual for an employer as an insurance agent 1336  
or as an insurance solicitor, if all this service is performed 1337  
for remuneration solely by way of commission; 1338

(ii) As a home worker performing work, according to 1339  
specifications furnished by the employer for whom the services 1340  
are performed, on materials or goods furnished by such employer 1341  
which are required to be returned to the employer or to a person 1342  
designated for that purpose. 1343

(h) Service performed after December 31, 1971: 1344

(i) In the employ of a church or convention or association 1345  
of churches, or in an organization which is operated primarily 1346  
for religious purposes and which is operated, supervised, 1347  
controlled, or principally supported by a church or convention 1348  
or association of churches; 1349

(ii) By a duly ordained, commissioned, or licensed 1350  
minister of a church in the exercise of the individual's 1351  
ministry or by a member of a religious order in the exercise of 1352  
duties required by such order; or 1353

(iii) In a facility conducted for the purpose of carrying 1354  
out a program of rehabilitation for individuals whose earning 1355  
capacity is impaired by age or physical or mental deficiency or 1356  
injury, or providing remunerative work for individuals who 1357  
because of their impaired physical or mental capacity cannot be 1358  
readily absorbed in the competitive labor market, by an 1359  
individual receiving such rehabilitation or remunerative work. 1360

(i) Service performed after June 30, 1939, with respect to 1361  
which unemployment compensation is payable under the "Railroad 1362  
Unemployment Insurance Act," 52 Stat. 1094 (1938), 45 U.S.C. 1363  
351; 1364

(j) Service performed by an individual in the employ of 1365  
any organization exempt from income tax under section 501 of the 1366  
"Internal Revenue Code of 1954," if the remuneration for such 1367

service does not exceed fifty dollars in any calendar quarter, 1368  
or if such service is in connection with the collection of dues 1369  
or premiums for a fraternal beneficial society, order, or 1370  
association and is performed away from the home office or is 1371  
ritualistic service in connection with any such society, order, 1372  
or association; 1373

(k) Casual labor not in the course of an employer's trade 1374  
or business; incidental service performed by an officer, 1375  
appraiser, or member of a finance committee of a bank, building 1376  
and loan association, savings and loan association, or savings 1377  
association when the remuneration for such incidental service 1378  
exclusive of the amount paid or allotted for directors' fees 1379  
does not exceed sixty dollars per calendar quarter is casual 1380  
labor; 1381

(l) Service performed in the employ of a voluntary 1382  
employees' beneficial association providing for the payment of 1383  
life, sickness, accident, or other benefits to the members of 1384  
such association or their dependents or their designated 1385  
beneficiaries, if admission to a membership in such association 1386  
is limited to individuals who are officers or employees of a 1387  
municipal or public corporation, of a political subdivision of 1388  
the state, or of the United States and no part of the net 1389  
earnings of such association inures, other than through such 1390  
payments, to the benefit of any private shareholder or 1391  
individual; 1392

(m) Service performed by an individual in the employ of a 1393  
foreign government, including service as a consular or other 1394  
officer or employee or of a nondiplomatic representative; 1395

(n) Service performed in the employ of an instrumentality 1396  
wholly owned by a foreign government if the service is of a 1397



character similar to that performed in foreign countries by 1398  
employees of the United States or of an instrumentality thereof 1399  
and if the director finds that the secretary of state of the 1400  
United States has certified to the secretary of the treasury of 1401  
the United States that the foreign government, with respect to 1402  
whose instrumentality exemption is claimed, grants an equivalent 1403  
exemption with respect to similar service performed in the 1404  
foreign country by employees of the United States and of 1405  
instrumentalities thereof; 1406

(o) Service with respect to which unemployment 1407  
compensation is payable under an unemployment compensation 1408  
system established by an act of congress; 1409

(p) Service performed as a student nurse in the employ of 1410  
a hospital or a nurses' training school by an individual who is 1411  
enrolled and is regularly attending classes in a nurses' 1412  
training school chartered or approved pursuant to state law, and 1413  
service performed as an intern in the employ of a hospital by an 1414  
individual who has completed a four years' course in a medical 1415  
school chartered or approved pursuant to state law; 1416

(q) Service performed by an individual under the age of 1417  
eighteen in the delivery or distribution of newspapers or 1418  
shopping news, not including delivery or distribution to any 1419  
point for subsequent delivery or distribution; 1420

(r) Service performed in the employ of the United States 1421  
or an instrumentality of the United States immune under the 1422  
Constitution of the United States from the contributions imposed 1423  
by this chapter, except that to the extent that congress permits 1424  
states to require any instrumentalities of the United States to 1425  
make payments into an unemployment fund under a state 1426  
unemployment compensation act, this chapter shall be applicable 1427

to such instrumentalities and to services performed for such 1428  
instrumentalities in the same manner, to the same extent, and on 1429  
the same terms as to all other employers, individuals, and 1430  
services, provided that if this state is not certified for any 1431  
year by the proper agency of the United States under section 1432  
3304 of the "Internal Revenue Code of 1954," the payments 1433  
required of such instrumentalities with respect to such year 1434  
shall be refunded by the director from the fund in the same 1435  
manner and within the same period as is provided in division (E) 1436  
of section 4141.09 of the Revised Code with respect to 1437  
contributions erroneously collected; 1438

(s) Service performed by an individual as a member of a 1439  
band or orchestra, provided such service does not represent the 1440  
principal occupation of such individual, and which service is 1441  
not subject to or required to be covered for full tax credit 1442  
against the tax imposed by the "Federal Unemployment Tax Act," 1443  
53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. 1444

(t) Service performed in the employ of a day camp whose 1445  
camping season does not exceed twelve weeks in any calendar 1446  
year, and which service is not subject to the "Federal 1447  
Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 1448  
3311. Service performed after December 31, 1971: 1449

(i) In the employ of a hospital, if the service is 1450  
performed by a patient of the hospital, as defined in division 1451  
(W) of this section; 1452

(ii) For a prison or other correctional institution by an 1453  
inmate of the prison or correctional institution; 1454

(iii) Service performed after December 31, 1977, by an 1455  
inmate of a custodial institution operated by the state, a 1456

political subdivision, or a nonprofit organization. 1457

(u) Service that is performed by a nonresident alien 1458  
individual for the period the individual temporarily is present 1459  
in the United States as a nonimmigrant under division (F), (J), 1460  
(M), or (Q) of section 101(a)(15) of the "Immigration and 1461  
Nationality Act," 66 Stat. 163, 8 U.S.C.A. 1101, as amended, 1462  
that is excluded under section 3306(c)(19) of the "Federal 1463  
Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 1464  
3311. 1465

(v) Notwithstanding any other provisions of division (B) 1466  
(3) of this section, services that are excluded under divisions 1467  
(B)(3)(g), (j), (k), and (l) of this section shall not be 1468  
excluded from employment when performed for a nonprofit 1469  
organization, as defined in division (X) of this section, or for 1470  
this state or its instrumentalities, or for a political 1471  
subdivision or its instrumentalities or for Indian tribes; 1472

(w) Service that is performed by an individual working as 1473  
an election official or election worker if the amount of 1474  
remuneration received by the individual during the calendar year 1475  
for services as an election official or election worker is less 1476  
than one thousand dollars; 1477

(x) Service performed for an elementary or secondary 1478  
school that is operated primarily for religious purposes, that 1479  
is described in subsection 501(c)(3) and exempt from federal 1480  
income taxation under subsection 501(a) of the Internal Revenue 1481  
Code, 26 U.S.C.A. 501; 1482

(y) Service performed by a person committed to a penal 1483  
institution. 1484

(z) Service performed for an Indian tribe as described in 1485

division (B) (2) (1) of this section when performed in any of the	1486
following manners:	1487
(i) As a publicly elected official;	1488
(ii) As a member of an Indian tribal council;	1489
(iii) As a member of a legislative or judiciary body;	1490
(iv) In a position which, pursuant to Indian tribal law,	1491
is designated as a major nontenured policymaking or advisory	1492
position, or a policymaking or advisory position where the	1493
performance of the duties ordinarily does not require more than	1494
eight hours of time per week;	1495
(v) As an employee serving on a temporary basis in the	1496
case of a fire, storm, snow, earthquake, flood, or similar	1497
emergency.	1498
(aa) Service performed after December 31, 1971, for a	1499
nonprofit organization, this state or its instrumentalities, a	1500
political subdivision or its instrumentalities, or an Indian	1501
tribe as part of an unemployment work-relief or work-training	1502
program assisted or financed in whole or in part by any federal	1503
agency or an agency of a state or political subdivision,	1504
thereof, by an individual receiving the work-relief or work-	1505
training.	1506
(bb) Participation in a learn to earn program as defined	1507
in section 4141.293 of the Revised Code.	1508
(4) If the services performed during one half or more of	1509
any pay period by an employee for the person employing that	1510
employee constitute employment, all the services of such	1511
employee for such period shall be deemed to be employment; but	1512
if the services performed during more than one half of any such	1513

pay period by an employee for the person employing that employee 1514  
do not constitute employment, then none of the services of such 1515  
employee for such period shall be deemed to be employment. As 1516  
used in division (B) (4) of this section, "pay period" means a 1517  
period, of not more than thirty-one consecutive days, for which 1518  
payment of remuneration is ordinarily made to the employee by 1519  
the person employing that employee. Division (B) (4) of this 1520  
section does not apply to services performed in a pay period by 1521  
an employee for the person employing that employee, if any of 1522  
such service is excepted by division (B) (3) (o) of this section. 1523

(C) "Benefits" means money payments payable to an 1524  
individual who has established benefit rights, as provided in 1525  
this chapter, for loss of remuneration due to the individual's 1526  
unemployment. 1527

(D) "Benefit rights" means the weekly benefit amount and 1528  
the maximum benefit amount that may become payable to an 1529  
individual within the individual's benefit year as determined by 1530  
the director. 1531

(E) "Claim for benefits" means a claim for waiting period 1532  
or benefits for a designated week. 1533

(F) "Additional claim" means the first claim for benefits 1534  
filed following any separation from employment during a benefit 1535  
year; "continued claim" means any claim other than the first 1536  
claim for benefits and other than an additional claim. 1537

(G) ~~(1)~~ "Wages" means remuneration paid to an employee by 1538  
each of the employee's employers with respect to employment; 1539  
except that wages shall not include that part of remuneration 1540  
paid during any calendar year to an individual by an employer or 1541  
such employer's predecessor in interest in the same business or 1542

enterprise, which in any calendar year is in excess of ~~eight-~~ 1543  
~~thousand two hundred fifty dollars on and after January 1, 1992;~~ 1544  
~~eight thousand five hundred dollars on and after January 1,~~ 1545  
~~1993; eight thousand seven hundred fifty dollars on and after-~~ 1546  
~~January 1, 1994; and nine thousand dollars on and after January~~ 1547  
~~1, 1995; nine thousand five hundred dollars on and after January~~ 1548  
~~1, 2018; and nine thousand dollars on and after January 1, 2020.~~ 1549  
Remuneration in excess of such amounts shall be deemed wages 1550  
subject to contribution to the same extent that such 1551  
remuneration is defined as wages under the "Federal Unemployment 1552  
Tax Act," 84 Stat. 714 (1970), 26 U.S.C.A. 3301 to 3311, as 1553  
amended. The remuneration paid an employee by an employer with 1554  
respect to employment in another state, upon which contributions 1555  
were required and paid by such employer under the unemployment 1556  
compensation act of such other state, shall be included as a 1557  
part of remuneration in computing the amount specified in this 1558  
division. 1559

~~(2) Notwithstanding division (G) (1) of this section, if,~~ 1560  
~~as of the computation date for any calendar year, the director~~ 1561  
~~determines that the level of the unemployment compensation fund~~ 1562  
~~is sixty per cent or more below the minimum safe level as~~ 1563  
~~defined in section 4141.25 of the Revised Code, then, effective~~ 1564  
~~the first day of January of the following calendar year, wages~~ 1565  
~~subject to this chapter shall not include that part of~~ 1566  
~~remuneration paid during any calendar year to an individual by~~ 1567  
~~an employer or such employer's predecessor in interest in the~~ 1568  
~~same business or enterprise which is in excess of nine thousand~~ 1569  
~~dollars. The increase in the dollar amount of wages subject to~~ 1570  
~~this chapter under this division shall remain in effect from the~~ 1571  
~~date of the director's determination pursuant to division (G) (2)~~ 1572  
~~of this section and thereafter notwithstanding the fact that the~~ 1573

~~level in the fund may subsequently become less than sixty per-~~ 1574  
~~cent below the minimum safe level.~~ 1575

(H) (1) "Remuneration" means all compensation for personal 1576  
services, including commissions and bonuses and the cash value 1577  
of all compensation in any medium other than cash, except that 1578  
in the case of agricultural or domestic service, "remuneration" 1579  
includes only cash remuneration. Gratuities customarily received 1580  
by an individual in the course of the individual's employment 1581  
from persons other than the individual's employer and which are 1582  
accounted for by such individual to the individual's employer 1583  
are taxable wages. 1584

The reasonable cash value of compensation paid in any 1585  
medium other than cash shall be estimated and determined in 1586  
accordance with rules prescribed by the director, provided that 1587  
"remuneration" does not include: 1588

(a) Payments as provided in divisions (b) (2) to (b) (20) of 1589  
section 3306 of the "Federal Unemployment Tax Act," 84 Stat. 1590  
713, 26 U.S.C.A. 3301 to 3311, as amended; 1591

(b) The payment by an employer, without deduction from the 1592  
remuneration of the individual in the employer's employ, of the 1593  
tax imposed upon an individual in the employer's employ under 1594  
section 3101 of the "Internal Revenue Code of 1954," with 1595  
respect to services performed after October 1, 1941. 1596

(2) "Cash remuneration" means all remuneration paid in 1597  
cash, including commissions and bonuses, but not including the 1598  
cash value of all compensation in any medium other than cash. 1599

(I) "Interested party" means the director and any party to 1600  
whom notice of a determination of an application for benefit 1601  
rights or a claim for benefits is required to be given under 1602

section 4141.28 of the Revised Code. 1603

(J) "Annual payroll" means the total amount of wages 1604  
subject to contributions during a twelve-month period ending 1605  
with the last day of the second calendar quarter of any calendar 1606  
year. 1607

(K) "Average annual payroll" means the average of the last 1608  
three annual payrolls of an employer, provided that if, as of 1609  
any computation date, the employer has had less than three 1610  
annual payrolls in such three-year period, such average shall be 1611  
based on the annual payrolls which the employer has had as of 1612  
such date. 1613

(L) (1) "Contributions" means the money payments to the 1614  
state unemployment compensation fund required of employers by 1615  
section 4141.25 of the Revised Code and of the state and any of 1616  
its political subdivisions electing to pay contributions under 1617  
section 4141.242 of the Revised Code. Employers paying 1618  
contributions shall be described as "contributory employers." 1619

(2) "Payments in lieu of contributions" means the money 1620  
payments to the state unemployment compensation fund required of 1621  
reimbursing employers under sections 4141.241 and 4141.242 of 1622  
the Revised Code. 1623

(M) An individual is "totally unemployed" in any week 1624  
during which the individual performs no services and with 1625  
respect to such week no remuneration is payable to the 1626  
individual. 1627

(N) An individual is "partially unemployed" in any week 1628  
if, due to involuntary loss of work, the total remuneration 1629  
payable to the individual for such week is less than the 1630  
individual's weekly benefit amount. 1631



(O) "Week" means the calendar week ending at midnight 1632  
Saturday unless an equivalent week of seven consecutive calendar 1633  
days is prescribed by the director. 1634

(1) "Qualifying week" means any calendar week in an 1635  
individual's base period with respect to which the individual 1636  
earns or is paid remuneration in employment subject to this 1637  
chapter. A calendar week with respect to which an individual 1638  
earns remuneration but for which payment was not made within the 1639  
base period, when necessary to qualify for benefit rights, may 1640  
be considered to be a qualifying week. The number of qualifying 1641  
weeks which may be established in a calendar quarter shall not 1642  
exceed the number of calendar weeks in the quarter. 1643

(2) "Average weekly wage" means the amount obtained by 1644  
dividing an individual's total remuneration for all qualifying 1645  
weeks during the base period by the number of such qualifying 1646  
weeks, provided that if the computation results in an amount 1647  
that is not a multiple of one dollar, such amount shall be 1648  
rounded to the next lower multiple of one dollar. 1649

(P) "Weekly benefit amount" means the amount of benefits 1650  
an individual would be entitled to receive for one week of total 1651  
unemployment. 1652

(Q) (1) "Base period" means the first four of the last five 1653  
completed calendar quarters immediately preceding the first day 1654  
of an individual's benefit year, except as provided in division 1655  
(Q) (2) of this section. 1656

(2) If an individual does not have sufficient qualifying 1657  
weeks and wages in the base period to qualify for benefit 1658  
rights, the individual's base period shall be the four most 1659  
recently completed calendar quarters preceding the first day of 1660

the individual's benefit year. Such base period shall be known 1661  
as the "alternate base period." If information as to weeks and 1662  
wages for the most recent quarter of the alternate base period 1663  
is not available to the director from the regular quarterly 1664  
reports of wage information, which are systematically 1665  
accessible, the director may, consistent with the provisions of 1666  
section 4141.28 of the Revised Code, base the determination of 1667  
eligibility for benefits on the affidavit of the claimant with 1668  
respect to weeks and wages for that calendar quarter. The 1669  
claimant shall furnish payroll documentation, where available, 1670  
in support of the affidavit. The determination based upon the 1671  
alternate base period as it relates to the claimant's benefit 1672  
rights, shall be amended when the quarterly report of wage 1673  
information from the employer is timely received and that 1674  
information causes a change in the determination. As provided in 1675  
division (B) of section 4141.28 of the Revised Code, any 1676  
benefits paid and charged to an employer's account, based upon a 1677  
claimant's affidavit, shall be adjusted effective as of the 1678  
beginning of the claimant's benefit year. No calendar quarter in 1679  
a base period or alternate base period shall be used to 1680  
establish a subsequent benefit year. 1681

(3) The "base period" of a combined wage claim, as 1682  
described in division (H) of section 4141.43 of the Revised 1683  
Code, shall be the base period prescribed by the law of the 1684  
state in which the claim is allowed. 1685

(4) For purposes of determining the weeks that comprise a 1686  
completed calendar quarter under this division, only those weeks 1687  
ending at midnight Saturday within the calendar quarter shall be 1688  
utilized. 1689

(R) (1) "Benefit year" with respect to an individual means 1690

the fifty-two week period beginning with the first day of that 1691  
week with respect to which the individual first files a valid 1692  
application for determination of benefit rights, and thereafter 1693  
the fifty-two week period beginning with the first day of that 1694  
week with respect to which the individual next files a valid 1695  
application for determination of benefit rights after the 1696  
termination of the individual's last preceding benefit year, 1697  
except that the application shall not be considered valid unless 1698  
the individual has had employment in six weeks that is subject 1699  
to this chapter or the unemployment compensation act of another 1700  
state, or the United States, and has, since the beginning of the 1701  
individual's previous benefit year, in the employment earned 1702  
three times the average weekly wage determined for the previous 1703  
benefit year. The "benefit year" of a combined wage claim, as 1704  
described in division (H) of section 4141.43 of the Revised 1705  
Code, shall be the benefit year prescribed by the law of the 1706  
state in which the claim is allowed. Any application for 1707  
determination of benefit rights made in accordance with section 1708  
4141.28 of the Revised Code is valid if the individual filing 1709  
such application is unemployed, has been employed by an employer 1710  
or employers subject to this chapter in at least twenty 1711  
qualifying weeks within the individual's base period, and has 1712  
earned or been paid remuneration at an average weekly wage of 1713  
not less than twenty-seven and one-half per cent of the 1714  
statewide average weekly wage for such weeks. For purposes of 1715  
determining whether an individual has had sufficient employment 1716  
since the beginning of the individual's previous benefit year to 1717  
file a valid application, "employment" means the performance of 1718  
services for which remuneration is payable. 1719

(2) Effective for benefit years beginning on and after 1720  
December 26, 2004, any application for determination of benefit 1721

rights made in accordance with section 4141.28 of the Revised 1722  
Code is valid if the individual satisfies the criteria described 1723  
in division (R) (1) of this section, and if the reason for the 1724  
individual's separation from employment is not disqualifying 1725  
pursuant to division (D) (2) of section 4141.29 or section 1726  
4141.291 of the Revised Code. A disqualification imposed 1727  
pursuant to division (D) (2) of section 4141.29 or section 1728  
4141.291 of the Revised Code must be removed as provided in 1729  
those sections as a requirement of establishing a valid 1730  
application for benefit years beginning on and after December 1731  
26, 2004. 1732

(3) The statewide average weekly wage shall be calculated 1733  
by the director once a year based on the twelve-month period 1734  
ending the thirtieth day of June, as set forth in division (B) 1735  
(3) of section 4141.30 of the Revised Code, rounded down to the 1736  
nearest dollar. Increases or decreases in the amount of 1737  
remuneration required to have been earned or paid in order for 1738  
individuals to have filed valid applications shall become 1739  
effective on Sunday of the calendar week in which the first day 1740  
of January occurs that follows the twelve-month period ending 1741  
the thirtieth day of June upon which the calculation of the 1742  
statewide average weekly wage was based. 1743

(4) As used in this division, an individual is 1744  
"unemployed" if, with respect to the calendar week in which such 1745  
application is filed, the individual is "partially unemployed" 1746  
or "totally unemployed" as defined in this section or if, prior 1747  
to filing the application, the individual was separated from the 1748  
individual's most recent work for any reason which terminated 1749  
the individual's employee-employer relationship, or was laid off 1750  
indefinitely or for a definite period of seven or more days. 1751

(S) "Calendar quarter" means the period of three 1752  
consecutive calendar months ending on the thirty-first day of 1753  
March, the thirtieth day of June, the thirtieth day of 1754  
September, and the thirty-first day of December, or the 1755  
equivalent thereof as the director prescribes by rule. 1756

(T) "Computation date" means the first day of the third 1757  
calendar quarter of any calendar year. 1758

(U) "Contribution period" means the calendar year 1759  
beginning on the first day of January of any year. 1760

(V) "Agricultural labor," for the purpose of this 1761  
division, means any service performed prior to January 1, 1972, 1762  
which was agricultural labor as defined in this division prior 1763  
to that date, and service performed after December 31, 1971: 1764

(1) On a farm, in the employ of any person, in connection 1765  
with cultivating the soil, or in connection with raising or 1766  
harvesting any agricultural or horticultural commodity, 1767  
including the raising, shearing, feeding, caring for, training, 1768  
and management of livestock, bees, poultry, and fur-bearing 1769  
animals and wildlife; 1770

(2) In the employ of the owner or tenant or other operator 1771  
of a farm in connection with the operation, management, 1772  
conservation, improvement, or maintenance of such farm and its 1773  
tools and equipment, or in salvaging timber or clearing land of 1774  
brush and other debris left by hurricane, if the major part of 1775  
such service is performed on a farm; 1776

(3) In connection with the production or harvesting of any 1777  
commodity defined as an agricultural commodity in section 15 (g) 1778  
of the "Agricultural Marketing Act," 46 Stat. 1550 (1931), 12 1779  
U.S.C. 1141j, as amended, or in connection with the ginning of 1780

cotton, or in connection with the operation or maintenance of 1781  
ditches, canals, reservoirs, or waterways, not owned or operated 1782  
for profit, used exclusively for supplying and storing water for 1783  
farming purposes; 1784

(4) In the employ of the operator of a farm in handling, 1785  
planting, drying, packing, packaging, processing, freezing, 1786  
grading, storing, or delivering to storage or to market or to a 1787  
carrier for transportation to market, in its unmanufactured 1788  
state, any agricultural or horticultural commodity, but only if 1789  
the operator produced more than one half of the commodity with 1790  
respect to which such service is performed; 1791

(5) In the employ of a group of operators of farms, or a 1792  
cooperative organization of which the operators are members, in 1793  
the performance of service described in division (V) (4) of this 1794  
section, but only if the operators produced more than one-half 1795  
of the commodity with respect to which the service is performed; 1796

(6) Divisions (V) (4) and (5) of this section shall not be 1797  
deemed to be applicable with respect to service performed: 1798

(a) In connection with commercial canning or commercial 1799  
freezing or in connection with any agricultural or horticultural 1800  
commodity after its delivery to a terminal market for 1801  
distribution for consumption; or 1802

(b) On a farm operated for profit if the service is not in 1803  
the course of the employer's trade or business. 1804

As used in division (V) of this section, "farm" includes 1805  
stock, dairy, poultry, fruit, fur-bearing animal, and truck 1806  
farms, plantations, ranches, nurseries, ranges, greenhouses, or 1807  
other similar structures used primarily for the raising of 1808  
agricultural or horticultural commodities and orchards. 1809

(W) "Hospital" means an institution which has been 1810  
registered or licensed by the Ohio department of health as a 1811  
hospital. 1812

(X) "Nonprofit organization" means an organization, or 1813  
group of organizations, described in section 501(c)(3) of the 1814  
"Internal Revenue Code of 1954," and exempt from income tax 1815  
under section 501(a) of that code. 1816

(Y) "Institution of higher education" means a public or 1817  
nonprofit educational institution, including an educational 1818  
institution operated by an Indian tribe, which: 1819

(1) Admits as regular students only individuals having a 1820  
certificate of graduation from a high school, or the recognized 1821  
equivalent; 1822

(2) Is legally authorized in this state or by the Indian 1823  
tribe to provide a program of education beyond high school; and 1824

(3) Provides an educational program for which it awards a 1825  
bachelor's or higher degree, or provides a program which is 1826  
acceptable for full credit toward such a degree, a program of 1827  
post-graduate or post-doctoral studies, or a program of training 1828  
to prepare students for gainful employment in a recognized 1829  
occupation. 1830

For the purposes of this division, all colleges and 1831  
universities in this state are institutions of higher education. 1832

(Z) For the purposes of this chapter, "states" includes 1833  
the District of Columbia, the Commonwealth of Puerto Rico, and 1834  
the Virgin Islands. 1835

(AA) "Alien" means, for the purposes of division (A)(1)(d) 1836  
of this section, an individual who is an alien admitted to the 1837

United States to perform service in agricultural labor pursuant 1838  
to sections 214 (c) and 101 (a) (15) (H) of the "Immigration and 1839  
Nationality Act," 66 Stat. 163, 8 U.S.C.A. 1101. 1840

(BB) (1) "Crew leader" means an individual who furnishes 1841  
individuals to perform agricultural labor for any other employer 1842  
or farm operator, and: 1843

(a) Pays, either on the individual's own behalf or on 1844  
behalf of the other employer or farm operator, the individuals 1845  
so furnished by the individual for the service in agricultural 1846  
labor performed by them; 1847

(b) Has not entered into a written agreement with the 1848  
other employer or farm operator under which the agricultural 1849  
worker is designated as in the employ of the other employer or 1850  
farm operator. 1851

(2) For the purposes of this chapter, any individual who 1852  
is a member of a crew furnished by a crew leader to perform 1853  
service in agricultural labor for any other employer or farm 1854  
operator shall be treated as an employee of the crew leader if: 1855

(a) The crew leader holds a valid certificate of 1856  
registration under the "Farm Labor Contractor Registration Act 1857  
of 1963," 90 Stat. 2668, 7 U.S.C. 2041; or 1858

(b) Substantially all the members of the crew operate or 1859  
maintain tractors, mechanized harvesting or crop-dusting 1860  
equipment, or any other mechanized equipment, which is provided 1861  
by the crew leader; and 1862

(c) If the individual is not in the employment of the 1863  
other employer or farm operator within the meaning of division 1864  
(B) (1) of this section. 1865



(3) For the purposes of this division, any individual who 1866  
is furnished by a crew leader to perform service in agricultural 1867  
labor for any other employer or farm operator and who is not 1868  
treated as in the employment of the crew leader under division 1869  
(BB)(2) of this section shall be treated as the employee of the 1870  
other employer or farm operator and not of the crew leader. The 1871  
other employer or farm operator shall be treated as having paid 1872  
cash remuneration to the individual in an amount equal to the 1873  
amount of cash remuneration paid to the individual by the crew 1874  
leader, either on the crew leader's own behalf or on behalf of 1875  
the other employer or farm operator, for the service in 1876  
agricultural labor performed for the other employer or farm 1877  
operator. 1878

(CC) "Educational institution" means an institution other 1879  
than an institution of higher education as defined in division 1880  
(Y) of this section, including an educational institution 1881  
operated by an Indian tribe, which: 1882

(1) Offers participants, trainees, or students an 1883  
organized course of study or training designed to transfer to 1884  
them knowledge, skills, information, doctrines, attitudes, or 1885  
abilities from, by, or under the guidance of an instructor or 1886  
teacher; and 1887

(2) Is approved, chartered, or issued a permit to operate 1888  
as a school by the state board of education, other government 1889  
agency, or Indian tribe that is authorized within the state to 1890  
approve, charter, or issue a permit for the operation of a 1891  
school. 1892

For the purposes of this division, the courses of study or 1893  
training which the institution offers may be academic, 1894  
technical, trade, or preparation for gainful employment in a 1895

recognized occupation. 1896

(DD) "Cost savings day" means any unpaid day off from work 1897  
in which employees continue to accrue employee benefits which 1898  
have a determinable value including, but not limited to, 1899  
vacation, pension contribution, sick time, and life and health 1900  
insurance. 1901

**Sec. 4141.25.** (A) The director of job and family services 1902  
shall determine as of each computation date the contribution 1903  
rate of each contributing employer subject to this chapter for 1904  
the next succeeding contribution period. The director shall 1905  
determine a standard rate of contribution or an experience rate 1906  
for each contributing employer. Once a rate of contribution has 1907  
been established under this section for a contribution period, 1908  
except as provided in division (D) of section 4141.26 of the 1909  
Revised Code, that rate shall remain effective throughout such 1910  
contribution period. The rate of contribution shall be 1911  
determined in accordance with the following requirements: 1912

(1) An employer whose experience does not meet the terms 1913  
of division (A) (2) of this section shall be assigned a standard 1914  
rate of contribution. Effective for contribution periods 1915  
beginning on and after January 1, 1998, an employer's standard 1916  
rate of contribution shall be a rate of two and seven-tenths per 1917  
cent, except that the rate for employers engaged in the 1918  
construction industry shall be the average contribution rate 1919  
computed for the construction industry or a rate of two and 1920  
seven-tenths per cent, whichever is greater. The standard rate 1921  
set forth in this division shall be applicable to a nonprofit 1922  
organization whose election to make payments in lieu of 1923  
contributions is voluntarily terminated or canceled by the 1924  
director under section 4141.241 of the Revised Code, and 1925

thereafter pays contributions as required by this section. If 1926  
such nonprofit organization had been a contributory employer 1927  
prior to its election to make payments in lieu of contributions, 1928  
then any prior balance in the contributory account shall become 1929  
part of the reactivated account. 1930

As used in division (A) of this section, "the average 1931  
contribution rate computed for the construction industry" means 1932  
the most recent annual average rate attributable to the 1933  
construction industry as prescribed by the director. 1934

(2) A contributing employer subject to this chapter shall 1935  
qualify for an experience rate only if there have been four 1936  
consecutive quarters, ending on the thirtieth day of June 1937  
immediately prior to the computation date, throughout which the 1938  
employer's account was chargeable with benefits. Upon meeting 1939  
the qualifying requirements provided in division (A)(2) of this 1940  
section, the director shall calculate the total credits to each 1941  
employer's account consisting of the contributions other than 1942  
mutualized contributions including all contributions paid prior 1943  
to the computation date for all past periods plus: 1944

(a) The contributions owing on the computation date that 1945  
are paid within thirty days after the computation date, and 1946  
credited to the employer's account; 1947

(b) All voluntary contributions paid by an employer 1948  
pursuant to division (B) of section 4141.24 of the Revised Code. 1949

(3) The director also shall determine the benefits which 1950  
are chargeable to each employer's account and which were paid 1951  
prior to the computation date with respect to weeks of 1952  
unemployment ending prior to the computation date. The director 1953  
then shall determine the positive or negative balance of each 1954

employer's account by calculating the excess of such 1955  
contributions and interest over the benefits chargeable, or the 1956  
excess of such benefits over such contributions and interest. 1957  
Any resulting negative balance then shall be subject to 1958  
adjustment as provided in division (A) (2) of section 4141.24 of 1959  
the Revised Code after which the positive or negative balance 1960  
shall be expressed in terms of a percentage of the employer's 1961  
average annual payroll. If the total standing to the credit of 1962  
an employer's account exceeds the total charges, as provided in 1963  
this division, the employer has a positive balance and if such 1964  
charges exceed such credits the employer has a negative balance. 1965  
Each employer's contribution rate shall then be determined in 1966  
accordance with the following schedule: 1967

Contribution Rate Schedule 1968

If, as of the computation date The employer's 1969  
the contribution rate balance of contribution rate for 1970  
an employer's account as a the next succeeding 1971  
percentage of the employer's contribution period 1972  
average annual payroll is shall be 1973

- (a) A negative balance of: 1974
- |                           |      |      |
|---------------------------|------|------|
| 20.0% or more             | 6.5% | 1975 |
| 19.0% but less than 20.0% | 6.4% | 1976 |
| 17.0% but less than 19.0% | 6.3% | 1977 |
| 15.0% but less than 17.0% | 6.2% | 1978 |
| 13.0% but less than 15.0% | 6.1% | 1979 |
| 11.0% but less than 13.0% | 6.0% | 1980 |
| 9.0% but less than 11.0%  | 5.9% | 1981 |
| 5.0% but less than 9.0%   | 5.7% | 1982 |
| 4.0% but less than 5.0%   | 5.5% | 1983 |
| 3.0% but less than 4.0%   | 5.3% | 1984 |
| 2.0% but less than 3.0%   | 5.1% | 1985 |

	1.0% but less than 2.0%	4.9%	1986
	more than 0.0% but less than 1.0%	4.8%	1987
(b)	A 0.0% or a positive		1988
	balance of less than 1.0%	4.7%	1989
(c)	A positive balance of:		1990
	1.0% or more, but less than 1.5%	4.6%	1991
	1.5% or more, but less than 2.0%	4.5%	1992
	2.0% or more, but less than 2.5%	4.3%	1993
	2.5% or more, but less than 3.0%	4.0%	1994
	3.0% or more, but less than 3.5%	3.8%	1995
	3.5% or more, but less than 4.0%	3.5%	1996
	4.0% or more, but less than 4.5%	3.3%	1997
	4.5% or more, but less than 5.0%	3.0%	1998
	5.0% or more, but less than 5.5%	2.8%	1999
	5.5% or more, but less than 6.0%	2.5%	2000
	6.0% or more, but less than 6.5%	2.2%	2001
	6.5% or more, but less than 7.0%	2.0%	2002
	7.0% or more, but less than 7.5%	1.8%	2003
	7.5% or more, but less than 8.0%	1.6%	2004
	8.0% or more, but less than 8.5%	1.4%	2005
	8.5% or more, but less than 9.0%	1.3%	2006
	9.0% or more, but less than 9.5%	1.1%	2007
	9.5% or more, but less than 10.0%	1.0%	2008
	10.0% or more, but less than 10.5%	.9%	2009
	10.5% or more, but less than 11.0%	.7%	2010
	11.0% or more, but less than 11.5%	.6%	2011
	11.5% or more, but less than 12.0%	.5%	2012
	12.0% or more, but less than 12.5%	.4%	2013
	12.5% or more, but less than 13.0%	.3%	2014
	13.0% or more, but less than 14.0%	.2%	2015
	14.0% or more	.1%	2016

(d) The contribution rates shall be as specified in 2017  
divisions (a), (b), and (c) of the contribution rate schedule 2018  
except that notwithstanding the amendments made to division (a) 2019  
of the contribution rate schedule in this section, if, as of the 2020  
computation date: for 1991, the negative balance is 5.0% or 2021  
more, the contribution rate shall be 5.7%; for 1992, if the 2022  
negative balance is 11.0% or more, the contribution rate shall 2023  
be 6.0%; and for 1993, if the negative balance is 17.0% or more, 2024  
the contribution rate shall be 6.3%. Thereafter, the 2025  
contribution rates shall be as specified in the contribution 2026  
rate schedule. 2027

(B) (1) The director shall establish and maintain a 2028  
separate account to be known as the "mutualized account." As of 2029  
each computation date there shall be charged to this account: 2030

(a) As provided in division (A) (2) of section 4141.24 of 2031  
the Revised Code, an amount equal to the sum of that portion of 2032  
the negative balances of employer accounts which exceeds the 2033  
applicable limitations as such balances are computed under 2034  
division (A) of this section as of such date; 2035

(b) An amount equal to the sum of the negative balances 2036  
remaining in employer accounts which have been closed during the 2037  
year immediately preceding such computation date pursuant to 2038  
division (E) of section 4141.24 of the Revised Code; 2039

(c) An amount equal to the sum of all benefits improperly 2040  
paid preceding such computation date which are not recovered but 2041  
which are not charged to an employer's account, or which after 2042  
being charged, are credited back to an employer's account; 2043

(d) An amount equal to the sum of any other benefits paid 2044  
preceding such computation date which, under this chapter, are 2045

not chargeable to an employer's account; 2046

(e) An amount equal to the sum of any refunds made during 2047  
the year immediately preceding such computation date of 2048  
erroneously collected mutualized contributions required by this 2049  
division which were previously credited to this account; 2050

(f) An amount equal to the sum of any repayments made to 2051  
the federal government during the year immediately preceding 2052  
such computation date of amounts which may have been advanced by 2053  
it to the unemployment compensation fund under section 1201 of 2054  
the "Social Security Act," 49 Stat. 648 (1935), 42 U.S.C. 301; 2055

(g) Any amounts appropriated by the general assembly out 2056  
of funds paid by the federal government, under section 903 of 2057  
the "Social Security Act," to the account of this state in the 2058  
federal unemployment trust fund. 2059

(2) As of every computation date there shall be credited 2060  
to the mutualized account provided for in this division: 2061

(a) The proceeds of the mutualized contributions as 2062  
provided in this division; 2063

(b) Any positive balances remaining in employer accounts 2064  
which are closed as provided in division (E) of section 4141.24 2065  
of the Revised Code; 2066

(c) Any benefits improperly paid which are recovered but 2067  
which cannot be credited to an employer's account; 2068

(d) All amounts which may be paid by the federal 2069  
government under section 903 of the "Social Security Act" to the 2070  
account of this state in the federal unemployment trust fund; 2071

(e) Amounts advanced by the federal government to the 2072  
account of this state in the federal unemployment trust fund 2073

under section 1201 of the "Social Security Act" to the extent 2074  
such advances have been repaid to or recovered by the federal 2075  
government; 2076

(f) Interest credited to the Ohio unemployment trust fund 2077  
as deposited with the secretary of the treasury of the United 2078  
States; 2079

(g) Amounts deposited into the unemployment compensation 2080  
fund for penalties collected pursuant to division (A) (4) of 2081  
section 4141.35 of the Revised Code. 2082

(3) Annually, as of the computation date, the director 2083  
shall determine the total credits and charges made to the 2084  
mutualized account during the preceding twelve months and the 2085  
overall condition of the account. The director shall issue an 2086  
annual statement containing this information and such other 2087  
information as the director deems pertinent, including a report 2088  
that the sum of the balances in the mutualized account, 2089  
employers' accounts, and any subsidiary accounts equal the 2090  
balance in the state's unemployment trust fund maintained under 2091  
section 904 of the "Social Security Act." 2092

(4) As used in this division: 2093

(a) "Fund as of the computation date" means as of any 2094  
computation date, the aggregate amount of the unemployment 2095  
compensation fund, including all contributions owing on the 2096  
computation date that are paid within thirty days thereafter, 2097  
all payments in lieu of contributions that are paid within sixty 2098  
days after the computation date, all reimbursements of the 2099  
federal share of extended benefits described in section 4141.301 2100  
of the Revised Code that are owing on the computation date, and 2101  
all interest earned by the fund and received on or before the 2102



computation date from the federal government. 2103

(b) "Minimum safe level" means an amount equal to two 2104  
standard deviations above the average of the adjusted annual 2105  
average unemployment compensation benefit payment from 1970 to 2106  
the most recent calendar year prior to the computation date, as 2107  
determined by the director pursuant to division (B)(4)(b) of 2108  
this section. To determine the adjusted annual payment of 2109  
unemployment compensation benefits, the director first shall 2110  
multiply the number of weeks compensated during each calendar 2111  
year beginning with 1970 by the most recent annual average 2112  
weekly unemployment compensation benefit payment and then 2113  
compute the average and standard deviation of the resultant 2114  
products. 2115

(c) "Annual average weekly unemployment compensation 2116  
benefit payment" means the amount resulting from dividing the 2117  
unemployment compensation benefits paid from the benefit account 2118  
maintained within the unemployment compensation fund pursuant to 2119  
section 4141.09 of the Revised Code, by the number of weeks 2120  
compensated during the same time period. 2121

(5) If, as of any computation date, the charges to the 2122  
mutualized account during the entire period subsequent to the 2123  
computation date, July 1, 1966, made in accordance with division 2124  
(B)(1) of this section, exceed the credits to such account 2125  
including mutualized contributions during such period, made in 2126  
accordance with division (B)(2) of this section, the amount of 2127  
such excess charges shall be recovered during the next 2128  
contribution period. To recover such amount, the director shall 2129  
compute the percentage ratio of such excess charges to the 2130  
average annual payroll of all employers eligible for an 2131  
experience rate under division (A) of this section. The 2132

percentage so determined shall be computed to the nearest tenth 2133  
of one per cent and shall be an additional contribution rate to 2134  
be applied to the wages paid by each employer whose rate is 2135  
computed under the provisions of division (A) of this section in 2136  
the contribution period next following such computation date, 2137  
but such percentage shall not exceed five-tenths of one per 2138  
cent; however, when there are any excess charges in the 2139  
mutualized account, as computed in this division, then the 2140  
mutualized contribution rate shall not be less than one-tenth of 2141  
one per cent. 2142

(6) If the fund as of the computation date is above or 2143  
below minimum safe level, the contribution rates provided for in 2144  
each classification in division (A) (3) of this section for the 2145  
next contribution period shall be adjusted as follows: 2146

(a) If the fund is thirty per cent or more above minimum 2147  
safe level, the contribution rates provided in division (A) (3) 2148  
of this section shall be decreased two-tenths of one per cent. 2149

(b) If the fund is more than fifteen per cent but less 2150  
than thirty per cent above minimum safe level, the contribution 2151  
rates provided in division (A) (3) of this section shall be 2152  
decreased one-tenth of one per cent. 2153

(c) If the fund is more than fifteen per cent but less 2154  
than thirty per cent below minimum safe level, the contribution 2155  
rates of all employers shall be increased twenty-five one- 2156  
thousandths of one per cent plus a per cent increase calculated 2157  
and rounded pursuant to division (B) (6) (g) of this section. 2158

(d) If the fund is more than thirty per cent but less than 2159  
forty-five per cent below minimum safe level, the contribution 2160  
rates of all employers shall be increased seventy-five one- 2161

thousandths of one per cent plus a per cent increase calculated 2162  
and rounded pursuant to division (B) (6) (g) of this section. 2163

(e) If the fund is more than forty-five per cent but less 2164  
than sixty per cent below minimum safe level, the contribution 2165  
rates of all employers shall be increased one-eighth of one per 2166  
cent plus a per cent increase calculated and rounded pursuant to 2167  
division (B) (6) (g) of this section. 2168

(f) If the fund is sixty per cent or more below minimum 2169  
safe level, the contribution rates of all employers shall be 2170  
increased two-tenths of one per cent plus a per cent increase 2171  
calculated and rounded pursuant to division (B) (6) (g) of this 2172  
section. 2173

(g) The additional per cent increase in contribution rates 2174  
required by divisions (B) (6) (c), (d), (e), and (f) of this 2175  
section that is payable by each individual employer shall be 2176  
calculated in the following manner. The flat rate increase 2177  
required by a particular division shall be ~~increased by the~~ 2178  
~~amount required under division (B) (7) of this section, if~~ 2179  
~~applicable, and that sum shall be multiplied by three and the~~ 2180  
product divided by the average experienced-rated contribution 2181  
rate for all employers as determined by the director for the 2182  
most recent calendar year. The resulting quotient shall be 2183  
multiplied by an individual employer's contribution rate 2184  
determined pursuant to division (A) (3) of this section. The 2185  
resulting product shall be rounded to the nearest tenth of one 2186  
per cent, added to the flat rate increase required by division 2187  
(B) (6) (c), (d), (e), or (f) of this section, as appropriate, and 2188  
the total shall be rounded to the nearest tenth of one per cent. 2189  
As used in division (B) (6) (g) of this section, the "average 2190  
experienced-rated contribution rate" means the most recent 2191

annual average contribution rate reported by the director 2192  
contained in report RS 203.2 less the mutualized and minimum 2193  
safe level contribution rates included in such rate. 2194

(h) If any of the increased contribution rates of division 2195  
(B) (6) (c), (d), (e), or (f) of this section are imposed, the 2196  
rate shall remain in effect for the calendar year in which it is 2197  
imposed and for each calendar year thereafter until the director 2198  
determines as of the computation date for calendar year 1991 and 2199  
as of the computation date for any calendar year thereafter 2200  
pursuant to this section, that the level of the unemployment 2201  
compensation fund equals or exceeds the minimum safe level as 2202  
defined in division (B) (4) (b) of this section. Nothing in 2203  
division (B) (6) (h) of this section shall be construed as 2204  
restricting the imposition of the increased contribution rates 2205  
provided in divisions (B) (6) (c), (d), (e), and (f) of this 2206  
section if the fund falls below the percentage of the minimum 2207  
safe level as specified in those divisions. 2208

~~(7) (a) If, as of the computation date, an outstanding 2209  
balance for advances made to the state under section 1201 of the 2210  
"Social Security Act," 42 U.S.C. 1321, exists, the contribution 2211  
rates of all contributory employers subject to an experience 2212  
rate under division (A) (2) of this section shall be increased, 2213  
as determined by the director, in an amount up to five tenths of 2214  
one per cent for the purpose of eliminating the principal on any 2215  
outstanding balance of the advances. 2216~~

~~(b) If the increase in contribution rates under division 2217  
(B) (7) (a) of this section is imposed, the increase shall remain 2218  
in effect for each calendar year thereafter until the earlier of 2219  
the following: 2220~~

~~(i) The principal on any outstanding balance of the 2221~~

~~advances has been eliminated.~~ 2222

~~(ii) The director determines that the total credits allowable against the tax imposed by section 3301 of the "Federal Unemployment Tax Act," 26 U.S.C. 3301, for employers of the state will be reduced pursuant to section 3302(c)(2) of the "Federal Unemployment Tax Act," 26 U.S.C. 3302(c)(2) for that calendar year.~~ 2223  
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~~(8)~~ The additional contributions required by division (B) (5) of this section shall be credited to the mutualized account. The additional contributions required by ~~divisions~~ division (B) (6) ~~and (7)~~ of this section shall be credited fifty per cent to individual employer accounts and fifty per cent to the mutualized account. 2229  
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(C) If an employer makes a payment of contributions which is less than the full amount required by this section and sections 4141.23, 4141.24, 4141.241, 4141.242, 4141.25, 4141.26, and 4141.27 of the Revised Code, such partial payment shall be applied first against the mutualized contributions required under this chapter. Any remaining partial payment shall be credited to the employer's individual account. 2235  
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(D) Whenever there are any increases in contributions resulting from an increase in wages subject to contributions as defined in division (G) of section 4141.01 of the Revised Code, or from an increase in the mutualized rate of contributions provided in division (B) of this section, or from a revision of the contribution rate schedule provided in division (A) of this section, except for that portion of the increase attributable to a change in the positive or negative balance in an employer's account, which increases become effective after a contract for the construction of real property, as defined in section 5701.02 2242  
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of the Revised Code, has been entered into, the contractee upon 2252  
written notice by a prime contractor shall reimburse the 2253  
contractor for all increased contributions paid by the prime 2254  
contractor or by subcontractors upon wages for services 2255  
performed under the contract. Upon reimbursement by the 2256  
contractee to the prime contractor, the prime contractor shall 2257  
reimburse each subcontractor for the increased contributions. 2258

(E) Effective only for the contribution period beginning 2259  
on January 1, 1996, and ending on December 31, 1996, mutualized 2260  
contributions collected or received by the director pursuant to 2261  
division (B) (5) of this section and amounts credited to the 2262  
mutualized account pursuant to division (B) ~~(8)~~ (7) of this 2263  
section shall be deposited into or credited to the unemployment 2264  
compensation benefit reserve fund that is created under division 2265  
(F) of this section, except that amounts collected, received, or 2266  
credited in excess of two hundred million dollars shall be 2267  
deposited into or credited to the unemployment trust fund 2268  
established pursuant to section 4141.09 of the Revised Code. 2269

(F) The state unemployment compensation benefit reserve 2270  
fund is hereby created as a trust fund in the custody of the 2271  
treasurer of state and shall not be part of the state treasury. 2272  
The fund shall consist of all moneys collected or received as 2273  
mutualized contributions pursuant to division (B) (5) of this 2274  
section and amounts credited to the mutualized account pursuant 2275  
to division (B) ~~(8)~~ (7) of this section as provided by division 2276  
(E) of this section. All moneys in the fund shall be used solely 2277  
to pay unemployment compensation benefits in the event that 2278  
funds are no longer available for that purpose from the 2279  
unemployment trust fund established pursuant to section 4141.09 2280  
of the Revised Code. 2281

(G) The balance in the unemployment compensation benefit 2282  
reserve fund remaining at the end of the contribution period 2283  
beginning January 1, 2000, and any mutualized contribution 2284  
amounts for the contribution period beginning on January 1, 2285  
1996, that may be received after December 31, 2000, shall be 2286  
deposited into the unemployment trust fund established pursuant 2287  
to section 4141.09 of the Revised Code. Income earned on moneys 2288  
in the state unemployment compensation benefit reserve fund 2289  
shall be available for use by the director only for the purposes 2290  
described in division (I) of this section, and shall not be used 2291  
for any other purpose. 2292

(H) The unemployment compensation benefit reserve fund 2293  
balance shall be added to the unemployment trust fund balance in 2294  
determining the minimum safe level tax to be imposed pursuant to 2295  
division (B) of this section and shall be included in the 2296  
mutualized account balance for the purpose of determining the 2297  
mutualized contribution rate pursuant to division (B) (5) of this 2298  
section. 2299

(I) All income earned on moneys in the unemployment 2300  
compensation benefit reserve fund from the investment of the 2301  
fund by the treasurer of state shall accrue to the department of 2302  
job and family services automation administration fund, which is 2303  
hereby established in the state treasury. Moneys within the 2304  
automation administration fund shall be used to meet the costs 2305  
related to automation of the department and the administrative 2306  
costs related to collecting and accounting for unemployment 2307  
compensation benefit reserve fund revenue. Any funds remaining 2308  
in the automation administration fund upon completion of the 2309  
department's automation projects that are funded by that fund 2310  
shall be deposited into the unemployment trust fund established 2311  
pursuant to section 4141.09 of the Revised Code. 2312

(J) The director shall prepare and submit monthly reports 2313  
to the unemployment compensation advisory commission with 2314  
respect to the status of efforts to collect and account for 2315  
unemployment compensation benefit reserve fund revenue and the 2316  
costs related to collecting and accounting for that revenue. The 2317  
director shall obtain approval from the unemployment 2318  
compensation advisory commission for expenditure of funds from 2319  
the department of job and family services automation 2320  
administration fund. Funds may be approved for expenditure for 2321  
purposes set forth in division (I) of this section only to the 2322  
extent that federal or other funds are not available. 2323

**Sec. 4141.30.** (A) All benefits shall be paid through 2324  
public employment offices in accordance with such rules as the 2325  
director of job and family services prescribes. 2326

(B) With the exceptions in division (B) (4) of this 2327  
section, benefits are payable to each eligible and qualified 2328  
individual on account of each week of involuntary total 2329  
unemployment after the specified waiting period at the weekly 2330  
benefit amount determined by: 2331

(1) Computing the individual's average weekly wage as 2332  
defined in division (O) (2) of section 4141.01 of the Revised 2333  
Code; 2334

(2) Determining the individual's dependency class under 2335  
division (E) of this section; 2336

(3) Computing the individual's weekly benefit amount to be 2337  
fifty per cent of the individual's average weekly wage except, 2338  
that the individual's weekly benefit amount shall not exceed the 2339  
maximum amount shown for the individual's dependency class in 2340  
the following table: 2341



Maximum Weekly	2342
Dependency Class Benefit Amount	2343
A    \$147	2344
B    223	2345
C    233	2346
Effective Sunday of the calendar week in which January 1,	2347
1988, occurs and on each similar day of each year thereafter,	2348
the current maximum weekly benefit amount for each dependency	2349
class shall be adjusted based on the statewide average weekly	2350
wage. Any percentage increase in such statewide average weekly	2351
wage between the wage computed for the current year and the wage	2352
computed for the preceding year shall be used to increase the	2353
maximum amounts then in effect by the same percentage. Such	2354
increased amounts will be effective with respect to <del>applications</del>	2355
<u>applications</u> for benefit rights filed during the fifty-two	2356
consecutive calendar weeks beginning with such Sunday date.	2357
The director shall calculate the statewide average weekly	2358
wage based on the average weekly earnings of all workers in	2359
employment subject to this chapter during the preceding twelve-	2360
month period ending the thirtieth day of June. The calculation	2361
shall be made in the following manner:	2362
(a) The sum of the total monthly employment reported for	2363
the previous twelve-month period shall be divided by twelve to	2364
determine the average monthly employment;	2365
(b) The sum of the total wages reported for the previous	2366
twelve-month period shall be divided by the average monthly	2367
employment to determine the average annual wage;	2368
(c) The average annual wage shall be divided by fifty-two	2369
to determine the statewide average weekly wage.	2370

In the computation of the weekly benefit amount, any 2371  
resulting amount not a multiple of one dollar shall be rounded 2372  
to the next lower multiple of one dollar. In the computation of 2373  
the adjusted maximum benefit amounts, based on the statewide 2374  
average weekly wage, any resulting amount not a multiple of one 2375  
dollar shall be rounded to the next lower multiple of one 2376  
dollar. 2377

(4) Effective Sunday of the calendar week in which January 2378  
1, occurs for calendar years 1988 through 1993, the maximum 2379  
weekly benefit amount payable for an individual's dependency 2380  
class for those years shall be computed in accordance with this 2381  
division, with an additional increase added to the prior year's 2382  
increase equal to one-sixth of total percentage increase that 2383  
otherwise would have been available in calendar years 1983, 2384  
1984, 1985, 1986, and 1987, if in those years an adjustment in 2385  
the maximum weekly benefit amount would have been made pursuant 2386  
to this division. 2387

(5) Effective Sunday of the calendar week in which January 2388  
1, 1991, occurs, the maximum weekly benefit amounts computed 2389  
under divisions (B) (3) and (4) of this section shall not exceed 2390  
the following amounts: 2391

(a) For dependency class A, fifty per cent of the 2392  
statewide average weekly wage; 2393

(b) For dependency class B, sixty per cent of the 2394  
statewide average weekly wage; 2395

(c) For dependency class C, sixty-six and two-thirds per 2396  
cent of the statewide average weekly wage. 2397

Division (B) (5) of this section applies to all new claims 2398  
filed on and after the Sunday of the calendar week in which 2399

January 1, 1991, occurs, provided that the maximum weekly 2400  
benefit amounts established for the dependency classes prior to 2401  
such date apply to all claims until the maximum weekly benefit 2402  
amounts as determined pursuant to division (B)(5) of this 2403  
section equal or exceed the maximum weekly benefit amounts in 2404  
effect prior to such date. 2405

(6) For the time period beginning on January 1, 2018, and 2406  
ending January 1, 2020, no individual's weekly benefit amount 2407  
shall exceed the maximum weekly benefit amounts in effect on the 2408  
effective date of this section. 2409

(C) Benefits are payable to each partially unemployed 2410  
individual otherwise eligible on account of each week of 2411  
involuntary partial unemployment after the specified waiting 2412  
period in an amount equal to the individual's weekly benefit 2413  
amount less that part of the remuneration payable to the 2414  
individual with respect to such week which is in excess of 2415  
twenty per cent of the individual's weekly benefit amount, and 2416  
the resulting amount rounded to the next lower multiple of one 2417  
dollar. 2418

(D) The total benefits to which an individual is entitled 2419  
in any benefit year, whether for partial or total unemployment, 2420  
or both, shall not exceed the lesser of the following two 2421  
amounts: (1) an amount equal to twenty-six times the 2422  
individual's weekly benefit amount determined in accordance with 2423  
division (B) of this section and this division, or (2) an amount 2424  
computed by taking the sum of twenty times the individual's 2425  
weekly benefit amount for the first twenty base period 2426  
qualifying weeks plus one times the weekly benefit amount for 2427  
each additional qualifying week beyond the first twenty 2428  
qualifying weeks in the individual's base period. 2429

(E) Each eligible and qualified individual shall be 2430  
assigned a dependency class in accordance with the following 2431  
schedule: 2432

Class Description of Dependents 2433

A No dependents, or has 2434  
insufficient wages to qualify 2435  
for more than the maximum 2436  
weekly benefit amount as 2437  
provided under dependency 2438  
class A 2439

B One or two dependents 2440

C Three or more dependents 2441

As used in this division "dependent" means: 2442

(1) Any natural child, stepchild, or adopted child of the 2443  
individual claiming benefits for whom such individual at the 2444  
beginning of the individual's current benefit year is supplying 2445  
and for at least ninety consecutive days, or for the duration of 2446  
the parental relationship if it existed less than ninety days, 2447  
immediately preceding the beginning of such benefit year, has 2448  
supplied more than one-half of the cost of support and if such 2449  
child on the beginning date of such benefit year was under 2450  
eighteen years of age, or if unable to work because of permanent 2451  
physical or mental disability; 2452

(2) The legally married wife or husband of the individual 2453  
claiming benefits for whom more than one-half the cost of 2454  
support has been supplied by such individual for at least ninety 2455  
consecutive days, or for the duration of the marital 2456  
relationship if it has existed for less than ninety days, 2457  
immediately preceding the beginning of such individual's current 2458  
benefit year and such wife or husband was living with such 2459

individual and had an average weekly income, in such period, not 2460  
in excess of twenty-five per cent of the claimant's average 2461  
weekly wage. 2462

(3) If both the husband and wife qualify for benefit 2463  
rights with overlapping benefit years, only one of them may 2464  
qualify for a dependency class other than A. 2465

Sec. 4175.01. As used in this chapter: 2466

(A) "Climbing facility operator" means a person who owns, 2467  
manages, controls, directs, or has operational responsibility 2468  
for a climbing facility. 2469

(B) "Climber" means a person in a climbing facility for 2470  
the purpose of recreational or competitive climbing. "Climber" 2471  
includes any person entering a climbing facility as an invitee, 2472  
whether or not the person pays consideration to enter. 2473

(C) "Climbing facility" means a facility or premises used 2474  
by the public not located in an amusement park, carnival, or on 2475  
public land designed and built for the sport of rock climbing, 2476  
recreational climbing, or competitive climbing, including 2477  
ascending, descending, and traversing over simulated rock 2478  
surfaces that use belay systems in their normal operation. 2479

(D) "Floor supervisor" means an employee of the climbing 2480  
facility who has responsibility for all of the following: 2481

(1) Observing, supervising, or monitoring activity in the 2482  
climbing facility; 2483

(2) Instructing or assisting climbers in the climbing 2484  
facility; 2485

(3) Enforcing the climbing facility's rules. 2486

(E) "Personal protective equipment" means clothing, garments, harnesses, or other items designed to protect a climber from injury while rock climbing. 2487  
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(F) "Spectator" means a person who is present in a climbing facility only for the purpose of observing recreational or competitive climbing. 2490  
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Sec. 4175.02. The general assembly finds that the sport of rock climbing is practiced by a large number of Ohio citizens, provides a wholesome and healthy family activity that should be encouraged, promotes physical fitness, and significantly contributes to the economy of this state. The general assembly further finds that the sport of rock climbing contains both inherent and other risks that can be hazardous to climbers and that those other risks should be managed. Therefore, defining the duties and responsibilities of climbing facility operators and climbers is in the public interest. 2493  
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Sec. 4175.03. Each climbing facility operator shall do all of the following: 2503  
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(A) Maintain a policy of liability insurance in accordance with section 4175.08 of the Revised Code; 2505  
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(B) Comply with all manufacturer instructions and requirements regarding the manufactured climbing wall, including the operation, inspection, repair, modification, or replacement of the wall or a component of the wall; 2507  
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(C) Comply with all manufacturer instructions and requirements for use of climbing facility-owned personal protective equipment, including the operation, inspection, repair, modification, or replacement of the personal protective equipment; 2511  
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(D) Post rules and warnings for climbers and spectators. 2516  
The rules and warnings must be clearly legible and be in a 2517  
conspicuous location in the climbing facility. 2518

(E) Conduct an orientation of the climbing facility for 2519  
all climbers. The orientation shall contain a notice of climber 2520  
responsibility as described in section 4175.05 of the Revised 2521  
Code. 2522

(F) Maintain the walls, flooring, anchors, holds, ropes, 2523  
connectors, and facility-owned personal protective equipment in 2524  
serviceable condition; 2525

(G) Conduct criminal history inquiries of all individuals 2526  
eighteen years of age or older who seek employment for the 2527  
positions of manager, assistant manager, instructor, route 2528  
setter, coach, assistant coach, or similar positions. The 2529  
climbing facility owner shall require each applicant for 2530  
employment in these positions who are eighteen years of age or 2531  
older to provide consent to a criminal records check, in 2532  
accordance with section 109.572 of the Revised Code, as part of 2533  
the applicant's application for employment. The bureau of 2534  
criminal identification and investigation shall comply with a 2535  
criminal records check made pursuant to this section. 2536

(H) Maintain sufficient staffing to control access to the 2537  
facility, supervise the facility during its hours of operation, 2538  
and provide emergency assistance as needed; 2539

(I) Maintain sufficient records for the operation of the 2540  
climbing facility, including: 2541

(1) A record of all purchases of facility-owned personal 2542  
protective equipment; 2543

(2) A record of all inspections, maintenance, or repairs 2544

<u>conducted on the manufactured climbing wall, excluding holds;</u>	2545
<u>(3) A record of all inspections on facility-owned personal protective equipment.</u>	2546
<u>(J) Comply with all applicable state and local building, fire, and zoning requirements;</u>	2548
<u>(K) (1) Conduct inspections of the manufactured climbing wall per the manufacturer's instructions or every four years, whichever is sooner;</u>	2550
<u>(2) The inspection shall be conducted by either of the following:</u>	2553
<u>(a) The manufacturer or the manufacturer's representative;</u>	2554
<u>(b) A licensed professional engineer.</u>	2555
<u>(3) Evidence of such an inspection shall be filed with the department of commerce.</u>	2556
<u>Sec. 4175.04. (A) Climbing facility employees shall have adequate knowledge of the following:</u>	2557
<u>(1) The manufactured climbing wall, including any requirements of the climbing wall manufacturer or the climbing facility owner or operator;</u>	2558
<u>(2) The facility-owned personal protective equipment prior to use, including the equipment manufacturer's instructions;</u>	2559
<u>(3) The location of all safety equipment, such as first aid kits, fire extinguishers, and the nearest telephone for routine or emergency service;</u>	2560
<u>(4) The climbing facility's emergency procedures.</u>	2561
<u>(B) Climbing facility employees shall perform a daily pre-</u>	2562
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<u>use visual inspection of the climbing facility.</u>	2571
<u>(C) The climbing facility floor supervisor shall do all of</u>	2572
<u>the following while on duty:</u>	2573
<u>(1) Be in a position to observe the facility;</u>	2574
<u>(2) Monitor activity in the facility;</u>	2575
<u>(3) Assist climbers in meeting the responsibilities for</u>	2576
<u>climbers established in section 4175.05 of the Revised Code;</u>	2577
<u>(4) Issue warnings, reprimands, or penalties to climbers</u>	2578
<u>for violations of section 4175.05 of the Revised Code.</u>	2579
<u>(D) No person shall act as a floor supervisor unless the</u>	2580
<u>person has received the training appropriate for the duties</u>	2581
<u>established in division (C) of this section.</u>	2582
<u>(E) No climbing facility employee shall work at the</u>	2583
<u>facility while under the influence of alcohol or a controlled</u>	2584
<u>substance.</u>	2585
<b><u>Sec. 4175.05.</u></b> (A) <u>Each climber acknowledges that there are</u>	2586
<u>inherent and other risks associated with participation in the</u>	2587
<u>sport of rock climbing. Each climber accepts the inherent and</u>	2588
<u>other risks of climbing, of which a reasonably prudent person is</u>	2589
<u>aware.</u>	2590
<u>(B) Each climber shall comply with all of the following:</u>	2591
<u>(1) Read all warnings and obey all rules of the climbing</u>	2592
<u>facility;</u>	2593
<u>(2) Obey all written and oral warnings and instructions of</u>	2594
<u>facility staff;</u>	2595
<u>(3) Read and follow the manufacturer's instructions for</u>	2596
<u>use of personal protective equipment;</u>	2597

<u>(4) Prior to each use, inspect any personal protective</u>	2598
<u>equipment used by the climber, and replace the equipment as</u>	2599
<u>needed and according to the manufacturer's instructions;</u>	2600
<u>(5) Refrain from acting in a manner that may cause or</u>	2601
<u>contribute to the injury of the climber or any other person;</u>	2602
<u>(6) Exercise good judgment and act in a responsible manner</u>	2603
<u>while climbing.</u>	2604
<u>(C) No climber shall climb while under the influence of</u>	2605
<u>alcohol or a controlled substance.</u>	2606
<b><u>Sec. 4175.06.</u></b> <u>Climbers have knowledge of and expressly</u>	2607
<u>assume the risks and legal responsibility for any losses that</u>	2608
<u>result from any of the following:</u>	2609
<u>(A) Falls and crashes into the climbing wall, holds,</u>	2610
<u>rocks, or other obstacles;</u>	2611
<u>(B) Risks associated with crossing or climbing up or down;</u>	2612
<u>(C) Equipment failure;</u>	2613
<u>(D) The climber's physical strength, coordination, sense</u>	2614
<u>of balance, and ability to follow or give directions while</u>	2615
<u>climbing, belaying, lifting, or spotting;</u>	2616
<u>(E) Fatigue, chill, or dizziness;</u>	2617
<u>(F) The actions of other individuals, which are not</u>	2618
<u>attributable to a breach of the climbing facility operator's</u>	2619
<u>duties under section 4175.03 or 4175.08 of the Revised Code.</u>	2620
<b><u>Sec. 4175.07.</u></b> <u>The express assumption of risk established</u>	2621
<u>in section 4175.06 of the Revised Code serves as a complete</u>	2622
<u>defense against liability in a tort or other civil action</u>	2623
<u>against a climbing facility operator by a climber for injuries</u>	2624

resulting from the assumed risks of climbing enumerated in that 2625  
section. The contributory fault provisions of sections 2315.32 2626  
to 2315.36 of the Revised Code do not apply unless the operator 2627  
has breached the operator's duties under section 4175.03 or 2628  
4175.08 of the Revised Code. 2629

**Sec. 4175.08.** (A) The owner of a climbing facility shall 2630  
file with the department of commerce a certificate of insurance 2631  
evidencing that each climbing facility owned by the owner has 2632  
liability insurance in effect with an insurer authorized or 2633  
approved to write such insurance in this state. 2634

(B) The insurance policy required by division (A) of this 2635  
section shall provide coverage in the following amounts: 2636

(1) Not less than five hundred thousand dollars because of 2637  
bodily injury or death of one person in each occurrence; 2638

(2) Not less than one million dollars because of bodily 2639  
injury to or death of two or more persons in each occurrence. 2640

(C) The insurance policy required by division (A) of this 2641  
section may include a deductible clause, provided that any 2642  
settlement made by the insurance company with an injured party 2643  
or the injured party's legal representative shall be paid as 2644  
though the deductible clause did not apply. 2645

(D) Each policy, by its original terms or an endorsement, 2646  
shall do both of the following: 2647

(1) Obligate the insurer that the insurer will not cancel 2648  
the policy without thirty days' written notice and a complete 2649  
report of the reasons for such cancellation being given to the 2650  
department; 2651

(2) Obligate the insurer that the insurer will, within 2652

twenty-four hours, report to the department if it pays a claim 2653  
or reserves any amount to pay an anticipated claim that reduces 2654  
the liability insurance coverage to a limit of less than one 2655  
million dollars because of bodily injury to or death of two or 2656  
more persons in each occurrence. 2657

(E) If the insurance policy is canceled during its term or 2658  
lapses for any reason, including coverage reduced below the 2659  
required amount, the owner shall replace the policy with another 2660  
policy fully complying with the requirements of this section 2661  
prior to permitting a climber to use the climbing facility. 2662

(F) If the owner fails to file a certificate of insurance 2663  
for new or replacement insurance, the owner shall cease all 2664  
operations under the permit immediately upon the cancellation or 2665  
lapse of the insurance and further obligations shall not be 2666  
conducted without the specific approval of the department, which 2667  
shall be given after the owner has complied with this section. 2668

**Sec. 4727.02.** No person shall act as a pawnbroker, or 2669  
advertise, transact, or solicit business as a pawnbroker, 2670  
without first having obtained a license from the superintendent 2671  
of financial institutions. A person shall obtain a separate 2672  
license for each place of business at which the person acts or 2673  
transacts business as a pawnbroker. 2674

**Sec. 4727.03.** (A) As used in this section, "experience and 2675  
fitness in the capacity involved" means that the applicant for a 2676  
pawnbroker's license demonstrates sufficient financial 2677  
responsibility, reputation, and experience in the pawnbroker 2678  
business, or in a related business, to act as a pawnbroker in 2679  
compliance with this chapter. "Experience and fitness in the 2680  
capacity involved" shall be determined by: 2681

(1) Prior or current ownership or management of, or 2682  
employment in, a pawnshop; 2683

(2) Demonstration to the satisfaction of the 2684  
superintendent of financial institutions of a thorough working 2685  
knowledge of all pawnbroker laws and rules as they relate to the 2686  
actual operation of a pawnshop. 2687

A demonstration shall include a demonstration of an 2688  
ability to properly complete forms, knowledge of how to properly 2689  
calculate interest and storage charges, and knowledge of legal 2690  
notice and forfeiture procedures. The final determination of 2691  
whether an applicant's demonstration is adequate rests with the 2692  
superintendent. 2693

(3) A submission by the applicant and any stockholders, 2694  
owners, managers, directors, or officers of the pawnshop, and 2695  
employees of the applicant to a police record check; and 2696

(4) Liquid assets in a minimum amount of one hundred 2697  
twenty-five thousand dollars at the time of applying for initial 2698  
licensure and demonstration of the ability to maintain the 2699  
liquid assets at a minimum amount of ~~fifty~~ seventy-five thousand 2700  
dollars for the duration of holding a valid pawnbroker's 2701  
license. If an applicant holds a pawnbroker's license at the 2702  
time of application or is applying for more than one license, 2703  
this requirement shall be met separately for each license. 2704

(B) The superintendent may grant a license to act as a 2705  
pawnbroker to any person of good character and having experience 2706  
and fitness in the capacity involved to engage in the business 2707  
of pawnbroking upon the payment to the superintendent of a 2708  
license fee determined by the superintendent pursuant to section 2709  
1321.20 of the Revised Code. A license is not transferable or 2710

assignable. 2711

(C) The superintendent may consider an application 2712  
withdrawn and may retain the investigation fee required under 2713  
division (D) of this section if both of the following are true: 2714

(1) An application for a license does not contain all of 2715  
the information required under division (B) of this section. 2716

(2) The information is not submitted to the superintendent 2717  
within ninety days after the superintendent requests the 2718  
information from the applicant in writing. 2719

(D) The superintendent shall require an applicant for a 2720  
pawnbroker's license to pay to the superintendent a 2721  
nonrefundable initial investigation fee of two hundred dollars, 2722  
which is for the exclusive use of the state. 2723

(E) (1) Except as otherwise provided in division (E) (2) of 2724  
this section, a pawnbroker's license issued by the 2725  
superintendent expires on the thirtieth day of June next 2726  
following the date of its issuance, and may be renewed annually 2727  
by the thirtieth day of June in accordance with the standard 2728  
renewal procedure set forth in Chapter 4745. of the Revised 2729  
Code. Fifty per cent of the annual license fee shall be for the 2730  
use of the state, and fifty per cent shall be paid by the state 2731  
to the municipal corporation, or if outside the limits of any 2732  
municipal corporation, to the county, in which the office of the 2733  
licensee is located. All such fees payable to municipal 2734  
corporations or counties shall be paid annually. 2735

(2) A pawnbroker's license issued or renewed by the 2736  
superintendent on or after January 1, 2006, expires on the 2737  
thirtieth day of June in the even-numbered year next following 2738  
the date of its issuance or renewal, as applicable, and may be 2739

renewed biennially by the thirtieth day of June in accordance 2740  
with the standard renewal procedure set forth in Chapter 4745. 2741  
of the Revised Code. Fifty per cent of the biennial license fee 2742  
shall be for the use of the state, and fifty per cent shall be 2743  
paid by the state to the municipal corporation, or if outside 2744  
the limits of any municipal corporation, to the county, in which 2745  
the office of the licensee is located. All such fees payable to 2746  
municipal corporations or counties shall be paid biennially. 2747

(F) The fee for renewal of a license shall be equivalent 2748  
to the fee for an initial license established by the 2749  
superintendent pursuant to section 1321.20 of the Revised Code. 2750  
Any licensee who wishes to renew the pawnbroker's license but 2751  
who fails to do so on or before the date the license expires 2752  
shall reapply for licensure in the same manner and pursuant to 2753  
the same requirements as for initial licensure, unless the 2754  
licensee pays to the superintendent on or before the thirty- 2755  
first day of August of the year the license expires, a late 2756  
renewal penalty of one hundred dollars in addition to the 2757  
regular renewal fee. Any licensee who fails to renew the license 2758  
on or before the date the license expires is prohibited from 2759  
acting as a pawnbroker until the license is renewed or a new 2760  
license is issued under this section. Any licensee who renews a 2761  
license between the first day of July and the thirty-first day 2762  
of August of the year the license expires is not relieved from 2763  
complying with this division. The superintendent may refuse to 2764  
issue to or renew the license of any licensee who violates this 2765  
division. 2766

(G) No license shall be granted to any person not a 2767  
resident of or the principal office of which is not located in 2768  
the municipal corporation or county designated in such license 2769  
unless that applicant, in writing and in due form approved by 2770

and filed with the superintendent, first appoints an agent, a 2771  
resident of the state, and city or county where the office is to 2772  
be located, upon whom all judicial and other process, or legal 2773  
notice, directed to the applicant may be served. In case of the 2774  
death, removal from the state, or any legal disability or any 2775  
disqualification of any such agent, service of such process or 2776  
notice may be made upon the superintendent. 2777

The superintendent may, upon notice to the licensee and 2778  
reasonable opportunity to be heard, suspend or revoke any 2779  
license or assess a penalty against the licensee if the 2780  
licensee, or the licensee's officers, agents, or employees, has 2781  
violated this chapter. Any penalty shall be appropriate to the 2782  
violation but in no case shall the penalty be less than two 2783  
hundred nor more than two thousand dollars. Whenever, for any 2784  
cause, a license is suspended or revoked, the superintendent 2785  
shall not issue another license to the licensee nor to the legal 2786  
spouse of the licensee, nor to any business entity of which the 2787  
licensee is an officer or member or partner, nor to any person 2788  
employed by the licensee, until the expiration of at least two 2789  
years from the date of revocation or suspension of the license. 2790  
The superintendent shall deposit all penalties allocated 2791  
pursuant to this section into the state treasury to the credit 2792  
of the consumer finance fund. 2793

Any proceedings for the revocation or suspension of a 2794  
license or to assess a penalty against a licensee are subject to 2795  
Chapter 119. of the Revised Code. 2796

(H) If a licensee surrenders or chooses not to renew the 2797  
pawnbroker's license, the licensee shall notify the 2798  
superintendent thirty days prior to the date on which the 2799  
licensee intends to close the licensee's business as a 2800



pawnbroker. Prior to the date, the licensee shall do either of 2801  
the following with respect to all active loans: 2802

(1) Dispose of an active loan by selling the loan to 2803  
another person holding a valid pawnbroker's license issued under 2804  
this section; 2805

(2) Reduce the rate of interest on pledged articles held 2806  
as security for a loan to eight per cent per annum or less 2807  
effective on the date that the pawnbroker's license is no longer 2808  
valid. 2809

**Sec. 4727.06.** (A) No pawnbroker shall charge, receive, or 2810  
demand interest for any loan in excess of ~~five-six~~ per cent per 2811  
month or fraction of a month on the unpaid principal. Interest 2812  
shall be computed on a monthly basis on the amount of the 2813  
principal remaining unpaid on the first day of the month and 2814  
shall not be compounded. 2815

(B) In addition to the rate of interest limitation imposed 2816  
pursuant to division (A) of this section, the licensee may 2817  
charge no more than: 2818

(1) ~~Four-Six~~ dollars per month or fraction of a month for 2819  
all pledged articles held as security or stored for a loan, to 2820  
be agreed to in writing at the time the loan is made; 2821

(2) Four dollars plus the actual cost of shipping, when 2822  
the licensee is to deliver or forward the pledged article by 2823  
express or parcel post to the pledgor; 2824

(3) ~~Two dollars for the loss of the original statement-~~ 2825  
~~issued to the pledgor by the licensee pursuant to section-~~ 2826  
~~4727.07 of the Revised Code upon redemption of the pledged-~~ 2827  
~~articles;~~ 2828

~~(4) Two~~ Five dollars for the cost of notifying a pledgor 2829  
by mail that the pledged articles may be forfeited to the 2830  
licensee pursuant to section 4727.11 of the Revised Code. 2831

(C) A licensee who complies with the requirements or 2832  
procedures of this state pursuant to the application of the 2833  
"Brady Handgun Violence Protection Act," 107 Stat. 1536 (1993), 2834  
18 U.S.C.A. 922, as amended, may charge any fee the licensee is 2835  
required by law to pay in order to comply with such requirements 2836  
or procedures. The licensee may charge no more than ~~two~~ ten 2837  
dollars for providing services in compliance with such 2838  
requirements or procedures. 2839

(D) A ~~pledgor~~ licensee may ~~pay~~ accept a portion of the 2840  
outstanding principal loan balance at any time. A pledgor may 2841  
redeem a pawn loan at any time after ~~seventy-two hours have~~ 2842  
~~passed since~~ the pledge was made. A pledgor may not prepay 2843  
interest or storage charges, other than the current month, 2844  
except when the pledgor redeems the pledged property. Prepayment 2845  
of interest and storage charges may not occur at the time the 2846  
loan is originated. 2847

**Sec. 4727.10.** (A) No person licensed as a pawnbroker shall 2848  
recklessly receive any pledge or purchase any articles from any 2849  
minor or from any person who is at the time intoxicated or 2850  
under the influence of a controlled substance . 2851

(B) No person licensed as a pawnbroker shall receive any 2852  
pledge or purchase any articles from any person who is known or 2853  
believed by the licensee to be a thief or a receiver of stolen 2854  
property , or . 2855

(C) No person licensed as a pawnbroker shall receive any 2856  
pledge or purchase any articles from any person identified in 2857

writing to the licensee by the chief of police of a municipal 2858  
corporation or township, the sheriff, or the state highway 2859  
patrol as a known or suspected thief or receiver of stolen 2860  
property. 2861

(D) Division (C) of this section is a strict liability 2862  
offense and section 2901.20 of the Revised Code does not apply. 2863

**Sec. 4727.11.** (A) If a pledgor fails to pay interest and 2864  
fees to a person licensed as a pawnbroker on a pawn loan for ~~two~~ 2865  
three months from the date of the loan or the date on which the 2866  
last interest payment is due, the licensee shall notify the 2867  
pledgor by United States postal mail, with proof of mailing, to 2868  
the last place of address given by the pledgor, that unless the 2869  
pledgor redeems the pledged property or pays all interest due 2870  
and ~~storage charges~~ fees within thirty days from the date the 2871  
notice is mailed, the pledged property shall be forfeited to the 2872  
licensee. If the pledgor fails to redeem or pay all interest due 2873  
and ~~storage charges~~ fees within the period specified in the 2874  
notice, the licensee becomes the owner of the pledged property. 2875

(B) In the event that any article or property is redeemed 2876  
by a person other than the pledgor, the pledgor shall sign the 2877  
pledgor's copy of the statement required under section 4727.07 2878  
of the Revised Code, which copy shall be presented by the person 2879  
to the licensee. The licensee shall verify the name of the 2880  
person redeeming the article or property, and shall record the 2881  
person's name and driver's license number, or other personal 2882  
identification number, on the licensee's copy of the statement, 2883  
and shall require the person to sign this copy. 2884

(C) In the event that any articles or property pledged are 2885  
lost or rendered inoperable due to negligence of the licensee, 2886  
the licensee shall replace the articles or property with 2887

identical articles or property, except that if the licensee 2888  
cannot reasonably obtain identical articles or property, the 2889  
licensee shall replace the articles or property with like 2890  
articles or property. 2891

(D) When an account is paid in full, the licensee shall 2892  
return the pledged article immediately to the pledgor. In the 2893  
event the pledgor sells, transfers, or assigns the pledge, the 2894  
licensee shall verify the name of the person redeeming the 2895  
pledge and record that person's name, driver's license number, 2896  
and signature on the permanent copy of the statement of pledge 2897  
required pursuant to section 4727.07 of the Revised Code. The 2898  
licensee also shall obtain the signature of the pledgor, or 2899  
other person redeeming the pledge, upon a separate record of the 2900  
transaction, that acknowledges the total dollar amount paid for 2901  
redemption and the date of redemption. All records shall be kept 2902  
in the licensee's place of business. 2903

**Sec. 4727.12.** (A) A person licensed as a pawnbroker ~~shall~~ 2904  
~~retain any and all goods or articles pledged with the licensee~~ 2905  
~~until the expiration of seventy-two hours after the pledge is~~ 2906  
~~made, and shall retain any goods or articles purchased by the~~ 2907  
licensee until the expiration of fifteen days after the purchase 2908  
is made. The licensee may dispose of such goods or articles 2909  
sooner with the written permission of the chief of police of the 2910  
municipal corporation or township in which the licensee's place 2911  
of business is located or, if the place of business is not 2912  
located within a municipal corporation or township that has a 2913  
chief of police, with the written permission of the sheriff of 2914  
the county in which the business is located. 2915

(B) If the chief of police or sheriff to whom the licensee 2916  
makes available the information required by section 4727.09 of 2917

the Revised Code has probable cause to believe that the article 2918  
described therein is stolen property, the chief or sheriff shall 2919  
notify the licensee in writing. Upon receipt of such a notice, 2920  
the licensee shall retain the article until the expiration of 2921  
thirty days after the day on which the licensee is first 2922  
required to make available the information required by section 2923  
4727.09 of the Revised Code, unless the chief or sheriff 2924  
notifies the licensee in writing that the licensee is not 2925  
required to retain the article until such expiration. 2926

(C) If the chief or sheriff receives a report that 2927  
property has been stolen and determines the identity of the 2928  
person claiming to be the true owner of the allegedly stolen 2929  
property that has been purchased or pawned and is held by a 2930  
licensee, and informs the licensee of the ~~true owner's~~ 2931  
claimant's identity, the licensee may restore the allegedly 2932  
stolen property to the ~~true owner~~ claimant directly. 2933

If a licensee fails to restore the allegedly stolen 2934  
property, the ~~true owner~~ claimant may recover the property from 2935  
the licensee in an action at law. 2936

(D) If the licensee returns the allegedly stolen property 2937  
to the ~~true owner~~ claimant, the licensee may charge the person 2938  
who pledged or sold the allegedly stolen property to the 2939  
licensee, and any person who acted in consort with the pledgor 2940  
or the seller to defraud the licensee, the amount the licensee 2941  
paid or loaned for the allegedly stolen property, plus interest 2942  
and storage charges provided for in section 4727.06 of the 2943  
Revised Code. 2944

**Sec. 4727.19.** (A) Effective with the two-year period that 2945  
begins June 30, ~~2000~~ 2017, and every two-year period thereafter, 2946  
each person licensed as a pawnbroker under this chapter shall 2947

~~complete~~ have at least one person employed at the licensee's 2948  
place of business who has completed by the end of the period at 2949  
least ~~twelve~~ eight hours of continuing education instruction 2950  
offered in a course or program approved by the superintendent of 2951  
financial institutions after consultation with an industry 2952  
representative selected by the superintendent. 2953

~~(B) Any person licensed under this chapter who has more~~ 2954  
~~than three employees shall designate an individual to the~~ 2955  
~~superintendent as a salesperson. Effective with the two year~~ 2956  
~~period that begins June 30, 2000, and every two year period~~ 2957  
~~thereafter, a salesperson shall complete by the end of the~~ 2958  
~~period at least eight hours of continuing education instruction~~ 2959  
~~offered in a course or program approved by the superintendent in~~ 2960  
~~consultation with a designated industry representative.~~ 2961

~~(C) Each location of those persons licensed under this~~ 2962  
~~chapter who have three or more employees shall have at least one~~ 2963  
~~salesperson who meets the continuing education requirements of~~ 2964  
~~this section.~~ 2965

~~(D)~~ The superintendent, in accordance with ~~chapter~~ Chapter 2966  
119. of the Revised Code, may suspend, revoke, or refuse to 2967  
renew the license of any licensee who fails to comply with this 2968  
section. 2969

~~(E)~~ ~~(C)~~ The superintendent, in accordance with ~~chapter~~ 2970  
Chapter 119. of the Revised Code, may adopt rules regarding 2971  
continuing education fees, locations, times, frequency, and 2972  
waivers of requirements. 2973

**Sec. 4727.20.** (A) No person licensed as a pawnbroker under 2974  
this chapter shall conduct business in this state, unless the 2975  
licensee does either of the following: 2976

(1) Maintains liquid assets in a minimum amount of ~~fifty~~  
seventy-five thousand dollars; 2977  
2978

(2) Obtains a surety bond issued by a bonding company or 2979  
insurance company authorized to do business in this state. The 2980  
bond shall be in favor of the superintendent of financial 2981  
institutions and in the penal sum of at least ~~twenty-five~~fifty 2982  
thousand dollars. The licensee shall file a copy of the bond 2983  
with the superintendent. The bond shall be for the exclusive 2984  
benefit of any person injured by a licensee's violation of this 2985  
chapter. The aggregate liability of the surety for any and all 2986  
breaches of the conditions of the bond shall not exceed the 2987  
penal sum of the bond. 2988

(B) The licensee shall give notice to the superintendent 2989  
by certified mail, return receipt requested, of any action that 2990  
is brought against the licensee and of any judgment that is 2991  
entered against the licensee by a person injured by a violation 2992  
of this chapter. The notice shall provide details sufficient to 2993  
identify the action or judgment and shall be filed with the 2994  
superintendent within ten days after the commencement of the 2995  
action or notice to the licensee of entry of a judgment. The 2996  
surety, within ten days after it pays any claim or judgment, 2997  
shall give notice to the superintendent by certified mail, 2998  
return receipt requested, of the payment, with details 2999  
sufficient to identify the person and the claim or judgment 3000  
paid. 3001

(C) Whenever the penal sum of the surety bond is reduced 3002  
by one or more recoveries or payments, the licensee shall 3003  
furnish a new or additional bond under this section, so that the 3004  
total or aggregate penal sum of the bond or bonds equals the sum 3005  
required by this section, or shall furnish an endorsement 3006

executed by the surety reinstating the bond to the required 3007  
penal sum of the bond. 3008

(D) The liability of the surety on the bond to the 3009  
superintendent and to any person injured by a violation of this 3010  
chapter is not affected in any way by any misrepresentation, 3011  
breach of warranty, or failure to pay the premium, by any act or 3012  
omission upon the part of the licensee, by the insolvency or 3013  
bankruptcy of the licensee, or by the insolvency of the 3014  
licensee's estate. The liability for any act or omission that 3015  
occurs during the term of the surety bond shall be maintained 3016  
and in effect for at least two years after the date on which the 3017  
surety bond is terminated or canceled. 3018

(E) The licensee shall not cancel the surety bond except 3019  
upon notice to the superintendent by certified mail, return 3020  
receipt requested. The cancellation is not effective prior to 3021  
thirty days after the superintendent receives the notice. 3022

(F) No licensee shall fail to comply with this section. 3023

**Sec. 5709.20.** As used in sections 5709.20 to 5709.27 of 3024  
the Revised Code: 3025

(A) "Air contaminant" means particulate matter, dust, 3026  
fumes, gas, mist, smoke, vapor, or odorous substances, or any 3027  
combination thereof. 3028

(B) "Air pollution control facility" means any property 3029  
designed, constructed, or installed for the primary purpose of 3030  
eliminating or reducing the emission of, or ground level 3031  
concentration of, air contaminants generated at an industrial or 3032  
commercial plant or site that renders air harmful or inimical to 3033  
the public health or to property within this state, or such 3034  
property installed on or after November 1, 1993, at a petroleum 3035



refinery for the primary purpose of eliminating or reducing 3036  
substances within fuel that otherwise would create the emission 3037  
of air contaminants upon the combustion of fuel. 3038

(C) "Energy conversion" means the conversion of fuel or 3039  
power usage and consumption from natural gas to an alternate 3040  
fuel or power source other than propane, butane, naphtha, or 3041  
fuel oil; or the conversion of fuel or power usage and 3042  
consumption from fuel oil to an alternate fuel or power source 3043  
other than natural gas, propane, butane, or naphtha. 3044

(D) "Energy conversion facility" means any additional 3045  
property or equipment designed, constructed, or installed after 3046  
December 31, 1974, for use at an industrial or commercial plant 3047  
or site for the primary purpose of energy conversion. 3048

(E) "Exempt facility" means any of the facilities defined 3049  
in division (B), (D), (F), (I), (K), or (L) of this section for 3050  
which an exempt facility certificate is issued pursuant to 3051  
section 5709.21 or for which a certificate remains valid under 3052  
section 5709.201 of the Revised Code. 3053

(F) "Noise pollution control facility" means any property 3054  
designed, constructed, or installed for use at an industrial or 3055  
commercial plant or site for the primary purpose of eliminating 3056  
or reducing, at that plant or site, the emission of sound which 3057  
is harmful or inimical to persons or property, or materially 3058  
reduces the quality of the environment, as shall be determined 3059  
by the director of environmental protection within such 3060  
standards for noise pollution control facilities and standards 3061  
for environmental noise necessary to protect public health and 3062  
welfare as may be promulgated by the United States environmental 3063  
protection agency. In the absence of such United States 3064  
environmental protection agency standards, the determination 3065

shall be made in accordance with generally accepted current 3066  
standards of good engineering practice in environmental noise 3067  
control. 3068

(G) "Solid waste" means such unwanted residual solid or 3069  
semi-solid material as results from industrial operations, 3070  
including those of public utility companies, and commercial, 3071  
distribution, research, agricultural, and community operations, 3072  
including garbage, combustible or noncombustible, street dirt, 3073  
and debris. 3074

(H) "Solid waste energy conversion" means the conversion 3075  
of solid waste into energy and the utilization of such energy 3076  
for some useful purpose. 3077

(I) "Solid waste energy conversion facility" means any 3078  
property or equipment designed, constructed, or installed after 3079  
December 31, 1974, for use at an industrial or a commercial 3080  
plant or site for the primary purpose of solid waste energy 3081  
conversion. 3082

(J) "Thermal efficiency improvement" means the recovery 3083  
and use of waste heat or waste steam produced incidental to 3084  
electric power generation, industrial process heat generation, 3085  
lighting, refrigeration, or space heating. 3086

(K) "Thermal efficiency improvement facility" means any 3087  
property or equipment designed, constructed, or installed after 3088  
December 31, 1974, for use at an industrial or a commercial 3089  
plant or site for the primary purpose of thermal efficiency 3090  
improvement. 3091

(L) "Industrial water pollution control facility" means 3092  
any property designed, constructed, or installed for the primary 3093  
purpose of collecting or conducting industrial waste to a point 3094

of disposal or treatment; reducing, controlling, or eliminating 3095  
water pollution caused by industrial waste; or reducing, 3096  
controlling, or eliminating the discharge into a disposal system 3097  
of industrial waste or what would be industrial waste if 3098  
discharged into the waters of this state. This division applies 3099  
only to property related to an industrial water pollution 3100  
control facility placed into operation or initially capable of 3101  
operation after December 31, 1965, and installed pursuant to the 3102  
approval of the environmental protection agency, department of 3103  
natural resources, or any other governmental agency having 3104  
authority to approve the installation of industrial water 3105  
pollution control facilities. The definitions in section 6111.01 3106  
of the Revised Code, as applicable, apply to the terms used in 3107  
this division. 3108

(M) Property designed, constructed, installed, used, or 3109  
placed in operation primarily for the safety, health, 3110  
protection, or benefit, or any combination thereof, of personnel 3111  
of a business, or primarily for a business's own benefit, is not 3112  
an "exempt facility." 3113

**Sec. 5709.45.** (A) As used in sections 5709.45 to 5709.47 3114  
of the Revised Code: 3115

(1) "Downtown redevelopment district" or "district" means 3116  
an area not more than ten acres enclosed by a continuous 3117  
boundary in which at least one historic building is being, or 3118  
will be, rehabilitated. 3119

(2) "Historic building" and "rehabilitation" have the same 3120  
meanings as in section 149.311 of the Revised Code. 3121

(3) "Public infrastructure improvement" has the same 3122  
meaning as in section 5709.40 of the Revised Code. 3123

(4) "Improvement" means the increase in the assessed value of real property that would first appear on the tax list after the effective date of an ordinance adopted under this section were it not for the exemption granted by the ordinance.

(5) "Innovation district" means an area located entirely within a downtown redevelopment district, enclosed by a continuous boundary, and equipped with a high-speed broadband network capable of download speeds of at least one hundred gigabits per second.

(6) "Qualified business" means a business primarily engaged, or primarily organized to engage, in a trade or business that involves research and development, technology transfer, bio-technology, information technology, or the application of new technology developed through research and development or acquired through technology transfer.

(7) "Information technology" means the branch of technology devoted to the study and application of data and the processing thereof; the automatic acquisition, storage, manipulation or transformation, management, movement, control, display, switching, interchange, transmission or reception of data, and the development or use of hardware, software, firmware, and procedures associated with this processing. "Information technology" includes matters concerned with the furtherance of computer science and technology, design, development, installation, and implementation of information systems and applications that in turn will be licensed or sold to a specific target market. "Information technology" does not include the creation of a distribution method for existing products and services.

(8) "Research and development" means designing, creating,

or formulating new or enhanced products, equipment, or 3154  
processes, and conducting scientific or technological inquiry 3155  
and experimentation in the physical sciences with the goal of 3156  
increasing scientific knowledge that may reveal the bases for 3157  
new or enhanced products, equipment, or processes. 3158

(9) "Technology transfer" means the transfer of technology 3159  
from one sector of the economy to another, including the 3160  
transfer of military technology to civilian applications, 3161  
civilian technology to military applications, or technology from 3162  
public or private research laboratories to military or civilian 3163  
applications. 3164

(B) For the purposes of promoting rehabilitation of 3165  
historic buildings, creating jobs, and encouraging economic 3166  
development in commercial and mixed-use commercial and 3167  
residential areas, the legislative authority of a municipal 3168  
corporation may adopt an ordinance creating a downtown 3169  
redevelopment district and declaring improvements to parcels 3170  
within the district to be a public purpose and exempt from 3171  
taxation. Downtown redevelopment districts shall not be created 3172  
in areas used exclusively for residential purposes and shall not 3173  
be utilized for development or redevelopment of residential 3174  
areas. 3175

The ordinance shall specify all of the following: 3176

(1) The boundary of the district; 3177

(2) The county treasurer's permanent parcel number 3178  
associated with each parcel included in the district; 3179

(3) The parcel or parcels within the district that include 3180  
a historic building that is being or will be rehabilitated; 3181

(4) The proposed life of the district; 3182

(5) An economic development plan for the district that	3183
includes all of the following:	3184
(a) A statement describing the principal purposes and	3185
goals to be served by creating the district;	3186
(b) An explanation of how the municipal corporation will	3187
collaborate with businesses and property owners within the	3188
district to develop strategies for achieving such purposes and	3189
goals;	3190
(c) A plan for using the service payments provided for in	3191
section 5709.46 of the Revised Code to promote economic	3192
development and job creation within the district.	3193
Not more than seventy per cent of improvements to parcels	3194
within a downtown redevelopment district may be exempted from	3195
taxation under this section. A district may not include a parcel	3196
that is <del>or has been</del> exempted from taxation under this section or	3197
section 5709.40 or 5709.41 of the Revised Code <u>on the effective</u>	3198
<u>date of the ordinance</u> . Except as provided in division (F) of	3199
this section, the life of a downtown redevelopment district	3200
shall not exceed ten years.	3201
A municipal corporation may adopt more than one ordinance	3202
under division (B) of this section. A single such ordinance may	3203
create more than one downtown redevelopment district.	3204
(C) For the purposes of attracting and facilitating growth	3205
of qualified businesses and supporting the economic development	3206
efforts of business incubators and accelerators, the legislative	3207
authority of a municipal corporation may designate an innovation	3208
district within a proposed or existing downtown redevelopment	3209
district. The life of the innovation district shall be identical	3210
to the downtown redevelopment district in which the innovation	3211

district is located. In addition to the requirements in division 3212  
(B) of this section, an ordinance creating a downtown 3213  
redevelopment district that includes an innovation district 3214  
shall specify all of the following: 3215

(1) The boundary of the innovation district; 3216

(2) The permanent parcel number associated with each 3217  
parcel included in the innovation district; 3218

(3) An economic development plan for the innovation 3219  
district that meets the criteria prescribed by division (B) (5) 3220  
of this section. 3221

(D) At least thirty days before adopting an ordinance 3222  
under division (B) of this section, the legislative authority of 3223  
the municipal corporation shall conduct a public hearing on the 3224  
proposed ordinance and the accompanying economic development 3225  
plan. At least thirty days before the public hearing, the 3226  
legislative authority shall give notice of the public hearing 3227  
and the proposed ordinance by first class mail to every real 3228  
property owner whose property is located within the boundaries 3229  
of the proposed district that is the subject of the proposed 3230  
ordinance. 3231

(E) Revenue derived from downtown redevelopment district 3232  
service payments may be used by the municipal corporation for 3233  
any of the following purposes: 3234

(1) To finance or support loans, deferred loans, or grants 3235  
to owners of historic buildings within the downtown 3236  
redevelopment district. Such loans or grants shall be awarded 3237  
upon the condition that the loan or grant amount may be used by 3238  
the owner only to rehabilitate the historic building. A 3239  
municipal corporation that awards a loan or grant under this 3240

division shall develop a plan for tracking the loan or grant 3241  
recipient's use of the loan or grant and monitoring the progress 3242  
of the recipient's rehabilitation project. 3243

(2) To make contributions to a special improvement 3244  
district for use under section 1710.14 of the Revised Code, to a 3245  
community improvement corporation for use under section 1724.12 3246  
of the Revised Code, or to a nonprofit corporation, as defined 3247  
in section 1702.01 of the Revised Code, the primary purpose of 3248  
which is redeveloping historic buildings and historic districts 3249  
for use by the corporation to rehabilitate a historic building 3250  
within the downtown redevelopment district or to otherwise 3251  
promote or enhance the district. Amounts contributed under 3252  
division (E) (2) of this section shall not exceed the property 3253  
tax revenue that would have been generated by twenty per cent of 3254  
the assessed value of the exempted improvements within the 3255  
downtown redevelopment district. 3256

(3) To finance or support loans to owners of one or more 3257  
buildings located within the district that do not qualify as 3258  
historic buildings. Such loans shall be awarded upon the 3259  
condition that the loan amount may be used by the owner only to 3260  
make repairs and improvements to the building or buildings. A 3261  
municipal corporation that awards a loan under this division 3262  
shall develop a plan for tracking the loan recipient's use of 3263  
the loan and monitoring the progress of the recipient's repairs 3264  
or improvements. 3265

(4) To finance public infrastructure improvements within 3266  
the downtown redevelopment district. If revenue generated by the 3267  
downtown redevelopment district will be used to finance public 3268  
infrastructure improvements, the economic development plan 3269  
described by division (B) (5) of this section shall identify 3270



specific projects that are being or will be undertaken within 3271  
the district and describe how such infrastructure improvements 3272  
will accommodate additional demands on the existing 3273  
infrastructure within the district. A municipal corporation 3274  
shall not use service payments derived from a downtown 3275  
redevelopment district to repair or replace police or fire 3276  
equipment. 3277

(5) To finance or support loans, deferred loans, or grants 3278  
to qualified businesses or to incubators and accelerators that 3279  
provide services and capital to qualified businesses within an 3280  
innovation district. Such loans or grants shall be awarded upon 3281  
the condition that the loan or grant shall be used by the 3282  
recipient to start or develop one or more qualified businesses 3283  
within the innovation district. A municipal corporation that 3284  
awards a loan or grant under this division shall develop a plan 3285  
for tracking the loan or grant recipient's use of the loan or 3286  
grant and monitoring the establishment and growth of the 3287  
qualified business. 3288

(F) Notwithstanding division (B) of this section, 3289  
improvements to parcels located within a downtown redevelopment 3290  
district may be exempted from taxation under this section for up 3291  
to thirty years if either of the following apply: 3292

(1) The ordinance creating the redevelopment district 3293  
specifies that payments in lieu of taxes shall be paid to the 3294  
city, local, or exempted village, and joint vocational school 3295  
district or districts in which the redevelopment district is 3296  
located in the amount of the taxes that would have been payable 3297  
to the school district or districts if the improvements had not 3298  
been exempted from taxation. 3299

(2) The municipal corporation creating the district 3300

obtains the approval under division (G) of this section of the 3301  
board of education of each city, local, and exempted village 3302  
school district within which the district will be located. 3303

(G) (1) The legislative authority of a municipal 3304  
corporation seeking the approval of a school district for the 3305  
purpose of division (G) (2) of this section shall send notice of 3306  
the proposed ordinance to the school district not later than 3307  
forty-five business days before it intends to adopt the 3308  
ordinance. The notice shall include a copy of the proposed 3309  
ordinance and shall indicate the date on which the legislative 3310  
authority intends to adopt the ordinance. The board of education 3311  
of the school district, by resolution adopted by a majority of 3312  
the board, may do any of the following: 3313

(a) Approve the exemption for the number of years 3314  
specified in the proposed ordinance; 3315

(b) Disapprove the exemption for the number of years in 3316  
excess of ten; 3317

(c) Approve the exemption on the condition that the 3318  
legislative authority and the board negotiate an agreement 3319  
providing for compensation to the school district equal in value 3320  
to a percentage of the amount of taxes exempted in the eleventh 3321  
and subsequent years of the exemption period or other mutually 3322  
agreeable compensation. If an agreement is negotiated under this 3323  
division, the legislative authority shall compensate all joint 3324  
vocational school districts within which the downtown 3325  
redevelopment district is located at the same rate and under the 3326  
same terms received by the city, local, or exempted village 3327  
school district. 3328

(2) The board of education shall certify a resolution 3329

adopted under division (G) (1) of this section to the legislative 3330  
authority of the municipal corporation not later than fourteen 3331  
days before the date the legislative authority intends to adopt 3332  
the ordinance as indicated in the notice. If the board of 3333  
education approves the ordinance or negotiates a mutually 3334  
acceptable compensation agreement with the legislative 3335  
authority, the legislative authority may enact the ordinance in 3336  
its current form. If the board disapproves of the ordinance and 3337  
fails to negotiate a mutually acceptable compensation agreement 3338  
with the legislative authority, the legislative authority may 3339  
exempt improvements to parcels within the downtown redevelopment 3340  
district for not more than ten years. If the board fails to 3341  
certify a resolution to the legislative authority within the 3342  
time prescribed by this division, the legislative authority may 3343  
adopt the ordinance and may exempt improvements to parcels 3344  
within the downtown redevelopment district for the period of 3345  
time specified in the notice delivered to the board of 3346  
education. The legislative authority may adopt the ordinance at 3347  
any time after the board of education certifies its resolution 3348  
approving the exemption to the legislative authority or, if the 3349  
board approves the exemption on the condition that a mutually 3350  
acceptable compensation agreement be negotiated, at any time 3351  
after the compensation agreement is agreed to by the board and 3352  
the legislative authority. 3353

(3) If a board of education has adopted a resolution 3354  
waiving its right to approve exemptions from taxation under this 3355  
section and the resolution remains in effect, approval of 3356  
exemptions by the board is not required under division (G) of 3357  
this section. If a board of education has adopted a resolution 3358  
allowing a legislative authority to deliver the notice required 3359  
under division (G) (1) of this section fewer than forty-five 3360

business days before the legislative authority's adoption of the ordinance, the legislative authority shall deliver the notice to the board not later than the number of days before such adoption as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority.

(4) If the legislative authority is not required by division (G) of this section to notify the board of education of the legislative authority's intent to create a downtown redevelopment district, the legislative authority shall comply with the notice requirements imposed under section 5709.83 of the Revised Code, unless the board has adopted a resolution under that section waiving its right to receive such a notice.

(H) Service payments in lieu of taxes that are attributable to any amount by which the effective tax rate of either a renewal levy with an increase or a replacement levy exceeds the effective tax rate of the levy renewed or replaced, or that are attributable to an additional levy, for a levy authorized by the voters for any of the following purposes on or after January 1, 2006, and which are provided pursuant to an ordinance creating a downtown redevelopment district under division (B) of this section shall be distributed to the appropriate taxing authority as required under division (C) of section 5709.46 of the Revised Code in an amount equal to the amount of taxes from that additional levy or from the increase in the effective tax rate of such renewal or replacement levy that would have been payable to that taxing authority from the

following levies were it not for the exemption authorized under	3392
division (B) of this section:	3393
(1) A tax levied under division (L) of section 5705.19 or	3394
section 5705.191 of the Revised Code for community mental	3395
retardation and developmental disabilities programs and services	3396
pursuant to Chapter 5126. of the Revised Code;	3397
(2) A tax levied under division (Y) of section 5705.19 of	3398
the Revised Code for providing or maintaining senior citizens	3399
services or facilities;	3400
(3) A tax levied under section 5705.22 of the Revised Code	3401
for county hospitals;	3402
(4) A tax levied by a joint-county district or by a county	3403
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	3404
for alcohol, drug addiction, and mental health services or	3405
facilities;	3406
(5) A tax levied under section 5705.23 of the Revised Code	3407
for library purposes;	3408
(6) A tax levied under section 5705.24 of the Revised Code	3409
for the support of children services and the placement and care	3410
of children;	3411
(7) A tax levied under division (Z) of section 5705.19 of	3412
the Revised Code for the provision and maintenance of zoological	3413
park services and facilities under section 307.76 of the Revised	3414
Code;	3415
(8) A tax levied under section 511.27 or division (H) of	3416
section 5705.19 of the Revised Code for the support of township	3417
park districts;	3418
(9) A tax levied under division (A), (F), or (H) of	3419

section 5705.19 of the Revised Code for parks and recreational 3420  
purposes of a joint recreation district organized pursuant to 3421  
division (B) of section 755.14 of the Revised Code; 3422

(10) A tax levied under section 1545.20 or 1545.21 of the 3423  
Revised Code for park district purposes; 3424

(11) A tax levied under section 5705.191 of the Revised 3425  
Code for the purpose of making appropriations for public 3426  
assistance; human or social services; public relief; public 3427  
welfare; public health and hospitalization; and support of 3428  
general hospitals; 3429

(12) A tax levied under section 3709.29 of the Revised 3430  
Code for a general health district program. 3431

(I) An exemption from taxation granted under this section 3432  
commences with the tax year specified in the ordinance so long 3433  
as the year specified in the ordinance commences after the 3434  
effective date of the ordinance. If the ordinance specifies a 3435  
year commencing before the effective date of the ordinance or 3436  
specifies no year whatsoever, the exemption commences with the 3437  
tax year in which an exempted improvement first appears on the 3438  
tax list and that commences after the effective date of the 3439  
ordinance. In lieu of stating a specific year, the ordinance may 3440  
provide that the exemption commences in the tax year in which 3441  
the value of an improvement exceeds a specified amount or in 3442  
which the construction of one or more improvements is completed, 3443  
provided that such tax year commences after the effective date 3444  
of the ordinance. 3445

Except as otherwise provided in this division, the 3446  
exemption ends on the date specified in the ordinance as the 3447  
date the improvement ceases to be a public purpose or the 3448

downtown redevelopment district expires, whichever occurs first. 3449  
The exemption of an improvement within a downtown redevelopment 3450  
district may end on a later date, as specified in the ordinance, 3451  
if the legislative authority and the board of education of the 3452  
city, local, or exempted village school district within which 3453  
the parcel or district is located have entered into a 3454  
compensation agreement under section 5709.82 of the Revised Code 3455  
with respect to the improvement, and the board of education has 3456  
approved the term of the exemption under division (G) of this 3457  
section, but in no case shall the improvement be exempted from 3458  
taxation for more than thirty years. Exemptions shall be claimed 3459  
and allowed in the same manner as in the case of other real 3460  
property exemptions. If an exemption status changes during a 3461  
year, the procedure for the apportionment of the taxes for that 3462  
year is the same as in the case of other changes in tax 3463  
exemption status during the year. 3464

(J) Additional municipal financing of the projects and 3465  
services described in division (E) of this section may be 3466  
provided by any methods that the municipal corporation may 3467  
otherwise use for financing such projects and services. If the 3468  
municipal corporation issues bonds or notes to finance such 3469  
projects and services and pledges money from the municipal 3470  
downtown redevelopment district fund to pay the interest on and 3471  
principal of the bonds or notes, the bonds or notes are not 3472  
subject to Chapter 133. of the Revised Code. 3473

(K) The municipal corporation, not later than fifteen days 3474  
after the adoption of an ordinance under this section, shall 3475  
submit to the director of development services a copy of the 3476  
ordinance. On or before the thirty-first day of March of each 3477  
year, the municipal corporation shall submit a status report to 3478  
the director of development services. The report shall indicate, 3479

in the manner prescribed by the director, the progress of the 3480  
projects and services during each year that an exemption remains 3481  
in effect, including a summary of the receipts from service 3482  
payments in lieu of taxes; expenditures of money from the funds 3483  
created under section 5709.47 of the Revised Code; a description 3484  
of the projects and services financed with such expenditures; 3485  
and a quantitative summary of changes in employment and private 3486  
investment resulting from each project and service. 3487

(L) Nothing in this section shall be construed to prohibit 3488  
a legislative authority from declaring to be a public purpose 3489  
improvements with respect to more than one parcel. 3490

(M) (1) The owner of real property located in a downtown 3491  
redevelopment district may enter into an agreement with the 3492  
municipal corporation that created the district to impose a 3493  
redevelopment charge on the property to cover all or part of the 3494  
cost of services, facilities, and improvements provided within 3495  
the district under division (E) of this section. The agreement 3496  
shall include the following: 3497

(a) The amount of the redevelopment charge. The 3498  
redevelopment charge may be a fixed dollar amount or an amount 3499  
determined on the basis of the assessed valuation of the 3500  
property or all or part of the profits, gross receipts, or other 3501  
revenues of a business operating on the property, including 3502  
rentals received from leases of the property. If the property is 3503  
leased to one or more tenants, the redevelopment charge may be 3504  
itemized as part of the lease rate. 3505

(b) The termination date of the redevelopment charge. The 3506  
redevelopment charge shall not be charged after the expiration 3507  
or termination of the downtown redevelopment district. 3508



(c) The terms by which the municipal corporation shall 3509  
collect the redevelopment charge. 3510

(d) The purposes for which the redevelopment charge may be 3511  
used by the municipal corporation. The redevelopment charge 3512  
shall be used only for those purposes described by division (E) 3513  
of this section. The agreement may specify any or all of such 3514  
purposes. 3515

(2) Redevelopment charges collected by a municipal 3516  
corporation under division (M) of this section shall be 3517  
deposited to the municipal downtown redevelopment district fund 3518  
created under section 5709.47 of the Revised Code. 3519

(3) An agreement by a property owner under division (M) of 3520  
this section is hereby deemed to be a covenant running with the 3521  
land. The covenant is fully binding on behalf of and enforceable 3522  
by the municipal corporation against any person acquiring an 3523  
interest in the land and all of that person's successors and 3524  
assigns. 3525

(4) No purchase agreement for real estate or any interest 3526  
in real estate upon which a redevelopment charge is levied shall 3527  
be enforceable by the seller or binding upon the purchaser 3528  
unless the purchase agreement specifically refers to the 3529  
redevelopment charge. If a conveyance of such real estate or 3530  
interest in such real estate is made pursuant to a purchase 3531  
agreement that does not make such reference, the redevelopment 3532  
charge shall continue to be a covenant running with the land 3533  
fully binding on behalf of and enforceable by the municipal 3534  
corporation against the person accepting the conveyance pursuant 3535  
to the purchase agreement. 3536

(5) If a redevelopment charge is not paid when due, the 3537

overdue amount shall be collected according to the terms of the 3538  
agreement. If the agreement does not specify a procedure for 3539  
collecting overdue redevelopment charges, the municipal 3540  
corporation may certify the charge to the county auditor. The 3541  
county auditor shall enter the unpaid charge on the tax list and 3542  
duplicate of real property opposite the parcel against which it 3543  
is charged and certify the charge to the county treasurer. The 3544  
unpaid redevelopment charge is a lien on property against which 3545  
it is charged from the date the charge is entered on the tax 3546  
list, and shall be collected in the manner provided for the 3547  
collection of real property taxes. Once the charge is collected, 3548  
it shall be paid immediately to the municipal corporation. 3549

**Sec. 5709.52.** (A) As used in this section: 3550

(1) "Newly developable property" means a parcel of real 3551  
property on which no commercial, agricultural, or industrial 3552  
operations are currently being conducted and on which 3553  
construction of one or more commercial or industrial buildings 3554  
or structures is planned but for which a certificate of 3555  
occupancy has not yet been issued. 3556

(2) "Redevelopment property" means a parcel of real 3557  
property on which one or more commercial or industrial buildings 3558  
or structures are or were situated, no commercial, agricultural, 3559  
or industrial operations are currently being conducted, and 3560  
construction or reconstruction of new commercial or industrial 3561  
buildings or structures is planned but for which a certificate 3562  
of occupancy following completion of the construction or 3563  
reconstruction has not yet been issued. 3564

(3) "Commercial or industrial building or structure" means 3565  
a building or structure classified as to use for tax purposes as 3566  
commercial or industrial that, prior to its use or occupation, 3567

requires a certificate of occupancy. "Commercial or industrial building or structure" does not include a building or structure any part of which is to be used as a dwelling. 3568  
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(4) "Remnant parcel" means a parcel resulting from a subdividing plat that includes original property. 3571  
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(5) "Original property" means newly developable property or redevelopment property subject to an exemption under division (C) of this section for a tax year. 3573  
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(6) "Unexempted value" means the taxable value of original property for the tax year preceding the first tax year for which the property is subject to an exemption under division (C) of this section. 3576  
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(7) "Subdividing plat" means a plat subdividing land that is approved by the board of county commissioners, municipal corporation legislative authority, or municipal, county, or regional planning or platting commission having authority to approve plats in the territory in which newly developable property or redevelopment property is situated. 3580  
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(8) "Certificate of occupancy" means a valid certificate of occupancy issued for a commercial or industrial building or structure by the building official having jurisdiction over that building or structure. 3586  
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(9) "Increase in the taxable value" or "increase in value" means the amount by which the taxable value of a parcel as it would have appeared on the tax list and duplicate of real and public utility property for a tax year exceeds the unexempted value of that parcel. 3590  
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(10) "Political subdivision" means a municipal corporation, township, or county. 3595  
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(11) "Legislative body" means the legislative authority of 3597  
a municipal corporation, a board of township trustees, or a 3598  
board of county commissioners. 3599

(B) (1) (a) The owner of newly developable property or 3600  
redevelopment property may submit an application to exempt the 3601  
increase in value of such property from taxation under this 3602  
section to one of the following: 3603

(i) Except as provided in division (B) (1) (a) (iii) of this 3604  
section, if the property is located in a municipal corporation, 3605  
to the municipal corporation; 3606

(ii) Except as provided in division (B) (1) (a) (iii) of this 3607  
section, if the property is located in the unincorporated area 3608  
of a township, to the township or the county; 3609

(iii) If any portion of the value of the property is 3610  
exempted from taxation under section 5709.40, 5709.41, 5709.73, 3611  
or 5709.78 of the Revised Code, to the municipal corporation, 3612  
township, or county that authorized that exemption. 3613

(b) An application filed under division (B) (1) of this 3614  
section shall include both of the following: 3615

(i) A statement attesting to each of the following: 3616

(I) That the parcel is newly developable property or 3617  
redevelopment property; 3618

(II) If the parcel is newly developable property, that 3619  
either the parcel is zoned to permit construction of a new 3620  
commercial or industrial building or structure or no applicable 3621  
zoning regulation prohibits construction of a new commercial or 3622  
industrial building or structure on that parcel; 3623

(III) If the parcel is redevelopment property, that either 3624

the property is zoned to permit construction or reconstruction 3625  
of a new commercial or industrial building or structure or no 3626  
applicable zoning regulation prohibits construction or 3627  
reconstruction of a new commercial or industrial building or 3628  
structure on that parcel. 3629

(ii) A certificate obtained from the county treasurer 3630  
stating that there are no outstanding real property taxes, 3631  
assessments, penalties, or charges that are due and unpaid with 3632  
respect to the property on the date the certificate is issued. 3633  
For the purposes of this division, taxes and assessments are due 3634  
and unpaid if they remain unpaid on the date they are required 3635  
to be paid as prescribed by section 323.12 of the Revised Code. 3636

(2) If an application submitted under division (B) (1) of 3637  
this section is complete, the legislative body of a political 3638  
subdivision receiving the application, by resolution or 3639  
ordinance, may declare that the development or redevelopment of 3640  
a parcel that is the subject of the application is a public 3641  
purpose and that increases in the taxable value of the parcel 3642  
shall be exempted from taxation as provided in this section. A 3643  
board of township trustees or board of county commissioners 3644  
shall not adopt a resolution under this section with respect to 3645  
a parcel that is the subject of a resolution that has been 3646  
adopted by a board of county commissioners or board of township 3647  
trustees, respectively, under division (B) (2) of this section. A 3648  
resolution or ordinance adopted under division (B) (2) of this 3649  
section shall specify the tax year for which the exemption from 3650  
taxation shall commence, which shall be the tax year in which 3651  
the application is filed or the ensuing tax year, and the term 3652  
of the exemption, which shall be for six tax years except as 3653  
provided in division (C) of this section. 3654

Before adopting an ordinance or resolution under division 3655  
(B) (2) of this section, a legislative body shall do both of the 3656  
following: 3657

(a) Notify the board of education of each city, local, 3658  
exempted village, or joint vocational school district in which 3659  
the parcel is located of the legislative body's intent to adopt 3660  
such an ordinance or resolution with respect to that parcel; 3661

(b) If the legislative body is a board of township 3662  
trustees or board of county commissioners, notify the board of 3663  
commissioners of the county or the board of trustees of the 3664  
township, respectively, in which the parcel is located of the 3665  
legislative body's intent to adopt such a resolution with 3666  
respect to that parcel. 3667

(C) Any increase in the taxable value of newly developable 3668  
property or redevelopment property is exempted from taxation 3669  
beginning with the tax year specified in the ordinance or 3670  
resolution adopted under division (B) (2) of this section and for 3671  
the five ensuing tax years, except that the exemption shall not 3672  
apply to any tax year in which one of the following occurs or 3673  
any ensuing year: 3674

(1) The owner obtains a certificate of occupancy for a 3675  
commercial or industrial building or structure located on the 3676  
property. 3677

(2) The owner transfers title to the property to another 3678  
person. 3679

(3) Applicable zoning regulations change in such a manner 3680  
that construction of a new commercial or industrial building or 3681  
structure is no longer permitted. 3682

(4) Subject to division (D) of this section, a subdividing 3683

plat that includes the property is presented to the county 3684  
auditor under section 5713.18 of the Revised Code. 3685

(5) Any commercial, agricultural, or industrial operations 3686  
are conducted on the property. 3687

(D) (1) If the event described in division (C) (4) of this 3688  
section occurs, any increase in the taxable value of remnant 3689  
parcels is exempted from taxation beginning with the tax year in 3690  
which the subdividing plat is presented to the county auditor. 3691  
The taxable value of each remnant parcel for that tax year shall 3692  
equal the same proportion of the unexempted value that the true 3693  
value in money of the remnant parcel for that tax year bears to 3694  
the aggregate true value in money of all remnant parcels for 3695  
that tax year. Remnant parcels remain subject to the exemption 3696  
authorized under division (D) of this section until the earlier 3697  
of the last tax year for which the exemption applies or the tax 3698  
year immediately preceding the tax year in which one of the 3699  
events described in divisions (C) (1) to (5) of this section 3700  
occurs with respect to any remnant parcel, subject to division 3701  
(D) (2) of this section. 3702

(2) If the event described in division (C) (4) of this 3703  
section occurs with respect to a remnant parcel for which a 3704  
portion of the remnant parcel's value is exempted for the 3705  
preceding tax year under this section, the taxable value of each 3706  
parcel resulting from the subdivision of the remnant parcel for 3707  
the tax year in which the subdividing plat is presented to the 3708  
county auditor shall equal the same proportion of the taxable 3709  
value attributable to the remnant parcel under division (D) (1) 3710  
of this section that the true value in money of the resultant 3711  
parcel for that tax year bears to the aggregate true value in 3712  
money of all such resultant parcels for that tax year. 3713

(3) Nothing in division (D) of this section authorizes an exemption from taxation for parcels that do not include original property. 3714  
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(E) No exemption from taxation is authorized under this section for the increase in value of newly developable property or redevelopment property unless the owner of the property files an application for exemption as required by section 5715.27 of the Revised Code. 3717  
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(F) A recoupment charge shall be levied on a parcel the increase in value of which was exempted from taxation under this section if either of the following events occurs: 3722  
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3724

(1) The owner transfers title to the parcel to another person, provided that owner made no improvements to the parcel from the date the owner filed an application under division (B) of this section to the date of that transfer. 3725  
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3727  
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(2) Commercial, agricultural, or industrial operations are conducted on the parcel before the owner obtains a certificate of occupancy for the commercial or industrial building or structure located on the parcel. 3729  
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The charge shall equal the difference between the amount of real property taxes paid with respect to the parcel for the three tax years immediately preceding the year in which the event occurs and the amount of such taxes that would have been due for those three years if no portion of the value of the parcel was exempted under this section for those years. 3733  
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The county auditor shall place the charge as a separate item on the tax list for the tax year in which the event occurs or the occurrence of the event is discovered. The charge shall constitute a lien of the state upon the parcel as of the first 3739  
3740  
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day of January of the tax year in which the charge is levied and 3743  
shall continue until discharged. The charge shall be collected 3744  
by the county treasurer in the same manner and at the same time 3745  
as real property taxes levied against the parcel. 3746

Upon the collection of any charge levied under this 3747  
division and any penalties and interest arising thereon, the 3748  
auditor, after deducting all fees allowed on the collection of 3749  
money on the tax list and duplicate, shall distribute the full 3750  
amount thereof among taxing units in proportion to the per cent 3751  
of the total real property taxes levied upon the parcel in the 3752  
preceding tax year by each taxing unit. Money distributed under 3753  
this division to a taxing unit shall be allocated among its 3754  
various funds in the same proportion that the real property 3755  
taxes levied during the preceding tax year that are required to 3756  
be paid into each fund bear to the total real property taxes 3757  
levied during that year. 3758

**Sec. 5726.01.** As used in this chapter: 3759

(A) "Affiliated group" means a group of two or more 3760  
persons with fifty per cent or greater of the value of each 3761  
person's ownership interests owned or controlled directly, 3762  
indirectly, or constructively through related interests by 3763  
common owners during all or any portion of the taxable year, and 3764  
the common owners. "Affiliated group" includes, but is not 3765  
limited to, any person eligible to be included in a consolidated 3766  
elected taxpayer group under section 5751.011 of the Revised 3767  
Code or a combined taxpayer group under section 5751.012 of the 3768  
Revised Code. 3769

(B) "Bank organization" means any of the following: 3770

(1) A national bank organized and operating as a national 3771

bank association pursuant to the "National Bank Act," 13 Stat.	3772
100 (1864), 12 U.S.C. 21, et seq.;	3773
(2) A federal savings association or federal savings bank	3774
chartered under 12 U.S.C. 1464;	3775
(3) A bank, banking association, trust company, savings	3776
and loan association, savings bank, or other banking institution	3777
that is organized or incorporated under the laws of the United	3778
States, any state, or a foreign country;	3779
(4) Any corporation organized and operating pursuant to 12	3780
U.S.C. 611, et seq.;	3781
(5) Any agency or branch of a foreign bank, as those terms	3782
are defined in 12 U.S.C. 3101;—	3783
<del>(6) An entity licensed as a small business investment</del>	3784
<del>company under the "Small Business Investment Act of 1958," 72</del>	3785
<del>Stat. 689, 15 U.S.C. 661, et seq.</del>	3786
"Bank organization" does not include an institution	3787
organized under the "Federal Farm Loan Act," 39 Stat. 360	3788
(1916), or a successor of such an institution, a company	3789
chartered under the "Farm Credit Act of 1933," 48 Stat. 257, or	3790
a successor of such a company, an association formed pursuant to	3791
12 U.S.C. 2279c-1, an insurance company, or a credit union.	3792
(C) "Call report" means the consolidated reports of	3793
condition and income prescribed by the federal financial	3794
institutions examination council that a person is required to	3795
file with a federal regulatory agency pursuant to 12 U.S.C. 161,	3796
12 U.S.C. 324, or 12 U.S.C. 1817.	3797
(D) "Captive finance company" means a person that derived	3798
at least seventy-five per cent of its gross income for the	3799

current taxable year and the two taxable years preceding the	3800
current taxable year from one or more of the following	3801
transactions:	3802
(1) Financing transactions with members of its affiliated	3803
group;	3804
(2) Financing transactions with or for customers of	3805
products manufactured or sold by a member of its affiliated	3806
group;	3807
(3) Financing transactions with or for a distributor or	3808
franchisee that sells, leases, or services a product	3809
manufactured or sold by a member of the person's affiliated	3810
group;	3811
(4) Financing transactions with or for a supplier to a	3812
member of the person's affiliated group in connection with the	3813
member's manufacturing business;	3814
(5) Issuing bonds or other publicly traded debt	3815
instruments for the benefit of the affiliated group;	3816
(6) Short-term or long-term investments whereby the person	3817
invests the cash reserves of the affiliated group and the	3818
affiliated group utilizes the proceeds from the investments.	3819
For the purposes of division (D) of this section,	3820
"financing transaction" means making or selling loans, extending	3821
credit, leasing, earning or receiving subvention, including	3822
interest supplements and other support costs related thereto, or	3823
acquiring, selling, or servicing accounts receivable, notes,	3824
loans, leases, debt, or installment obligations that arise from	3825
the sale or lease of tangible personal property or the	3826
performance of services, and "gross income" has the same meaning	3827
as in section 61 of the Internal Revenue Code and includes	3828

income from transactions between the captive finance company and 3829  
other members of its affiliated group. 3830

A person that has not been in continuous existence for the 3831  
two taxable years preceding the current taxable year qualifies 3832  
as a "captive finance company" for purposes of division (D) of 3833  
this section if the person derived at least seventy-five per 3834  
cent of its gross income for the period of its existence from 3835  
one or more of the transactions described in divisions (D) (1) to 3836  
(6) of this section. 3837

"Captive finance company" does not include a small dollar 3838  
lender. 3839

(E) "Credit union" means a nonprofit cooperative financial 3840  
institution organized or chartered under the laws of this state, 3841  
any other state, or the United States. 3842

(F) "Diversified savings and loan holding company" has the 3843  
same meaning as in 12 U.S.C. 1467a, as that section existed on 3844  
January 1, 2012. 3845

(G) "Document of creation" means the articles of 3846  
incorporation of a corporation, articles of organization of a 3847  
limited liability company, registration of a foreign limited 3848  
liability company, certificate of limited partnership, 3849  
registration of a foreign limited partnership, registration of a 3850  
domestic or foreign limited liability partnership, or 3851  
registration of a trade name. 3852

(H) "Financial institution" means a bank organization, a 3853  
holding company of a bank organization, or a nonbank financial 3854  
organization, except when one of the following applies: 3855

(1) If two or more such entities are consolidated for the 3856  
purposes of filing an FR Y-9, "financial institution" means a 3857

group consisting of all entities that are included in the FR Y- 3858  
9. 3859

(2) If two or more such entities are consolidated for the 3860  
purposes of filing a call report, "financial institution" means 3861  
a group consisting of all entities that are included in the call 3862  
report and that are not included in a group described in 3863  
division (H) (1) of this section. 3864

(3) If a bank organization is owned directly by a 3865  
grandfathered unitary savings and loan holding company or 3866  
directly or indirectly by an entity that was a grandfathered 3867  
unitary savings and loan holding company on January 1, 2012, 3868  
"financial institution" means a group consisting only of that 3869  
bank organization and the entities included in that bank 3870  
organization's call report, notwithstanding division (H) (1) or 3871  
(2) of this section. 3872

"Financial institution" does not include a diversified 3873  
savings and loan holding company, a grandfathered unitary 3874  
savings and loan holding company, any entity that was a 3875  
grandfathered unitary savings and loan holding company on 3876  
January 1, 2012, or any entity that is not a bank organization 3877  
or owned by a bank organization and that is owned directly or 3878  
indirectly by an entity that was a grandfathered unitary savings 3879  
and loan holding company on January 1, 2012. 3880

(I) "FR Y-9" means the consolidated or parent-only 3881  
financial statements that a holding company is required to file 3882  
with the federal reserve board pursuant to 12 U.S.C. 1844. In 3883  
the case of a holding company required to file both consolidated 3884  
and parent-only financial statements, "FR Y-9" means the 3885  
consolidated financial statements that the holding company is 3886  
required to file. 3887

(J) "Grandfathered unitary savings and loan holding company" means an entity described in 12 U.S.C. 1467a(c)(9)(C), as that section existed on December 31, 1999.

(K) "Gross receipts" means all items of income, without deduction for expenses. If the reporting person for a taxpayer is a holding company, "gross receipts" includes all items of income reported on the FR Y-9 filed by the holding company. If the reporting person for a taxpayer is a bank organization, "gross receipts" includes all items of income reported on the call report filed by the bank organization. If the reporting person for a taxpayer is a nonbank financial organization, "gross receipts" includes all items of income reported in accordance with generally accepted accounting principles.

(L) "Insurance company" means every corporation, association, and society engaged in the business of insurance of any character, or engaged in the business of entering into contracts substantially amounting to insurance of any character, or of indemnifying or guaranteeing against loss or damage, or acting as surety on bonds or undertakings. "Insurance company" also includes any health insuring corporation as defined in section 1751.01 of the Revised Code.

(M) (1) "Nonbank financial organization" means every person that is not a bank organization or a holding company of a bank organization and that engages in business primarily as a small dollar lender. "Nonbank financial organization" does not include an institution organized under the "Federal Farm Loan Act," 39 Stat. 360 (1916), or a successor of such an institution, an insurance company, a captive finance company, a credit union, an institution organized and operated exclusively for charitable purposes within the meaning of section 501(c)(3) of the Internal

Revenue Code, or a person that facilitates or services one or 3918  
more securitizations for a bank organization, a holding company 3919  
of a bank organization, a captive finance company, or any member 3920  
of the person's affiliated group. 3921

(2) A person is engaged in business primarily as a small 3922  
dollar lender if the person has, for the taxable year, gross 3923  
income from the activities described in division (O) of this 3924  
section that exceeds the person's gross income from all other 3925  
activities. As used in division (M) of this section, "gross 3926  
income" has the same meaning as in section 61 of the Internal 3927  
Revenue Code, and income from transactions between the person 3928  
and the other members of the affiliated group shall be 3929  
eliminated, and any sales, exchanges, and other dispositions of 3930  
commercial paper to persons outside the affiliated group 3931  
produces gross income only to the extent the proceeds from such 3932  
transactions exceed the affiliated group's basis in such 3933  
commercial paper. 3934

(N) "Reporting person" means one of the following: 3935

(1) In the case of a financial institution described in 3936  
division (H)(1) of this section, the top-tier holding company 3937  
required to file an FR Y-9. 3938

(2) In the case of a financial institution described in 3939  
division (H)(2) or (3) of this section, the bank organization 3940  
required to file the call report. 3941

(3) In the case of a bank organization or nonbank 3942  
financial organization that is not included in a group described 3943  
in division (H)(1) or (2) of this section, the bank organization 3944  
or nonbank financial organization. 3945

(O) "Small dollar lender" means any person engaged 3946

primarily in the business of loaning money to individuals, 3947  
provided that the loan amounts do not exceed five thousand 3948  
dollars and the duration of the loans do not exceed twelve 3949  
months. A "small dollar lender" does not include a bank 3950  
organization, credit union, or captive finance company. 3951

(P) "Tax year" means the calendar year for which the tax 3952  
levied under section 5726.02 of the Revised Code is required to 3953  
be paid. 3954

(Q) "Taxable year" means the calendar year preceding the 3955  
year in which an annual report is required to be filed under 3956  
section 5726.03 of the Revised Code. 3957

(R) "Taxpayer" means a financial institution subject to 3958  
the tax levied under section 5726.02 of the Revised Code. 3959

(S) "Total equity capital" means the sum of the common 3960  
stock at par value, perpetual preferred stock and related 3961  
surplus, other surplus not related to perpetual preferred stock, 3962  
retained earnings, accumulated other comprehensive income, 3963  
treasury stock, unearned employee stock ownership plan shares, 3964  
and other equity components of a financial institution. "Total 3965  
equity capital" shall not include any noncontrolling (minority) 3966  
interests as reported on an FR Y-9 or call report, unless such 3967  
interests are in a bank organization or a bank holding company. 3968

(T) "Total Ohio equity capital" means the portion of the 3969  
total equity capital of a financial institution apportioned to 3970  
Ohio pursuant to section 5726.05 of the Revised Code. 3971

(U) "Holding company" does not include a diversified 3972  
savings and loan holding company, a grandfathered unitary 3973  
savings and loan holding company, any entity that was a 3974  
grandfathered unitary savings and loan holding company on 3975



January 1, 2012, or any entity that is not a bank organization 3976  
or owned by a bank organization and that is owned directly or 3977  
indirectly by an entity that was a grandfathered unitary savings 3978  
and loan holding company on January 1, 2012. 3979

(V) "Securitization" means transferring one or more assets 3980  
to one or more persons and subsequently issuing securities 3981  
backed by the right to receive payment from the asset or assets 3982  
so transferred. 3983

**Sec. 5739.02.** For the purpose of providing revenue with 3984  
which to meet the needs of the state, for the use of the general 3985  
revenue fund of the state, for the purpose of securing a 3986  
thorough and efficient system of common schools throughout the 3987  
state, for the purpose of affording revenues, in addition to 3988  
those from general property taxes, permitted under 3989  
constitutional limitations, and from other sources, for the 3990  
support of local governmental functions, and for the purpose of 3991  
reimbursing the state for the expense of administering this 3992  
chapter, an excise tax is hereby levied on each retail sale made 3993  
in this state. 3994

(A) (1) The tax shall be collected as provided in section 3995  
5739.025 of the Revised Code. The rate of the tax shall be five 3996  
and three-fourths per cent. The tax applies and is collectible 3997  
when the sale is made, regardless of the time when the price is 3998  
paid or delivered. 3999

(2) In the case of the lease or rental, with a fixed term 4000  
of more than thirty days or an indefinite term with a minimum 4001  
period of more than thirty days, of any motor vehicles designed 4002  
by the manufacturer to carry a load of not more than one ton, 4003  
watercraft, outboard motor, or aircraft, or of any tangible 4004  
personal property, other than motor vehicles designed by the 4005

manufacturer to carry a load of more than one ton, to be used by 4006  
the lessee or renter primarily for business purposes, the tax 4007  
shall be collected by the vendor at the time the lease or rental 4008  
is consummated and shall be calculated by the vendor on the 4009  
basis of the total amount to be paid by the lessee or renter 4010  
under the lease agreement. If the total amount of the 4011  
consideration for the lease or rental includes amounts that are 4012  
not calculated at the time the lease or rental is executed, the 4013  
tax shall be calculated and collected by the vendor at the time 4014  
such amounts are billed to the lessee or renter. In the case of 4015  
an open-end lease or rental, the tax shall be calculated by the 4016  
vendor on the basis of the total amount to be paid during the 4017  
initial fixed term of the lease or rental, and for each 4018  
subsequent renewal period as it comes due. As used in this 4019  
division, "motor vehicle" has the same meaning as in section 4020  
4501.01 of the Revised Code, and "watercraft" includes an 4021  
outdrive unit attached to the watercraft. 4022

A lease with a renewal clause and a termination penalty or 4023  
similar provision that applies if the renewal clause is not 4024  
exercised is presumed to be a sham transaction. In such a case, 4025  
the tax shall be calculated and paid on the basis of the entire 4026  
length of the lease period, including any renewal periods, until 4027  
the termination penalty or similar provision no longer applies. 4028  
The taxpayer shall bear the burden, by a preponderance of the 4029  
evidence, that the transaction or series of transactions is not 4030  
a sham transaction. 4031

(3) Except as provided in division (A)(2) of this section, 4032  
in the case of a sale, the price of which consists in whole or 4033  
in part of the lease or rental of tangible personal property, 4034  
the tax shall be measured by the installments of that lease or 4035  
rental. 4036

(4) In the case of a sale of a physical fitness facility 4037  
service or recreation and sports club service, the price of 4038  
which consists in whole or in part of a membership for the 4039  
receipt of the benefit of the service, the tax applicable to the 4040  
sale shall be measured by the installments thereof. 4041

(B) The tax does not apply to the following: 4042

(1) Sales to the state or any of its political 4043  
subdivisions, or to any other state or its political 4044  
subdivisions if the laws of that state exempt from taxation 4045  
sales made to this state and its political subdivisions; 4046

(2) Sales of food for human consumption off the premises 4047  
where sold; 4048

(3) Sales of food sold to students only in a cafeteria, 4049  
dormitory, fraternity, or sorority maintained in a private, 4050  
public, or parochial school, college, or university; 4051

(4) Sales of newspapers and sales or transfers of 4052  
magazines distributed as controlled circulation publications; 4053

(5) The furnishing, preparing, or serving of meals without 4054  
charge by an employer to an employee provided the employer 4055  
records the meals as part compensation for services performed or 4056  
work done; 4057

(6) Sales of motor fuel upon receipt, use, distribution, 4058  
or sale of which in this state a tax is imposed by the law of 4059  
this state, but this exemption shall not apply to the sale of 4060  
motor fuel on which a refund of the tax is allowable under 4061  
division (A) of section 5735.14 of the Revised Code; and the tax 4062  
commissioner may deduct the amount of tax levied by this section 4063  
applicable to the price of motor fuel when granting a refund of 4064  
motor fuel tax pursuant to division (A) of section 5735.14 of 4065

the Revised Code and shall cause the amount deducted to be paid 4066  
into the general revenue fund of this state; 4067

(7) Sales of natural gas by a natural gas company or 4068  
municipal gas utility, of water by a water-works company, or of 4069  
steam by a heating company, if in each case the thing sold is 4070  
delivered to consumers through pipes or conduits, and all sales 4071  
of communications services by a telegraph company, all terms as 4072  
defined in section 5727.01 of the Revised Code, and sales of 4073  
electricity delivered through wires; 4074

(8) Casual sales by a person, or auctioneer employed 4075  
directly by the person to conduct such sales, except as to such 4076  
sales of motor vehicles, watercraft or outboard motors required 4077  
to be titled under section 1548.06 of the Revised Code, 4078  
watercraft documented with the United States coast guard, 4079  
snowmobiles, and all-purpose vehicles as defined in section 4080  
4519.01 of the Revised Code; 4081

(9) (a) Sales of services or tangible personal property, 4082  
other than motor vehicles, mobile homes, and manufactured homes, 4083  
by churches, organizations exempt from taxation under section 4084  
501(c)(3) of the Internal Revenue Code of 1986, or nonprofit 4085  
organizations operated exclusively for charitable purposes as 4086  
defined in division (B)(12) of this section, provided that the 4087  
number of days on which such tangible personal property or 4088  
services, other than items never subject to the tax, are sold 4089  
does not exceed six in any calendar year, except as otherwise 4090  
provided in division (B)(9)(b) of this section. If the number of 4091  
days on which such sales are made exceeds six in any calendar 4092  
year, the church or organization shall be considered to be 4093  
engaged in business and all subsequent sales by it shall be 4094  
subject to the tax. In counting the number of days, all sales by 4095

groups within a church or within an organization shall be 4096  
considered to be sales of that church or organization. 4097

(b) The limitation on the number of days on which tax- 4098  
exempt sales may be made by a church or organization under 4099  
division (B) (9) (a) of this section does not apply to sales made 4100  
by student clubs and other groups of students of a primary or 4101  
secondary school, or a parent-teacher association, booster 4102  
group, or similar organization that raises money to support or 4103  
fund curricular or extracurricular activities of a primary or 4104  
secondary school. 4105

(c) Divisions (B) (9) (a) and (b) of this section do not 4106  
apply to sales by a noncommercial educational radio or 4107  
television broadcasting station. 4108

(10) Sales not within the taxing power of this state under 4109  
the Constitution or laws of the United States or the 4110  
Constitution of this state; 4111

(11) Except for transactions that are sales under division 4112  
(B) (3) (r) of section 5739.01 of the Revised Code, the 4113  
transportation of persons or property, unless the transportation 4114  
is by a private investigation and security service; 4115

(12) Sales of tangible personal property or services to 4116  
churches, to organizations exempt from taxation under section 4117  
501(c) (3) of the Internal Revenue Code of 1986, and to any other 4118  
nonprofit organizations operated exclusively for charitable 4119  
purposes in this state, no part of the net income of which 4120  
inures to the benefit of any private shareholder or individual, 4121  
and no substantial part of the activities of which consists of 4122  
carrying on propaganda or otherwise attempting to influence 4123  
legislation; sales to offices administering one or more homes 4124

for the aged or one or more hospital facilities exempt under 4125  
section 140.08 of the Revised Code; and sales to organizations 4126  
described in division (D) of section 5709.12 of the Revised 4127  
Code. 4128

"Charitable purposes" means the relief of poverty; the 4129  
improvement of health through the alleviation of illness, 4130  
disease, or injury; the operation of an organization exclusively 4131  
for the provision of professional, laundry, printing, and 4132  
purchasing services to hospitals or charitable institutions; the 4133  
operation of a home for the aged, as defined in section 5701.13 4134  
of the Revised Code; the operation of a radio or television 4135  
broadcasting station that is licensed by the federal 4136  
communications commission as a noncommercial educational radio 4137  
or television station; the operation of a nonprofit animal 4138  
adoption service or a county humane society; the promotion of 4139  
education by an institution of learning that maintains a faculty 4140  
of qualified instructors, teaches regular continuous courses of 4141  
study, and confers a recognized diploma upon completion of a 4142  
specific curriculum; the operation of a parent-teacher 4143  
association, booster group, or similar organization primarily 4144  
engaged in the promotion and support of the curricular or 4145  
extracurricular activities of a primary or secondary school; the 4146  
operation of a community or area center in which presentations 4147  
in music, dramatics, the arts, and related fields are made in 4148  
order to foster public interest and education therein; the 4149  
production of performances in music, dramatics, and the arts; or 4150  
the promotion of education by an organization engaged in 4151  
carrying on research in, or the dissemination of, scientific and 4152  
technological knowledge and information primarily for the 4153  
public. 4154

Nothing in this division shall be deemed to exempt sales 4155

to any organization for use in the operation or carrying on of a 4156  
trade or business, or sales to a home for the aged for use in 4157  
the operation of independent living facilities as defined in 4158  
division (A) of section 5709.12 of the Revised Code. 4159

(13) Building and construction materials and services sold 4160  
to construction contractors for incorporation into a structure 4161  
or improvement to real property under a construction contract 4162  
with this state or a political subdivision of this state, or 4163  
with the United States government or any of its agencies; 4164  
building and construction materials and services sold to 4165  
construction contractors for incorporation into a structure or 4166  
improvement to real property that are accepted for ownership by 4167  
this state or any of its political subdivisions, or by the 4168  
United States government or any of its agencies at the time of 4169  
completion of the structures or improvements; building and 4170  
construction materials sold to construction contractors for 4171  
incorporation into a horticulture structure or livestock 4172  
structure for a person engaged in the business of horticulture 4173  
or producing livestock; building materials and services sold to 4174  
a construction contractor for incorporation into a house of 4175  
public worship or religious education, or a building used 4176  
exclusively for charitable purposes under a construction 4177  
contract with an organization whose purpose is as described in 4178  
division (B)(12) of this section; building materials and 4179  
services sold to a construction contractor for incorporation 4180  
into a building under a construction contract with an 4181  
organization exempt from taxation under section 501(c)(3) of the 4182  
Internal Revenue Code of 1986 when the building is to be used 4183  
exclusively for the organization's exempt purposes; building and 4184  
construction materials sold for incorporation into the original 4185  
construction of a sports facility under section 307.696 of the 4186

Revised Code; building and construction materials and services 4187  
sold to a construction contractor for incorporation into real 4188  
property outside this state if such materials and services, when 4189  
sold to a construction contractor in the state in which the real 4190  
property is located for incorporation into real property in that 4191  
state, would be exempt from a tax on sales levied by that state; 4192  
building and construction materials for incorporation into a 4193  
transportation facility pursuant to a public-private agreement 4194  
entered into under sections 5501.70 to 5501.83 of the Revised 4195  
Code; and, until one calendar year after the construction of a 4196  
convention center that qualifies for property tax exemption 4197  
under section 5709.084 of the Revised Code is completed, 4198  
building and construction materials and services sold to a 4199  
construction contractor for incorporation into the real property 4200  
comprising that convention center; 4201

(14) Sales of ships or vessels or rail rolling stock used 4202  
or to be used principally in interstate or foreign commerce, and 4203  
repairs, alterations, fuel, and lubricants for such ships or 4204  
vessels or rail rolling stock; 4205

(15) Sales to persons primarily engaged in any of the 4206  
activities mentioned in division (B) (42) (a), (g), or (h) of this 4207  
section, to persons engaged in making retail sales, or to 4208  
persons who purchase for sale from a manufacturer tangible 4209  
personal property that was produced by the manufacturer in 4210  
accordance with specific designs provided by the purchaser, of 4211  
packages, including material, labels, and parts for packages, 4212  
and of machinery, equipment, and material for use primarily in 4213  
packaging tangible personal property produced for sale, 4214  
including any machinery, equipment, and supplies used to make 4215  
labels or packages, to prepare packages or products for 4216  
labeling, or to label packages or products, by or on the order 4217



of the person doing the packaging, or sold at retail. "Packages" 4218  
includes bags, baskets, cartons, crates, boxes, cans, bottles, 4219  
bindings, wrappings, and other similar devices and containers, 4220  
but does not include motor vehicles or bulk tanks, trailers, or 4221  
similar devices attached to motor vehicles. "Packaging" means 4222  
placing in a package. Division (B) (15) of this section does not 4223  
apply to persons engaged in highway transportation for hire. 4224

(16) Sales of food to persons using supplemental nutrition 4225  
assistance program benefits to purchase the food. As used in 4226  
this division, "food" has the same meaning as in 7 U.S.C. 2012 4227  
and federal regulations adopted pursuant to the Food and 4228  
Nutrition Act of 2008. 4229

(17) Sales to persons engaged in farming, agriculture, 4230  
horticulture, or floriculture, of tangible personal property for 4231  
use or consumption primarily in the production by farming, 4232  
agriculture, horticulture, or floriculture of other tangible 4233  
personal property for use or consumption primarily in the 4234  
production of tangible personal property for sale by farming, 4235  
agriculture, horticulture, or floriculture; or material and 4236  
parts for incorporation into any such tangible personal property 4237  
for use or consumption in production; and of tangible personal 4238  
property for such use or consumption in the conditioning or 4239  
holding of products produced by and for such use, consumption, 4240  
or sale by persons engaged in farming, agriculture, 4241  
horticulture, or floriculture, except where such property is 4242  
incorporated into real property; 4243

(18) Sales of drugs for a human being that may be 4244  
dispensed only pursuant to a prescription; insulin as recognized 4245  
in the official United States pharmacopoeia; urine and blood 4246  
testing materials when used by diabetics or persons with 4247

hypoglycemia to test for glucose or acetone; hypodermic syringes	4248
and needles when used by diabetics for insulin injections;	4249
epoetin alfa when purchased for use in the treatment of persons	4250
with medical disease; hospital beds when purchased by hospitals,	4251
nursing homes, or other medical facilities; and medical oxygen	4252
and medical oxygen-dispensing equipment when purchased by	4253
hospitals, nursing homes, or other medical facilities;	4254
(19) Sales of prosthetic devices, durable medical	4255
equipment for home use, or mobility enhancing equipment, when	4256
made pursuant to a prescription and when such devices or	4257
equipment are for use by a human being.	4258
(20) Sales of emergency and fire protection vehicles and	4259
equipment to nonprofit organizations for use solely in providing	4260
fire protection and emergency services, including trauma care	4261
and emergency medical services, for political subdivisions of	4262
the state;	4263
(21) Sales of tangible personal property manufactured in	4264
this state, if sold by the manufacturer in this state to a	4265
retailer for use in the retail business of the retailer outside	4266
of this state and if possession is taken from the manufacturer	4267
by the purchaser within this state for the sole purpose of	4268
immediately removing the same from this state in a vehicle owned	4269
by the purchaser;	4270
(22) Sales of services provided by the state or any of its	4271
political subdivisions, agencies, instrumentalities,	4272
institutions, or authorities, or by governmental entities of the	4273
state or any of its political subdivisions, agencies,	4274
instrumentalities, institutions, or authorities;	4275
(23) Sales of motor vehicles to nonresidents of this state	4276

under the circumstances described in division (B) of section	4277
5739.029 of the Revised Code;	4278
(24) Sales to persons engaged in the preparation of eggs	4279
for sale of tangible personal property used or consumed directly	4280
in such preparation, including such tangible personal property	4281
used for cleaning, sanitizing, preserving, grading, sorting, and	4282
classifying by size; packages, including material and parts for	4283
packages, and machinery, equipment, and material for use in	4284
packaging eggs for sale; and handling and transportation	4285
equipment and parts therefor, except motor vehicles licensed to	4286
operate on public highways, used in intraplant or interplant	4287
transfers or shipment of eggs in the process of preparation for	4288
sale, when the plant or plants within or between which such	4289
transfers or shipments occur are operated by the same person.	4290
"Packages" includes containers, cases, baskets, flats, fillers,	4291
filler flats, cartons, closure materials, labels, and labeling	4292
materials, and "packaging" means placing therein.	4293
(25) (a) Sales of water to a consumer for residential use;	4294
(b) Sales of water by a nonprofit corporation engaged	4295
exclusively in the treatment, distribution, and sale of water to	4296
consumers, if such water is delivered to consumers through pipes	4297
or tubing.	4298
(26) Fees charged for inspection or reinspection of motor	4299
vehicles under section 3704.14 of the Revised Code;	4300
(27) Sales to persons licensed to conduct a food service	4301
operation pursuant to section 3717.43 of the Revised Code, of	4302
tangible personal property primarily used directly for the	4303
following:	4304
(a) To prepare food for human consumption for sale;	4305

(b) To preserve food that has been or will be prepared for	4306
human consumption for sale by the food service operator, not	4307
including tangible personal property used to display food for	4308
selection by the consumer;	4309
(c) To clean tangible personal property used to prepare or	4310
serve food for human consumption for sale.	4311
(28) Sales of animals by nonprofit animal adoption	4312
services or county humane societies;	4313
(29) Sales of services to a corporation described in	4314
division (A) of section 5709.72 of the Revised Code, and sales	4315
of tangible personal property that qualifies for exemption from	4316
taxation under section 5709.72 of the Revised Code;	4317
(30) Sales and installation of agricultural land tile, as	4318
defined in division (B) (5) (a) of section 5739.01 of the Revised	4319
Code;	4320
(31) Sales and erection or installation of portable grain	4321
bins, as defined in division (B) (5) (b) of section 5739.01 of the	4322
Revised Code;	4323
(32) The sale, lease, repair, and maintenance of, parts	4324
for, or items attached to or incorporated in, motor vehicles	4325
that are primarily used for transporting tangible personal	4326
property belonging to others by a person engaged in highway	4327
transportation for hire, except for packages and packaging used	4328
for the transportation of tangible personal property;	4329
(33) Sales to the state headquarters of any veterans'	4330
organization in this state that is either incorporated and	4331
issued a charter by the congress of the United States or is	4332
recognized by the United States veterans administration, for use	4333
by the headquarters;	4334

(34) Sales to a telecommunications service vendor, mobile 4335  
telecommunications service vendor, or satellite broadcasting 4336  
service vendor of tangible personal property and services used 4337  
directly and primarily in transmitting, receiving, switching, or 4338  
recording any interactive, one- or two-way electromagnetic 4339  
communications, including voice, image, data, and information, 4340  
through the use of any medium, including, but not limited to, 4341  
poles, wires, cables, switching equipment, computers, and record 4342  
storage devices and media, and component parts for the tangible 4343  
personal property. The exemption provided in this division shall 4344  
be in lieu of all other exemptions under division (B) (42) (a) or 4345  
(n) of this section to which the vendor may otherwise be 4346  
entitled, based upon the use of the thing purchased in providing 4347  
the telecommunications, mobile telecommunications, or satellite 4348  
broadcasting service. 4349

(35) (a) Sales where the purpose of the consumer is to use 4350  
or consume the things transferred in making retail sales and 4351  
consisting of newspaper inserts, catalogues, coupons, flyers, 4352  
gift certificates, or other advertising material that prices and 4353  
describes tangible personal property offered for retail sale. 4354

(b) Sales to direct marketing vendors of preliminary 4355  
materials such as photographs, artwork, and typesetting that 4356  
will be used in printing advertising material; and of printed 4357  
matter that offers free merchandise or chances to win sweepstake 4358  
prizes and that is mailed to potential customers with 4359  
advertising material described in division (B) (35) (a) of this 4360  
section; 4361

(c) Sales of equipment such as telephones, computers, 4362  
facsimile machines, and similar tangible personal property 4363  
primarily used to accept orders for direct marketing retail 4364

sales.	4365
(d) Sales of automatic food vending machines that preserve	4366
food with a shelf life of forty-five days or less by	4367
refrigeration and dispense it to the consumer.	4368
For purposes of division (B) (35) of this section, "direct	4369
marketing" means the method of selling where consumers order	4370
tangible personal property by United States mail, delivery	4371
service, or telecommunication and the vendor delivers or ships	4372
the tangible personal property sold to the consumer from a	4373
warehouse, catalogue distribution center, or similar fulfillment	4374
facility by means of the United States mail, delivery service,	4375
or common carrier.	4376
(36) Sales to a person engaged in the business of	4377
horticulture or producing livestock of materials to be	4378
incorporated into a horticulture structure or livestock	4379
structure;	4380
(37) Sales of personal computers, computer monitors,	4381
computer keyboards, modems, and other peripheral computer	4382
equipment to an individual who is licensed or certified to teach	4383
in an elementary or a secondary school in this state for use by	4384
that individual in preparation for teaching elementary or	4385
secondary school students;	4386
(38) Sales to a professional racing team of any of the	4387
following:	4388
(a) Motor racing vehicles;	4389
(b) Repair services for motor racing vehicles;	4390
(c) Items of property that are attached to or incorporated	4391
in motor racing vehicles, including engines, chassis, and all	4392

other components of the vehicles, and all spare, replacement, 4393  
and rebuilt parts or components of the vehicles; except not 4394  
including tires, consumable fluids, paint, and accessories 4395  
consisting of instrumentation sensors and related items added to 4396  
the vehicle to collect and transmit data by means of telemetry 4397  
and other forms of communication. 4398

(39) Sales of used manufactured homes and used mobile 4399  
homes, as defined in section 5739.0210 of the Revised Code, made 4400  
on or after January 1, 2000; 4401

(40) Sales of tangible personal property and services to a 4402  
provider of electricity used or consumed directly and primarily 4403  
in generating, transmitting, or distributing electricity for use 4404  
by others, including property that is or is to be incorporated 4405  
into and will become a part of the consumer's production, 4406  
transmission, or distribution system and that retains its 4407  
classification as tangible personal property after 4408  
incorporation; fuel or power used in the production, 4409  
transmission, or distribution of electricity; energy conversion 4410  
equipment as defined in section 5727.01 of the Revised Code; and 4411  
tangible personal property and services used in the repair and 4412  
maintenance of the production, transmission, or distribution 4413  
system, including only those motor vehicles as are specially 4414  
designed and equipped for such use. The exemption provided in 4415  
this division shall be in lieu of all other exemptions in 4416  
division (B) (42) (a) or (n) of this section to which a provider 4417  
of electricity may otherwise be entitled based on the use of the 4418  
tangible personal property or service purchased in generating, 4419  
transmitting, or distributing electricity. 4420

(41) Sales to a person providing services under division 4421  
(B) (3) (r) of section 5739.01 of the Revised Code of tangible 4422

personal property and services used directly and primarily in 4423  
providing taxable services under that section. 4424

(42) Sales where the purpose of the purchaser is to do any 4425  
of the following: 4426

(a) To incorporate the thing transferred as a material or 4427  
a part into tangible personal property to be produced for sale 4428  
by manufacturing, assembling, processing, or refining; or to use 4429  
or consume the thing transferred directly in producing tangible 4430  
personal property for sale by mining, including, without 4431  
limitation, the extraction from the earth of all substances that 4432  
are classed geologically as minerals, production of crude oil 4433  
and natural gas, or directly in the rendition of a public 4434  
utility service, except that the sales tax levied by this 4435  
section shall be collected upon all meals, drinks, and food for 4436  
human consumption sold when transporting persons. Persons 4437  
engaged in rendering services in the exploration for, and 4438  
production of, crude oil and natural gas for others are deemed 4439  
engaged directly in the exploration for, and production of, 4440  
crude oil and natural gas. As used in this paragraph, "directly 4441  
in producing tangible personal property for sale by production 4442  
of crude oil and natural gas" includes production operation as 4443  
defined by section 1509.01 of the Revised Code except that the 4444  
term does not include tanks and other storage devices for 4445  
holding solutions used in hydraulic fracturing, equipment used 4446  
for earth moving and reclamation at a well site, or property 4447  
used to transport, deliver, or remove other equipment to or from 4448  
a well site or to store such equipment before using it at a well 4449  
site. This paragraph does not exempt from "retail sale" or 4450  
"sales at retail" the sale of tangible personal property that is 4451  
to be incorporated into a structure or improvement to real 4452  
property. 4453



(b) To hold the thing transferred as security for the performance of an obligation of the vendor;	4454 4455
(c) To resell, hold, use, or consume the thing transferred as evidence of a contract of insurance;	4456 4457
(d) To use or consume the thing directly in commercial fishing;	4458 4459
(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;	4460 4461 4462 4463
(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;	4464 4465 4466 4467 4468
(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;	4469 4470 4471
(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;	4472 4473 4474 4475 4476 4477
(i) To use the thing transferred as qualified research and development equipment;	4478 4479
(j) To use or consume the thing transferred primarily in storing, transporting, mailing, or otherwise handling purchased	4480 4481

sales inventory in a warehouse, distribution center, or similar 4482  
facility when the inventory is primarily distributed outside 4483  
this state to retail stores of the person who owns or controls 4484  
the warehouse, distribution center, or similar facility, to 4485  
retail stores of an affiliated group of which that person is a 4486  
member, or by means of direct marketing. This division does not 4487  
apply to motor vehicles registered for operation on the public 4488  
highways. As used in this division, "affiliated group" has the 4489  
same meaning as in division (B) (3) (e) of section 5739.01 of the 4490  
Revised Code and "direct marketing" has the same meaning as in 4491  
division (B) (35) of this section. 4492

(k) To use or consume the thing transferred to fulfill a 4493  
contractual obligation incurred by a warrantor pursuant to a 4494  
warranty provided as a part of the price of the tangible 4495  
personal property sold or by a vendor of a warranty, maintenance 4496  
or service contract, or similar agreement the provision of which 4497  
is defined as a sale under division (B) (7) of section 5739.01 of 4498  
the Revised Code; 4499

(l) To use or consume the thing transferred in the 4500  
production of a newspaper for distribution to the public; 4501

(m) To use tangible personal property to perform a service 4502  
listed in division (B) (3) of section 5739.01 of the Revised 4503  
Code, if the property is or is to be permanently transferred to 4504  
the consumer of the service as an integral part of the 4505  
performance of the service; 4506

(n) To use or consume the thing transferred primarily in 4507  
producing tangible personal property for sale by farming, 4508  
agriculture, horticulture, or floriculture. Persons engaged in 4509  
rendering farming, agriculture, horticulture, or floriculture 4510  
services for others are deemed engaged primarily in farming, 4511

agriculture, horticulture, or floriculture. This paragraph does 4512  
not exempt from "retail sale" or "sales at retail" the sale of 4513  
tangible personal property that is to be incorporated into a 4514  
structure or improvement to real property. 4515

(o) To use or consume the thing transferred in acquiring, 4516  
formatting, editing, storing, and disseminating data or 4517  
information by electronic publishing; 4518

(p) To provide the thing transferred to the owner or 4519  
lessee of a motor vehicle that is being repaired or serviced, if 4520  
the thing transferred is a rented motor vehicle and the 4521  
purchaser is reimbursed for the cost of the rented motor vehicle 4522  
by a manufacturer, warrantor, or provider of a maintenance, 4523  
service, or other similar contract or agreement, with respect to 4524  
the motor vehicle that is being repaired or serviced. 4525

As used in division (B) (42) of this section, "thing" 4526  
includes all transactions included in divisions (B) (3) (a), (b), 4527  
and (e) of section 5739.01 of the Revised Code. 4528

(43) Sales conducted through a coin operated device that 4529  
activates vacuum equipment or equipment that dispenses water, 4530  
whether or not in combination with soap or other cleaning agents 4531  
or wax, to the consumer for the consumer's use on the premises 4532  
in washing, cleaning, or waxing a motor vehicle, provided no 4533  
other personal property or personal service is provided as part 4534  
of the transaction. 4535

(44) Sales of replacement and modification parts for 4536  
engines, airframes, instruments, and interiors in, and paint 4537  
for, aircraft used primarily in a fractional aircraft ownership 4538  
program, and sales of services for the repair, modification, and 4539  
maintenance of such aircraft, and machinery, equipment, and 4540

supplies primarily used to provide those services. 4541

(45) Sales of telecommunications service that is used 4542  
directly and primarily to perform the functions of a call 4543  
center. As used in this division, "call center" means any 4544  
physical location where telephone calls are placed or received 4545  
in high volume for the purpose of making sales, marketing, 4546  
customer service, technical support, or other specialized 4547  
business activity, and that employs at least fifty individuals 4548  
that engage in call center activities on a full-time basis, or 4549  
sufficient individuals to fill fifty full-time equivalent 4550  
positions. 4551

(46) Sales by a telecommunications service vendor of 900 4552  
service to a subscriber. This division does not apply to 4553  
information services, as defined in division (FF) of section 4554  
5739.01 of the Revised Code. 4555

(47) Sales of value-added non-voice data service. This 4556  
division does not apply to any similar service that is not 4557  
otherwise a telecommunications service. 4558

(48) (a) Sales of machinery, equipment, and software to a 4559  
qualified direct selling entity for use in a warehouse or 4560  
distribution center primarily for storing, transporting, or 4561  
otherwise handling inventory that is held for sale to 4562  
independent salespersons who operate as direct sellers and that 4563  
is held primarily for distribution outside this state; 4564

(b) As used in division (B) (48) (a) of this section: 4565

(i) "Direct seller" means a person selling consumer 4566  
products to individuals for personal or household use and not 4567  
from a fixed retail location, including selling such product at 4568  
in-home product demonstrations, parties, and other one-on-one 4569

selling. 4570

(ii) "Qualified direct selling entity" means an entity 4571  
selling to direct sellers at the time the entity enters into a 4572  
tax credit agreement with the tax credit authority pursuant to 4573  
section 122.17 of the Revised Code, provided that the agreement 4574  
was entered into on or after January 1, 2007. Neither 4575  
contingencies relevant to the granting of, nor later 4576  
developments with respect to, the tax credit shall impair the 4577  
status of the qualified direct selling entity under division (B) 4578  
(48) of this section after execution of the tax credit agreement 4579  
by the tax credit authority. 4580

(c) Division (B) (48) of this section is limited to 4581  
machinery, equipment, and software first stored, used, or 4582  
consumed in this state within the period commencing June 24, 4583  
2008, and ending on the date that is five years after that date. 4584

(49) Sales of materials, parts, equipment, or engines used 4585  
in the repair or maintenance of aircraft or avionics systems of 4586  
such aircraft, and sales of repair, remodeling, replacement, or 4587  
maintenance services in this state performed on aircraft or on 4588  
an aircraft's avionics, engine, or component materials or parts. 4589  
As used in division (B) (49) of this section, "aircraft" means 4590  
aircraft of more than six thousand pounds maximum certified 4591  
takeoff weight or used exclusively in general aviation. 4592

(50) Sales of full flight simulators that are used for 4593  
pilot or flight-crew training, sales of repair or replacement 4594  
parts or components, and sales of repair or maintenance services 4595  
for such full flight simulators. "Full flight simulator" means a 4596  
replica of a specific type, or make, model, and series of 4597  
aircraft cockpit. It includes the assemblage of equipment and 4598  
computer programs necessary to represent aircraft operations in 4599

ground and flight conditions, a visual system providing an out- 4600  
of-the-cockpit view, and a system that provides cues at least 4601  
equivalent to those of a three-degree-of-freedom motion system, 4602  
and has the full range of capabilities of the systems installed 4603  
in the device as described in appendices A and B of part 60 of 4604  
chapter 1 of title 14 of the Code of Federal Regulations. 4605

(51) Any transfer or lease of tangible personal property 4606  
between the state and JobsOhio in accordance with section 4607  
4313.02 of the Revised Code. 4608

(52) (a) Sales to a qualifying corporation. 4609

(b) As used in division (B) (52) of this section: 4610

(i) "Qualifying corporation" means a nonprofit corporation 4611  
organized in this state that leases from an eligible county 4612  
land, buildings, structures, fixtures, and improvements to the 4613  
land that are part of or used in a public recreational facility 4614  
used by a major league professional athletic team or a class A 4615  
to class AAA minor league affiliate of a major league 4616  
professional athletic team for a significant portion of the 4617  
team's home schedule, provided the following apply: 4618

(I) The facility is leased from the eligible county 4619  
pursuant to a lease that requires substantially all of the 4620  
revenue from the operation of the business or activity conducted 4621  
by the nonprofit corporation at the facility in excess of 4622  
operating costs, capital expenditures, and reserves to be paid 4623  
to the eligible county at least once per calendar year. 4624

(II) Upon dissolution and liquidation of the nonprofit 4625  
corporation, all of its net assets are distributable to the 4626  
board of commissioners of the eligible county from which the 4627  
corporation leases the facility. 4628

(ii) "Eligible county" has the same meaning as in section 4629  
307.695 of the Revised Code. 4630

(53) Sales to or by a cable service provider, video 4631  
service provider, or radio or television broadcast station 4632  
regulated by the federal government of cable service or 4633  
programming, video service or programming, audio service or 4634  
programming, or electronically transferred digital audiovisual 4635  
or audio work. As used in division (B) (53) of this section, 4636  
"cable service" and "cable service provider" have the same 4637  
meanings as in section 1332.01 of the Revised Code, and "video 4638  
service," "video service provider," and "video programming" have 4639  
the same meanings as in section 1332.21 of the Revised Code. 4640

(54) Sales of investment metal bullion and investment 4641  
coins. "Investment metal bullion" means any bullion described in 4642  
section 408(m) (3) (B) of the Internal Revenue Code, regardless of 4643  
whether that bullion is in the physical possession of a trustee. 4644  
"Investment coin" means any coin composed primarily of gold, 4645  
silver, platinum, or palladium. 4646

(55) Sales of a specified digital product electronically 4647  
transferred for use in or for delivery through use of a machine 4648  
that accepts direct cash payments or direct payments by a 4649  
financial transaction device to operate and that operates 4650  
primarily for the purpose of providing entertainment or 4651  
amusement, such as a juke box, music machine, arcade game, or 4652  
other similar machine. As used in division (B) (55) of this 4653  
section, "financial transaction device" has the same meaning as 4654  
in section 113.40 of the Revised Code. 4655

(C) For the purpose of the proper administration of this 4656  
chapter, and to prevent the evasion of the tax, it is presumed 4657  
that all sales made in this state are subject to the tax until 4658

the contrary is established. 4659

(D) The levy of this tax on retail sales of recreation and 4660  
sports club service shall not prevent a municipal corporation 4661  
from levying any tax on recreation and sports club dues or on 4662  
any income generated by recreation and sports club dues. 4663

(E) The tax collected by the vendor from the consumer 4664  
under this chapter is not part of the price, but is a tax 4665  
collection for the benefit of the state, and of counties levying 4666  
an additional sales tax pursuant to section 5739.021 or 5739.026 4667  
of the Revised Code and of transit authorities levying an 4668  
additional sales tax pursuant to section 5739.023 of the Revised 4669  
Code. Except for the discount authorized under section 5739.12 4670  
of the Revised Code and the effects of any rounding pursuant to 4671  
section 5703.055 of the Revised Code, no person other than the 4672  
state or such a county or transit authority shall derive any 4673  
benefit from the collection or payment of the tax levied by this 4674  
section or section 5739.021, 5739.023, or 5739.026 of the 4675  
Revised Code. 4676

**Sec. 5739.03.** (A) Except as provided in section 5739.05 or 4677  
section 5739.051 of the Revised Code, the tax imposed by or 4678  
pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of 4679  
the Revised Code shall be paid by the consumer to the vendor, 4680  
and each vendor shall collect from the consumer, as a trustee 4681  
for the state of Ohio, the full and exact amount of the tax 4682  
payable on each taxable sale, in the manner and at the times 4683  
provided as follows: 4684

(1) If the price is, at or prior to the provision of the 4685  
service or the delivery of possession of the thing sold to the 4686  
consumer, paid in currency passed from hand to hand by the 4687  
consumer or the consumer's agent to the vendor or the vendor's 4688



agent, the vendor or the vendor's agent shall collect the tax 4689  
with and at the same time as the price; 4690

(2) If the price is otherwise paid or to be paid, the 4691  
vendor or the vendor's agent shall, at or prior to the provision 4692  
of the service or the delivery of possession of the thing sold 4693  
to the consumer, charge the tax imposed by or pursuant to 4694  
section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised 4695  
Code to the account of the consumer, which amount shall be 4696  
collected by the vendor from the consumer in addition to the 4697  
price. Such sale shall be reported on and the amount of the tax 4698  
applicable thereto shall be remitted with the return for the 4699  
period in which the sale is made, and the amount of the tax 4700  
shall become a legal charge in favor of the vendor and against 4701  
the consumer. 4702

(B) (1) (a) If any sale is claimed to be exempt under 4703  
division (E) of section 5739.01 of the Revised Code or under 4704  
section 5739.02 of the Revised Code, with the exception of 4705  
divisions (B) (1) to (11) or (28) of section 5739.02 of the 4706  
Revised Code, or if the consumer claims the transaction is not a 4707  
taxable sale due to one or more of the exclusions provided under 4708  
divisions (JJ) (1) to (5) of section 5739.01 of the Revised Code, 4709  
the consumer must provide to the vendor, and the vendor must 4710  
obtain from the consumer, a certificate specifying the reason 4711  
that the sale is not legally subject to the tax. The certificate 4712  
shall be in such form, and shall be provided either in a hard 4713  
copy form or electronic form, as the tax commissioner 4714  
prescribes. 4715

(b) A vendor that obtains a fully completed exemption 4716  
certificate from a consumer is relieved of liability for 4717  
collecting and remitting tax on any sale covered by that 4718

certificate. If it is determined the exemption was improperly 4719  
claimed, the consumer shall be liable for any tax due on that 4720  
sale under section 5739.02, 5739.021, 5739.023, or 5739.026 or 4721  
Chapter 5741. of the Revised Code. Relief under this division 4722  
from liability does not apply to any of the following: 4723

(i) A vendor that fraudulently fails to collect tax; 4724

(ii) A vendor that solicits consumers to participate in 4725  
the unlawful claim of an exemption; 4726

(iii) A vendor that accepts an exemption certificate from 4727  
a consumer that claims an exemption based on who purchases or 4728  
who sells property or a service, when the subject of the 4729  
transaction sought to be covered by the exemption certificate is 4730  
actually received by the consumer at a location operated by the 4731  
vendor in this state, and this state has posted to its web site 4732  
an exemption certificate form that clearly and affirmatively 4733  
indicates that the claimed exemption is not available in this 4734  
state; 4735

(iv) A vendor that accepts an exemption certificate from a 4736  
consumer who claims a multiple points of use exemption under 4737  
division (D) of section 5739.033 of the Revised Code, if the 4738  
item purchased is tangible personal property, other than 4739  
prewritten computer software. 4740

(2) The vendor shall maintain records, including exemption 4741  
certificates, of all sales on which a consumer has claimed an 4742  
exemption, and provide them to the tax commissioner on request. 4743

(3) The tax commissioner may establish an identification 4744  
system whereby the commissioner issues an identification number 4745  
to a consumer that is exempt from payment of the tax. The 4746  
consumer must present the number to the vendor, if any sale is 4747

claimed to be exempt as provided in this section. 4748

(4) If no certificate is provided or obtained within 4749  
ninety days after the date on which such sale is consummated, it 4750  
shall be presumed that the tax applies. Failure to have so 4751  
provided or obtained a certificate shall not preclude a vendor, 4752  
within one hundred twenty days after the tax commissioner gives 4753  
written notice of intent to levy an assessment, from either 4754  
establishing that the sale is not subject to the tax, or 4755  
obtaining, in good faith, a fully completed exemption 4756  
certificate. 4757

(5) Certificates need not be obtained nor provided where 4758  
the identity of the consumer is such that the transaction is 4759  
never subject to the tax imposed or where the item of tangible 4760  
personal property sold or the service provided is never subject 4761  
to the tax imposed, regardless of use, or when the sale is in 4762  
interstate commerce. 4763

(6) If a transaction is claimed to be exempt under 4764  
division (B) (13) of section 5739.02 of the Revised Code, the 4765  
contractor shall obtain certification of the claimed exemption 4766  
from the contractee. This certification shall be in addition to 4767  
an exemption certificate provided by the contractor to the 4768  
vendor. A contractee that provides a certification under this 4769  
division shall be deemed to be the consumer of all items 4770  
purchased by the contractor under the claim of exemption, if it 4771  
is subsequently determined that the exemption is not properly 4772  
claimed. The certification shall be in such form as the tax 4773  
commissioner prescribes. 4774

(C) As used in this division, "contractee" means a person 4775  
who seeks to enter or enters into a contract or agreement with a 4776  
contractor or vendor for the construction of real property or 4777

for the sale and installation onto real property of tangible 4778  
personal property. 4779

Any contractor or vendor may request from any contractee a 4780  
certification of what portion of the property to be transferred 4781  
under such contract or agreement is to be incorporated into the 4782  
realty and what portion will retain its status as tangible 4783  
personal property after installation is completed. The 4784  
contractor or vendor shall request the certification by 4785  
certified mail delivered to the contractee, return receipt 4786  
requested. Upon receipt of such request and prior to entering 4787  
into the contract or agreement, the contractee shall provide to 4788  
the contractor or vendor a certification sufficiently detailed 4789  
to enable the contractor or vendor to ascertain the resulting 4790  
classification of all materials purchased or fabricated by the 4791  
contractor or vendor and transferred to the contractee. This 4792  
requirement applies to a contractee regardless of whether the 4793  
contractee holds a direct payment permit under section 5739.031 4794  
of the Revised Code or provides to the contractor or vendor an 4795  
exemption certificate as provided under this section. 4796

For the purposes of the taxes levied by this chapter and 4797  
Chapter 5741. of the Revised Code, the contractor or vendor may 4798  
in good faith rely on the contractee's certification. 4799  
Notwithstanding division (B) of section 5739.01 of the Revised 4800  
Code, if the tax commissioner determines that certain property 4801  
certified by the contractee as tangible personal property 4802  
pursuant to this division is, in fact, real property, the 4803  
contractee shall be considered to be the consumer of all 4804  
materials so incorporated into that real property and shall be 4805  
liable for the applicable tax, and the contractor or vendor 4806  
shall be excused from any liability on those materials. 4807

If a contractee fails to provide such certification upon 4808  
the request of the contractor or vendor, the contractor or 4809  
vendor shall comply with the provisions of this chapter and 4810  
Chapter 5741. of the Revised Code without the certification. If 4811  
the tax commissioner determines that such compliance has been 4812  
performed in good faith and that certain property treated as 4813  
tangible personal property by the contractor or vendor is, in 4814  
fact, real property, the contractee shall be considered to be 4815  
the consumer of all materials so incorporated into that real 4816  
property and shall be liable for the applicable tax, and the 4817  
construction contractor or vendor shall be excused from any 4818  
liability on those materials. 4819

This division does not apply to any contract or agreement 4820  
where the tax commissioner determines as a fact that a 4821  
certification under this division was made solely on the 4822  
decision or advice of the contractor or vendor. 4823

(D) Notwithstanding division (B) of section 5739.01 of the 4824  
Revised Code, whenever the total rate of tax imposed under this 4825  
chapter is increased after the date after a construction 4826  
contract is entered into, the contractee shall reimburse the 4827  
construction contractor for any additional tax paid on tangible 4828  
property consumed or services received pursuant to the contract. 4829

(E) A vendor who files a petition for reassessment 4830  
contesting the assessment of tax on sales for which the vendor 4831  
obtained no valid exemption certificates and for which the 4832  
vendor failed to establish that the sales were properly not 4833  
subject to the tax during the one-hundred-twenty-day period 4834  
allowed under division (B) of this section, may present to the 4835  
tax commissioner additional evidence to prove that the sales 4836  
were properly subject to a claim of exception or exemption. The 4837

vendor shall file such evidence within ninety days of the 4838  
receipt by the vendor of the notice of assessment, except that, 4839  
upon application and for reasonable cause, the period for 4840  
submitting such evidence shall be extended thirty days. 4841

The commissioner shall consider such additional evidence 4842  
in reaching the final determination on the assessment and 4843  
petition for reassessment. 4844

(F) Whenever a vendor refunds the price, minus any 4845  
separately stated delivery charge, of an item of tangible 4846  
personal property on which the tax imposed under this chapter 4847  
has been paid, the vendor shall also refund the amount of tax 4848  
paid, minus the amount of tax attributable to the delivery 4849  
charge. 4850

**Section 2.** That existing sections 122.121, 149.311, 4851  
339.02, 339.05, 749.07, 749.18, 951.02, 951.13, 1711.50, 4852  
1711.57, 4141.01, 4141.25, 4141.30, 4727.02, 4727.03, 4727.06, 4853  
4727.10, 4727.11, 4727.12, 4727.19, 4727.20, 5709.20, 5709.45, 4854  
5726.01, 5739.02, and 5739.03 of the Revised Code and Section 4 4855  
of Sub. H.B. 5 of the 130th General Assembly are hereby 4856  
repealed. 4857

**Section 3.** (A) Except as otherwise provided, terms used in 4858  
this section have the same meaning as in section 149.311 of the 4859  
Revised Code. As used in this section: 4860

(1) "Uncompleted project" means an historic building, the 4861  
rehabilitation of which the Director of Development Services 4862  
approved under division (D) of former section 149.311 of the 4863  
Revised Code for the application period described in division 4864  
(A) (9) (a) of that section as eligible for a tax credit under 4865  
that section, but the owners of which were not awarded a 4866

rehabilitation tax credit certificate or received a tax credit 4867  
for less than twenty-five per cent of the qualified 4868  
rehabilitation expenditures approved under that section. 4869

(2) "Former section 149.311 of the Revised Code" means 4870  
section 149.311 of the Revised Code as that section existed on 4871  
April 4, 2007. 4872

(B) Notwithstanding section 149.311 of the Revised Code, 4873  
within thirty days after the effective date of this section, the 4874  
Director of Development Services shall approve, as eligible to 4875  
receive a rehabilitation tax credit certificate, the catalytic 4876  
project of each person that applied for but was not approved for 4877  
a rehabilitation tax credit on the basis of a catalytic project 4878  
under division (D)(6) of that section for the fiscal year 2016- 4879  
2017 biennium upon the project and applicant meeting the 4880  
conditions prescribed in divisions (D)(3) or (4) and (D)(5) of 4881  
that section. The amount of credit awarded to such a person 4882  
shall equal the lesser of twenty-five per cent of the qualified 4883  
rehabilitation expenditures, twenty-five million dollars, or 4884  
one-half of the maximum amount of credit that could have been 4885  
claimed by the owners of uncompleted projects had the Director 4886  
issued rehabilitation tax credit certificates to each such owner 4887  
based on qualified rehabilitation expenditures the applicant 4888  
estimated would be paid or incurred for the uncompleted project. 4889

A credit awarded pursuant to this section is a credit 4890  
awarded under division (D)(6) of section 149.311 of the Revised 4891  
Code for the purposes of that section but is not subject to the 4892  
limitation on the number of tax credit certificates issued under 4893  
that division during a biennium. The credit may be claimed by a 4894  
certificate owner in the amount and manner described in division 4895  
(H) of section 149.311 and sections 5725.151, 5725.34, 5726.52, 4896

5729.17, 5733.47, and 5747.76 of the Revised Code. The amount of 4897  
a credit awarded under this section is a credit approved by the 4898  
Director for purposes of the limit described in division (D)(2) 4899  
of section 149.311 of the Revised Code for a fiscal year. 4900

**Section 4.** The amendment by this act of section 5709.20 4901  
and division (B)(42) of section 5739.02 of the Revised Code is a 4902  
remedial measure intended to clarify existing law. The General 4903  
Assembly intends those amendments to be applied retrospectively 4904  
to all cases pending on or transactions occurring after the 4905  
effective date of section 1509.01 of the Revised Code as amended 4906  
by Sub. S.B. 165 of the 128th General Assembly. 4907

**Section 5.** The legislative body, as that term is defined 4908  
in section 5709.52 of the Revised Code, of a municipal 4909  
corporation, township, or county shall not declare the 4910  
development or redevelopment of a parcel to be a public purpose 4911  
and exempt that parcel from taxation as provided in that section 4912  
for any tax year before tax year 2017. 4913

**Section 6.** The amendment by this act of section 5726.01 of 4914  
the Revised Code is intended to be remedial in nature and to 4915  
clarify the law as it existed prior to the enactment of this act 4916  
and shall be construed accordingly. The amendment shall apply to 4917  
tax years beginning on or after January 1, 2014. 4918

**Section 7.** The enactment by this act of division (B)(55) 4919  
of section 5739.02 of the Revised Code applies beginning on the 4920  
first day of the first month that begins after the effective 4921  
date of this section. 4922

**Section 8.** (A) As used in this section, "tax credit- 4923  
eligible production," "motion picture company," and "eligible 4924  
production expenditures" have the same meanings as in section 4925



122.85 of the Revised Code. 4926

(B) Notwithstanding section 122.85 of the Revised Code or 4927  
the rules adopted by the Director of Development Services under 4928  
division (G) of that section, a television program produced in 4929  
this state during the first six months of calendar year 2017 4930  
shall be certified by the Director as a tax credit-eligible 4931  
production for fiscal year 2018 even though the production is 4932  
commenced before the start of that fiscal year. The tax credit 4933  
certificate issued to the motion picture company responsible for 4934  
such a production shall include all eligible production 4935  
expenditures incurred during the first six months of calendar 4936  
year 2017 even if the expenditures were incurred before the 4937  
program was certified as tax credit-eligible and even though the 4938  
expenditures were incurred before the start of fiscal year 2018. 4939

(C) A credit awarded under this section shall not exceed 4940  
\$12 million and shall not be claimed before July 1, 2017. A 4941  
credit awarded under this section shall not be counted for the 4942  
purposes of the annual cap prescribed by division (C) (4) of 4943  
section 122.85 of the Revised Code for Fiscal Year 2017 but 4944  
shall be counted for the purposes of the annual cap prescribed 4945  
by that division for fiscal year 2018. 4946

**Section 9.** For fiscal years 2017 and 2018, the legislative 4947  
authority of a municipal corporation in Stark County may conduct 4948  
a pilot program whereby the legislative authority may use up to 4949  
five per cent of the aggregate amount of money deposited in the 4950  
municipal corporation's sewer fund and up to five per cent of 4951  
the aggregate amount of money deposited in a fund created by the 4952  
municipal corporation for waterworks for the purpose of 4953  
extending the municipal corporation's water or sewerage system, 4954  
as applicable, if both of the following apply: 4955

(1) The water or sewerage system is being extended to 4956  
areas for economic development purposes. 4957

(2) The areas into which the water or sewerage system is 4958  
being extended are the subject of a cooperative economic 4959  
development agreement entered into by the municipal corporation 4960  
under section 701.07 of the Revised Code. 4961

With regard to either fund, the legislative authority 4962  
shall not exceed the five per cent limit established in this 4963  
section. 4964

**Section 10.** The Municipal Income Tax Net Operating Loss 4965  
Review Committee, as created in Section 4 of Sub. H.B. 5 of the 4966  
130th General Assembly and referenced in Section 3 of Sub. H.B. 4967  
182 of the 131st General Assembly, is hereby discharged of all 4968  
duties and requirements delineated under those sections. 4969

**Section 11.** The amendment by this act of section 5739.03 4970  
of the Revised Code applies on and after January 1, 2017. 4971

**Section 12.** The items of law contained in this act, and 4972  
their applications, are severable. If any item of law contained 4973  
in this act, or if any application of any item of law contained 4974  
in this act, is held invalid, the invalidity does not affect 4975  
other items of law contained in this act and their applications 4976  
that can be given effect without the invalid item of law or 4977  
application. 4978

**Section 13.** The General Assembly, applying the principle 4979  
stated in division (B) of section 1.52 of the Revised Code that 4980  
amendments are to be harmonized if reasonably capable of 4981  
simultaneous operation, finds that the composite is the 4982  
resulting version of the following sections in effect prior to 4983  
the effective date of the section as presented in this act: 4984

Section 5739.02 of the Revised Code is presented in this	4985
act as a composite of the section as amended by Am. Sub. H.B.	4986
64, Sub. H.B. 390, and Sub. S.B. 172, all of the 131st General	4987
Assembly.	4988