

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

S. B. No. 111

Senators Eklund, O'Brien

A BILL

To amend sections 109.572, 718.031, 2915.01, 1
5703.21, 5747.02, 5747.063, 5747.064, 5747.08, 2
5747.20, 5751.01, 5753.01, 5753.03, 5753.04, 3
5753.05, 5753.06, 5753.061, 5753.07, 5753.08, 4
and 5753.10 and to enact sections 3775.01, 5
3775.02, 3775.03, 3775.04, 3775.05, 3775.06, 6
3775.07, 3775.08, 3775.09, 3775.11, 3775.12, 7
3775.99, and 5753.021 of the Revised Code to 8
permit the Ohio Casino Control Commission to 9
regulate sports wagering and to levy a tax on 10
businesses that provide sports wagering. 11

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

Section 1. That sections 109.572, 718.031, 2915.01, 12
5703.21, 5747.02, 5747.063, 5747.064, 5747.08, 5747.20, 5751.01, 13
5753.01, 5753.03, 5753.04, 5753.05, 5753.06, 5753.061, 5753.07, 14
5753.08, and 5753.10 be amended and sections 3775.01, 3775.02, 15
3775.03, 3775.04, 3775.05, 3775.06, 3775.07, 3775.08, 3775.09, 16
3775.11, 3775.12, 3775.99, and 5753.021 of the Revised Code be 17
enacted to read as follows: 18

Sec. 109.572. (A) (1) Upon receipt of a request pursuant to 19

section 121.08, 3301.32, 3301.541, or 3319.39 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, or a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(1)(a) of this section;

(c) If the request is made pursuant to section 3319.39 of 50
the Revised Code for an applicant who is a teacher, any offense 51
specified in section 3319.31 of the Revised Code. 52

(2) On receipt of a request pursuant to section 3712.09 or 53
3721.121 of the Revised Code, a completed form prescribed 54
pursuant to division (C)(1) of this section, and a set of 55
fingerprint impressions obtained in the manner described in 56
division (C)(2) of this section, the superintendent of the 57
bureau of criminal identification and investigation shall 58
conduct a criminal records check with respect to any person who 59
has applied for employment in a position for which a criminal 60
records check is required by those sections. The superintendent 61
shall conduct the criminal records check in the manner described 62
in division (B) of this section to determine whether any 63
information exists that indicates that the person who is the 64
subject of the request previously has been convicted of or 65
pleaded guilty to any of the following: 66

(a) A violation of section 2903.01, 2903.02, 2903.03, 67
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 68
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 69
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 70
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 71
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 72
2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 73
2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 74
2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code; 75

(b) An existing or former law of this state, any other 76
state, or the United States that is substantially equivalent to 77
any of the offenses listed in division (A)(2)(a) of this 78
section. 79

(3) On receipt of a request pursuant to section 173.27, 80
173.38, 173.381, 3701.881, 5164.34, 5164.341, 5164.342, 81
5123.081, or 5123.169 of the Revised Code, a completed form 82
prescribed pursuant to division (C) (1) of this section, and a 83
set of fingerprint impressions obtained in the manner described 84
in division (C) (2) of this section, the superintendent of the 85
bureau of criminal identification and investigation shall 86
conduct a criminal records check of the person for whom the 87
request is made. The superintendent shall conduct the criminal 88
records check in the manner described in division (B) of this 89
section to determine whether any information exists that 90
indicates that the person who is the subject of the request 91
previously has been convicted of, has pleaded guilty to, or 92
(except in the case of a request pursuant to section 5164.34, 93
5164.341, or 5164.342 of the Revised Code) has been found 94
eligible for intervention in lieu of conviction for any of the 95
following, regardless of the date of the conviction, the date of 96
entry of the guilty plea, or (except in the case of a request 97
pursuant to section 5164.34, 5164.341, or 5164.342 of the 98
Revised Code) the date the person was found eligible for 99
intervention in lieu of conviction: 100

(a) A violation of section 959.13, 959.131, 2903.01, 101
2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 102
2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2903.341, 103
2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2905.32, 2905.33, 104
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 105
2907.09, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 106
2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2909.02, 107
2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 108
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.05, 109
2913.11, 2913.21, 2913.31, 2913.32, 2913.40, 2913.41, 2913.42, 110

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| 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, | 111 |
| 2913.49, 2913.51, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, | 112 |
| 2919.121, 2919.123, 2919.22, 2919.23, 2919.24, 2919.25, 2921.03, | 113 |
| 2921.11, 2921.12, 2921.13, 2921.21, 2921.24, 2921.32, 2921.321, | 114 |
| 2921.34, 2921.35, 2921.36, 2921.51, 2923.12, 2923.122, 2923.123, | 115 |
| 2923.13, 2923.161, 2923.162, 2923.21, 2923.32, 2923.42, 2925.02, | 116 |
| 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, 2925.11, | 117 |
| 2925.13, 2925.14, 2925.141, 2925.22, 2925.23, 2925.24, 2925.36, | 118 |
| 2925.55, 2925.56, 2927.12, or 3716.11 of the Revised Code; | 119 |
| (b) Felonious sexual penetration in violation of former | 120 |
| section 2907.12 of the Revised Code; | 121 |
| (c) A violation of section 2905.04 of the Revised Code as | 122 |
| it existed prior to July 1, 1996; | 123 |
| (d) A violation of section 2923.01, 2923.02, or 2923.03 of | 124 |
| the Revised Code when the underlying offense that is the object | 125 |
| of the conspiracy, attempt, or complicity is one of the offenses | 126 |
| listed in divisions (A) (3) (a) to (c) of this section; | 127 |
| (e) A violation of an existing or former municipal | 128 |
| ordinance or law of this state, any other state, or the United | 129 |
| States that is substantially equivalent to any of the offenses | 130 |
| listed in divisions (A) (3) (a) to (d) of this section. | 131 |
| (4) On receipt of a request pursuant to section 2151.86 of | 132 |
| the Revised Code, a completed form prescribed pursuant to | 133 |
| division (C) (1) of this section, and a set of fingerprint | 134 |
| impressions obtained in the manner described in division (C) (2) | 135 |
| of this section, the superintendent of the bureau of criminal | 136 |
| identification and investigation shall conduct a criminal | 137 |
| records check in the manner described in division (B) of this | 138 |
| section to determine whether any information exists that | 139 |

indicates that the person who is the subject of the request 140
previously has been convicted of or pleaded guilty to any of the 141
following: 142

(a) A violation of section 959.13, 2903.01, 2903.02, 143
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 144
2903.21, 2903.211, 2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 145
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 146
2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 147
2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.22, 148
2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2913.49, 149
2917.01, 2917.02, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 150
2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, 151
2927.12, or 3716.11 of the Revised Code, a violation of section 152
2905.04 of the Revised Code as it existed prior to July 1, 1996, 153
a violation of section 2919.23 of the Revised Code that would 154
have been a violation of section 2905.04 of the Revised Code as 155
it existed prior to July 1, 1996, had the violation been 156
committed prior to that date, a violation of section 2925.11 of 157
the Revised Code that is not a minor drug possession offense, 158
two or more OVI or OVUAC violations committed within the three 159
years immediately preceding the submission of the application or 160
petition that is the basis of the request, or felonious sexual 161
penetration in violation of former section 2907.12 of the 162
Revised Code; 163

(b) A violation of an existing or former law of this 164
state, any other state, or the United States that is 165
substantially equivalent to any of the offenses listed in 166
division (A) (4) (a) of this section. 167

(5) Upon receipt of a request pursuant to section 5104.013 168
of the Revised Code, a completed form prescribed pursuant to 169

division (C) (1) of this section, and a set of fingerprint 170
impressions obtained in the manner described in division (C) (2) 171
of this section, the superintendent of the bureau of criminal 172
identification and investigation shall conduct a criminal 173
records check in the manner described in division (B) of this 174
section to determine whether any information exists that 175
indicates that the person who is the subject of the request has 176
been convicted of or pleaded guilty to any of the following: 177

(a) A violation of section 2151.421, 2903.01, 2903.02, 178
2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 179
2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32, 180
2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 181
2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 182
2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 183
2909.03, 2909.04, 2909.05, 2911.01, 2911.02, 2911.11, 2911.12, 184
2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11, 185
2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.41, 186
2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 187
2913.48, 2913.49, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 188
2919.22, 2919.224, 2919.225, 2919.24, 2919.25, 2921.03, 2921.11, 189
2921.13, 2921.14, 2921.34, 2921.35, 2923.01, 2923.12, 2923.13, 190
2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 191
3716.11 of the Revised Code, felonious sexual penetration in 192
violation of former section 2907.12 of the Revised Code, a 193
violation of section 2905.04 of the Revised Code as it existed 194
prior to July 1, 1996, a violation of section 2919.23 of the 195
Revised Code that would have been a violation of section 2905.04 196
of the Revised Code as it existed prior to July 1, 1996, had the 197
violation been committed prior to that date, a violation of 198
section 2925.11 of the Revised Code that is not a minor drug 199
possession offense, a violation of section 2923.02 or 2923.03 of 200

the Revised Code that relates to a crime specified in this 201
division, or a second violation of section 4511.19 of the 202
Revised Code within five years of the date of application for 203
licensure or certification. 204

(b) A violation of an existing or former law of this 205
state, any other state, or the United States that is 206
substantially equivalent to any of the offenses or violations 207
described in division (A) (5) (a) of this section. 208

(6) Upon receipt of a request pursuant to section 5153.111 209
of the Revised Code, a completed form prescribed pursuant to 210
division (C) (1) of this section, and a set of fingerprint 211
impressions obtained in the manner described in division (C) (2) 212
of this section, the superintendent of the bureau of criminal 213
identification and investigation shall conduct a criminal 214
records check in the manner described in division (B) of this 215
section to determine whether any information exists that 216
indicates that the person who is the subject of the request 217
previously has been convicted of or pleaded guilty to any of the 218
following: 219

(a) A violation of section 2903.01, 2903.02, 2903.03, 220
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 221
2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 222
2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 223
2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 224
2909.02, 2909.03, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 225
2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 226
2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised 227
Code, felonious sexual penetration in violation of former 228
section 2907.12 of the Revised Code, a violation of section 229
2905.04 of the Revised Code as it existed prior to July 1, 1996, 230

a violation of section 2919.23 of the Revised Code that would 231
have been a violation of section 2905.04 of the Revised Code as 232
it existed prior to July 1, 1996, had the violation been 233
committed prior to that date, or a violation of section 2925.11 234
of the Revised Code that is not a minor drug possession offense; 235

(b) A violation of an existing or former law of this 236
state, any other state, or the United States that is 237
substantially equivalent to any of the offenses listed in 238
division (A) (6) (a) of this section. 239

(7) On receipt of a request for a criminal records check 240
from an individual pursuant to section 4749.03 or 4749.06 of the 241
Revised Code, accompanied by a completed copy of the form 242
prescribed in division (C) (1) of this section and a set of 243
fingerprint impressions obtained in a manner described in 244
division (C) (2) of this section, the superintendent of the 245
bureau of criminal identification and investigation shall 246
conduct a criminal records check in the manner described in 247
division (B) of this section to determine whether any 248
information exists indicating that the person who is the subject 249
of the request has been convicted of or pleaded guilty to a 250
felony in this state or in any other state. If the individual 251
indicates that a firearm will be carried in the course of 252
business, the superintendent shall require information from the 253
federal bureau of investigation as described in division (B) (2) 254
of this section. Subject to division (F) of this section, the 255
superintendent shall report the findings of the criminal records 256
check and any information the federal bureau of investigation 257
provides to the director of public safety. 258

(8) On receipt of a request pursuant to section 1321.37, 259
1321.53, or 4763.05 of the Revised Code, a completed form 260

prescribed pursuant to division (C)(1) of this section, and a 261
set of fingerprint impressions obtained in the manner described 262
in division (C)(2) of this section, the superintendent of the 263
bureau of criminal identification and investigation shall 264
conduct a criminal records check with respect to any person who 265
has applied for a license, permit, or certification from the 266
department of commerce or a division in the department. The 267
superintendent shall conduct the criminal records check in the 268
manner described in division (B) of this section to determine 269
whether any information exists that indicates that the person 270
who is the subject of the request previously has been convicted 271
of or pleaded guilty to any of the following: a violation of 272
section 2913.02, 2913.11, 2913.31, 2913.51, or 2925.03 of the 273
Revised Code; any other criminal offense involving theft, 274
receiving stolen property, embezzlement, forgery, fraud, passing 275
bad checks, money laundering, or drug trafficking, or any 276
criminal offense involving money or securities, as set forth in 277
Chapters 2909., 2911., 2913., 2915., 2921., 2923., and 2925. of 278
the Revised Code; or any existing or former law of this state, 279
any other state, or the United States that is substantially 280
equivalent to those offenses. 281

(9) On receipt of a request for a criminal records check 282
from the treasurer of state under section 113.041 of the Revised 283
Code or from an individual under section 4701.08, 4715.101, 284
4717.061, 4725.121, 4725.501, 4729.071, 4729.53, 4729.90, 285
4729.92, 4730.101, 4730.14, 4730.28, 4731.081, 4731.15, 286
4731.171, 4731.222, 4731.281, 4731.296, 4731.531, 4732.091, 287
4734.202, 4740.061, 4741.10, 4747.051, 4753.061, 4755.70, 288
4757.101, 4759.061, 4760.032, 4760.06, 4761.051, 4762.031, 289
4762.06, 4774.031, 4774.06, 4776.021, 4778.04, 4778.07, 290
4779.091, or 4783.04 of the Revised Code, accompanied by a 291

completed form prescribed under division (C) (1) of this section 292
and a set of fingerprint impressions obtained in the manner 293
described in division (C) (2) of this section, the superintendent 294
of the bureau of criminal identification and investigation shall 295
conduct a criminal records check in the manner described in 296
division (B) of this section to determine whether any 297
information exists that indicates that the person who is the 298
subject of the request has been convicted of or pleaded guilty 299
to any criminal offense in this state or any other state. 300
Subject to division (F) of this section, the superintendent 301
shall send the results of a check requested under section 302
113.041 of the Revised Code to the treasurer of state and shall 303
send the results of a check requested under any of the other 304
listed sections to the licensing board specified by the 305
individual in the request. 306

(10) On receipt of a request pursuant to section 124.74, 307
1121.23, 1315.141, 1733.47, or 1761.26 of the Revised Code, a 308
completed form prescribed pursuant to division (C) (1) of this 309
section, and a set of fingerprint impressions obtained in the 310
manner described in division (C) (2) of this section, the 311
superintendent of the bureau of criminal identification and 312
investigation shall conduct a criminal records check in the 313
manner described in division (B) of this section to determine 314
whether any information exists that indicates that the person 315
who is the subject of the request previously has been convicted 316
of or pleaded guilty to any criminal offense under any existing 317
or former law of this state, any other state, or the United 318
States. 319

(11) On receipt of a request for a criminal records check 320
from an appointing or licensing authority under section 3772.07 321
of the Revised Code, a completed form prescribed under division 322

(C) (1) of this section, and a set of fingerprint impressions 323
obtained in the manner prescribed in division (C) (2) of this 324
section, the superintendent of the bureau of criminal 325
identification and investigation shall conduct a criminal 326
records check in the manner described in division (B) of this 327
section to determine whether any information exists that 328
indicates that the person who is the subject of the request 329
previously has been convicted of or pleaded guilty or no contest 330
to any offense under any existing or former law of this state, 331
any other state, or the United States that is a disqualifying 332
offense as defined in section 3772.07 of the Revised Code or 333
substantially equivalent to such an offense. 334

(12) On receipt of a request pursuant to section 2151.33 335
or 2151.412 of the Revised Code, a completed form prescribed 336
pursuant to division (C) (1) of this section, and a set of 337
fingerprint impressions obtained in the manner described in 338
division (C) (2) of this section, the superintendent of the 339
bureau of criminal identification and investigation shall 340
conduct a criminal records check with respect to any person for 341
whom a criminal records check is required under that section. 342
The superintendent shall conduct the criminal records check in 343
the manner described in division (B) of this section to 344
determine whether any information exists that indicates that the 345
person who is the subject of the request previously has been 346
convicted of or pleaded guilty to any of the following: 347

(a) A violation of section 2903.01, 2903.02, 2903.03, 348
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 349
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 350
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 351
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 352
2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 353

2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 354
2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 355
2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code; 356

(b) An existing or former law of this state, any other 357
state, or the United States that is substantially equivalent to 358
any of the offenses listed in division (A)(12)(a) of this 359
section. 360

(13) On receipt of a request pursuant to section 3796.12 361
of the Revised Code, a completed form prescribed pursuant to 362
division (C)(1) of this section, and a set of fingerprint 363
impressions obtained in a manner described in division (C)(2) of 364
this section, the superintendent of the bureau of criminal 365
identification and investigation shall conduct a criminal 366
records check in the manner described in division (B) of this 367
section to determine whether any information exists that 368
indicates that the person who is the subject of the request 369
previously has been convicted of or pleaded guilty to the 370
following: 371

(a) A disqualifying offense as specified in rules adopted 372
under division (B)(2)(b) of section 3796.03 of the Revised Code 373
if the person who is the subject of the request is an 374
administrator or other person responsible for the daily 375
operation of, or an owner or prospective owner, officer or 376
prospective officer, or board member or prospective board member 377
of, an entity seeking a license from the department of commerce 378
under Chapter 3796. of the Revised Code; 379

(b) A disqualifying offense as specified in rules adopted 380
under division (B)(2)(b) of section 3796.04 of the Revised Code 381
if the person who is the subject of the request is an 382
administrator or other person responsible for the daily 383

operation of, or an owner or prospective owner, officer or 384
prospective officer, or board member or prospective board member 385
of, an entity seeking a license from the state board of pharmacy 386
under Chapter 3796. of the Revised Code. 387

(14) On receipt of a request required by section 3796.13 388
of the Revised Code, a completed form prescribed pursuant to 389
division (C)(1) of this section, and a set of fingerprint 390
impressions obtained in a manner described in division (C)(2) of 391
this section, the superintendent of the bureau of criminal 392
identification and investigation shall conduct a criminal 393
records check in the manner described in division (B) of this 394
section to determine whether any information exists that 395
indicates that the person who is the subject of the request 396
previously has been convicted of or pleaded guilty to the 397
following: 398

(a) A disqualifying offense as specified in rules adopted 399
under division (B)(8)(a) of section 3796.03 of the Revised Code 400
if the person who is the subject of the request is seeking 401
employment with an entity licensed by the department of commerce 402
under Chapter 3796. of the Revised Code; 403

(b) A disqualifying offense as specified in rules adopted 404
under division (B)(14)(a) of section 3796.04 of the Revised Code 405
if the person who is the subject of the request is seeking 406
employment with an entity licensed by the state board of 407
pharmacy under Chapter 3796. of the Revised Code. 408

(15) On receipt of a request pursuant to section 4768.06 409
of the Revised Code, a completed form prescribed under division 410
(C)(1) of this section, and a set of fingerprint impressions 411
obtained in the manner described in division (C)(2) of this 412
section, the superintendent of the bureau of criminal 413

identification and investigation shall conduct a criminal 414
records check in the manner described in division (B) of this 415
section to determine whether any information exists indicating 416
that the person who is the subject of the request has been 417
convicted of or pleaded guilty to a felony in this state or in 418
any other state. 419

(16) On receipt of a request pursuant to division (B) of 420
section 4764.07 of the Revised Code, a completed form prescribed 421
under division (C) (1) of this section, and a set of fingerprint 422
impressions obtained in the manner described in division (C) (2) 423
of this section, the superintendent of the bureau of criminal 424
identification and investigation shall conduct a criminal 425
records check in the manner described in division (B) of this 426
section to determine whether any information exists indicating 427
that the person who is the subject of the request has been 428
convicted of or pleaded guilty to any crime of moral turpitude, 429
a felony, or an equivalent offense in any other state or the 430
United States. 431

(17) On receipt of a request for a criminal records check 432
under section 147.022 of the Revised Code, a completed form 433
prescribed under division (C) (1) of this section, and a set of 434
fingerprint impressions obtained in the manner prescribed in 435
division (C) (2) of this section, the superintendent of the 436
bureau of criminal identification and investigation shall 437
conduct a criminal records check in the manner described in 438
division (B) of this section to determine whether any 439
information exists that indicates that the person who is the 440
subject of the request previously has been convicted of or 441
pleaded guilty or no contest to any disqualifying offense, as 442
defined in section 147.011 of the Revised Code, or to any 443
offense under any existing or former law of this state, any 444

other state, or the United States that is substantially 445
equivalent to such a disqualifying offense. 446

(18) On receipt of a request pursuant to section 3775.07 447
of the Revised Code, a completed form prescribed under division 448
(C) (1) of this section, and a set of fingerprint impressions 449
obtained in the manner described in division (C) (2) of this 450
section, the superintendent of the bureau of criminal 451
identification and investigation shall conduct a criminal 452
records check in the manner described in division (B) of this 453
section to determine whether any information exists indicating 454
that the individual who is the subject of the request has been 455
convicted of or pleaded guilty or no contest to any offense 456
under any existing or former law of this state, any other state, 457
or the United States. 458

(B) Subject to division (F) of this section, the 459
superintendent shall conduct any criminal records check to be 460
conducted under this section as follows: 461

(1) The superintendent shall review or cause to be 462
reviewed any relevant information gathered and compiled by the 463
bureau under division (A) of section 109.57 of the Revised Code 464
that relates to the person who is the subject of the criminal 465
records check, including, if the criminal records check was 466
requested under section 113.041, 121.08, 124.74, 173.27, 173.38, 467
173.381, 1121.23, 1315.141, 1321.37, 1321.53, 1733.47, 1761.26, 468
2151.86, 3301.32, 3301.541, 3319.39, 3701.881, 3712.09, 469
3721.121, 3772.07, 3775.07, 3796.12, 3796.13, 4729.071, 4729.53, 470
4729.90, 4729.92, 4749.03, 4749.06, 4763.05, 4764.07, 4768.06, 471
5104.013, 5164.34, 5164.341, 5164.342, 5123.081, 5123.169, or 472
5153.111 of the Revised Code, any relevant information contained 473
in records that have been sealed under section 2953.32 of the 474

Revised Code; 475

(2) If the request received by the superintendent asks for 476
information from the federal bureau of investigation, the 477
superintendent shall request from the federal bureau of 478
investigation any information it has with respect to the person 479
who is the subject of the criminal records check, including 480
fingerprint-based checks of national crime information databases 481
as described in 42 U.S.C. 671 if the request is made pursuant to 482
section 2151.86 or 5104.013 of the Revised Code or if any other 483
Revised Code section requires fingerprint-based checks of that 484
nature, and shall review or cause to be reviewed any information 485
the superintendent receives from that bureau. If a request under 486
section 3319.39 of the Revised Code asks only for information 487
from the federal bureau of investigation, the superintendent 488
shall not conduct the review prescribed by division (B)(1) of 489
this section. 490

(3) The superintendent or the superintendent's designee 491
may request criminal history records from other states or the 492
federal government pursuant to the national crime prevention and 493
privacy compact set forth in section 109.571 of the Revised 494
Code. 495

(4) The superintendent shall include in the results of the 496
criminal records check a list or description of the offenses 497
listed or described in division (A)(1), (2), (3), (4), (5), (6), 498
(7), (8), (9), (10), (11), (12), (13), (14), (15), (16), or (17) 499
of this section, whichever division requires the superintendent 500
to conduct the criminal records check. The superintendent shall 501
exclude from the results any information the dissemination of 502
which is prohibited by federal law. 503

(5) The superintendent shall send the results of the 504

criminal records check to the person to whom it is to be sent 505
not later than the following number of days after the date the 506
superintendent receives the request for the criminal records 507
check, the completed form prescribed under division (C) (1) of 508
this section, and the set of fingerprint impressions obtained in 509
the manner described in division (C) (2) of this section: 510

(a) If the superintendent is required by division (A) of 511
this section (other than division (A) (3) of this section) to 512
conduct the criminal records check, thirty; 513

(b) If the superintendent is required by division (A) (3) 514
of this section to conduct the criminal records check, sixty. 515

(C) (1) The superintendent shall prescribe a form to obtain 516
the information necessary to conduct a criminal records check 517
from any person for whom a criminal records check is to be 518
conducted under this section. The form that the superintendent 519
prescribes pursuant to this division may be in a tangible 520
format, in an electronic format, or in both tangible and 521
electronic formats. 522

(2) The superintendent shall prescribe standard impression 523
sheets to obtain the fingerprint impressions of any person for 524
whom a criminal records check is to be conducted under this 525
section. Any person for whom a records check is to be conducted 526
under this section shall obtain the fingerprint impressions at a 527
county sheriff's office, municipal police department, or any 528
other entity with the ability to make fingerprint impressions on 529
the standard impression sheets prescribed by the superintendent. 530
The office, department, or entity may charge the person a 531
reasonable fee for making the impressions. The standard 532
impression sheets the superintendent prescribes pursuant to this 533
division may be in a tangible format, in an electronic format, 534

or in both tangible and electronic formats. 535

(3) Subject to division (D) of this section, the 536
superintendent shall prescribe and charge a reasonable fee for 537
providing a criminal records check under this section. The 538
person requesting the criminal records check shall pay the fee 539
prescribed pursuant to this division. In the case of a request 540
under section 1121.23, 1155.03, 1163.05, 1315.141, 1733.47, 541
1761.26, 2151.33, 2151.412, or 5164.34 of the Revised Code, the 542
fee shall be paid in the manner specified in that section. 543

(4) The superintendent of the bureau of criminal 544
identification and investigation may prescribe methods of 545
forwarding fingerprint impressions and information necessary to 546
conduct a criminal records check, which methods shall include, 547
but not be limited to, an electronic method. 548

(D) The results of a criminal records check conducted 549
under this section, other than a criminal records check 550
specified in division (A)(7) of this section, are valid for the 551
person who is the subject of the criminal records check for a 552
period of one year from the date upon which the superintendent 553
completes the criminal records check. If during that period the 554
superintendent receives another request for a criminal records 555
check to be conducted under this section for that person, the 556
superintendent shall provide the results from the previous 557
criminal records check of the person at a lower fee than the fee 558
prescribed for the initial criminal records check. 559

(E) When the superintendent receives a request for 560
information from a registered private provider, the 561
superintendent shall proceed as if the request was received from 562
a school district board of education under section 3319.39 of 563
the Revised Code. The superintendent shall apply division (A)(1) 564

(c) of this section to any such request for an applicant who is a teacher. 565
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(F) (1) Subject to division (F) (2) of this section, all information regarding the results of a criminal records check conducted under this section that the superintendent reports or sends under division (A) (7) or (9) of this section to the director of public safety, the treasurer of state, or the person, board, or entity that made the request for the criminal records check shall relate to the conviction of the subject person, or the subject person's plea of guilty to, a criminal offense. 567
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(2) Division (F) (1) of this section does not limit, restrict, or preclude the superintendent's release of information that relates to the arrest of a person who is eighteen years of age or older, to an adjudication of a child as a delinquent child, or to a criminal conviction of a person under eighteen years of age in circumstances in which a release of that nature is authorized under division (E) (2), (3), or (4) of section 109.57 of the Revised Code pursuant to a rule adopted under division (E) (1) of that section. 576
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(G) As used in this section: 585

(1) "Criminal records check" means any criminal records check conducted by the superintendent of the bureau of criminal identification and investigation in accordance with division (B) of this section. 586
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(2) "Minor drug possession offense" has the same meaning as in section 2925.01 of the Revised Code. 590
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(3) "OVI or OVUAC violation" means a violation of section 4511.19 of the Revised Code or a violation of an existing or 592
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former law of this state, any other state, or the United States 594
that is substantially equivalent to section 4511.19 of the 595
Revised Code. 596

(4) "Registered private provider" means a nonpublic school 597
or entity registered with the superintendent of public 598
instruction under section 3310.41 of the Revised Code to 599
participate in the autism scholarship program or section 3310.58 600
of the Revised Code to participate in the Jon Peterson special 601
needs scholarship program. 602

Sec. 718.031. As used in this section, "sports wagering 603
facility" has the same meaning as in section 5753.01 of the 604
Revised Code. 605

(A) A municipal corporation shall require a casino 606
facility or a casino operator, as defined in Section 6(C) (9) of 607
Article XV, Ohio Constitution, and section 3772.01 of the 608
Revised Code, respectively, or a lottery sales agent conducting 609
video lottery terminals on behalf of the state to withhold and 610
remit municipal income tax with respect to amounts other than 611
qualifying wages as provided in this section. 612

(B) If a person's winnings ~~at a~~ from casino facility 613
gaming or from sports wagering are an amount for which reporting 614
to the internal revenue service of the amount is required by 615
section 6041 of the Internal Revenue Code, as amended, ~~the a~~ 616
casino operator shall deduct and withhold municipal income tax 617
from the person's winnings at the rate of the tax imposed by the 618
municipal corporation in which the operator's casino facility or 619
sports wagering facility is located. 620

(C) Amounts deducted and withheld by a casino operator are 621
held in trust for the benefit of the municipal corporation to 622

which the tax is owed. 623

(1) On or before the tenth day of each month, the casino 624
operator shall file a return electronically with the tax 625
administrator of the municipal corporation, providing the name, 626
address, and social security number of the person from whose 627
winnings amounts were deducted and withheld, the amount of each 628
such deduction and withholding during the preceding calendar 629
month, the amount of the winnings from which each such amount 630
was withheld, the type of casino gaming or sports wagering that 631
resulted in such winnings, and any other information required by 632
the tax administrator. With this return, the casino operator 633
shall remit electronically to the municipal corporation all 634
amounts deducted and withheld during the preceding month. 635

(2) Annually, on or before the thirty-first day of 636
January, a casino operator shall file an annual return 637
electronically with the tax administrator of the municipal 638
corporation in which the casino facility or sports wagering 639
facility is located, indicating the total amount deducted and 640
withheld during the preceding calendar year. The casino operator 641
shall remit electronically with the annual return any amount 642
that was deducted and withheld and that was not previously 643
remitted. If the name, address, or social security number of a 644
person or the amount deducted and withheld with respect to that 645
person was omitted on a monthly return for that reporting 646
period, that information shall be indicated on the annual 647
return. 648

(3) Annually, on or before the thirty-first day of 649
January, a casino operator shall issue an information return to 650
each person with respect to whom an amount has been deducted and 651
withheld during the preceding calendar year. The information 652

return shall show the total amount of municipal income tax 653
deducted from the person's winnings during the preceding year. 654
The casino operator shall provide to the tax administrator a 655
copy of each information return issued under this division. The 656
administrator may require that such copies be transmitted 657
electronically. 658

(4) A casino operator that fails to file a return and 659
remit the amounts deducted and withheld shall be personally 660
liable for the amount withheld and not remitted. Such personal 661
liability extends to any penalty and interest imposed for the 662
late filing of a return or the late payment of tax deducted and 663
withheld. 664

(5) If a casino operator sells the casino facility or 665
sports wagering facility, or otherwise quits the casino or 666
sports wagering business, the amounts deducted and withheld 667
along with any penalties and interest thereon are immediately 668
due and payable. The successor shall withhold an amount of the 669
purchase money that is sufficient to cover the amounts deducted 670
and withheld along with any penalties and interest thereon until 671
the predecessor casino operator produces either of the 672
following: 673

(a) A receipt from the tax administrator showing that the 674
amounts deducted and withheld and penalties and interest thereon 675
have been paid; 676

(b) A certificate from the tax administrator indicating 677
that no amounts are due. 678

If the successor fails to withhold purchase money, the 679
successor is personally liable for the payment of the amounts 680
deducted and withheld and penalties and interest thereon. 681

(6) The failure of a casino operator to deduct and 682
withhold the required amount from a person's winnings does not 683
relieve that person from liability for the municipal income tax 684
with respect to those winnings. 685

(D) If a person's winnings from sports wagering or prize 686
award from a video lottery terminal is an amount for which 687
reporting to the internal revenue service is required by section 688
6041 of the Internal Revenue Code, as amended, ~~the a~~ video 689
lottery sales agent shall deduct and withhold municipal income 690
tax from the person's winnings or prize award at the rate of the 691
tax imposed by the municipal corporation in which the agent's 692
video lottery terminal facility or sports wagering facility is 693
located. 694

(E) Amounts deducted and withheld by a video lottery sales 695
agent are held in trust for the benefit of the municipal 696
corporation to which the tax is owed. 697

(1) The video lottery sales agent shall issue to a person 698
from whose winnings or prize award an amount has been deducted 699
and withheld a receipt for the amount deducted and withheld, and 700
shall obtain from the person receiving winnings or a prize award 701
the person's name, address, and social security number in order 702
to facilitate the preparation of returns required by this 703
section. 704

(2) On or before the tenth day of each month, the video 705
lottery sales agent shall file a return electronically with the 706
tax administrator of the municipal corporation providing the 707
names, addresses, and social security numbers of the persons 708
from whose winnings or prize awards amounts were deducted and 709
withheld, the amount of each such deduction and withholding 710
during the preceding calendar month, the amount of the winnings 711

or prize award from which each such amount was withheld, and any 712
other information required by the tax administrator. With the 713
return, the video lottery sales agent shall remit electronically 714
to the tax administrator all amounts deducted and withheld 715
during the preceding month. 716

(3) A video lottery sales agent shall maintain a record of 717
all receipts issued under division (E) of this section and shall 718
make those records available to the tax administrator upon 719
request. Such records shall be maintained in accordance with 720
section 5747.17 of the Revised Code and any rules adopted 721
pursuant thereto. 722

(4) Annually, on or before the thirty-first day of 723
January, each video lottery terminal sales agent shall file an 724
annual return electronically with the tax administrator of the 725
municipal corporation in which the facility is located 726
indicating the total amount deducted and withheld during the 727
preceding calendar year. The video lottery sales agent shall 728
remit electronically with the annual return any amount that was 729
deducted and withheld and that was not previously remitted. If 730
the name, address, or social security number of a person or the 731
amount deducted and withheld with respect to that person was 732
omitted on a monthly return for that reporting period, that 733
information shall be indicated on the annual return. 734

(5) Annually, on or before the thirty-first day of 735
January, a video lottery sales agent shall issue an information 736
return to each person with respect to whom an amount has been 737
deducted and withheld during the preceding calendar year. The 738
information return shall show the total amount of municipal 739
income tax deducted and withheld from the person's winnings or 740
prize award by the video lottery sales agent during the 741

preceding year. A video lottery sales agent shall provide to the 742
tax administrator of the municipal corporation a copy of each 743
information return issued under this division. The tax 744
administrator may require that such copies be transmitted 745
electronically. 746

(6) A video lottery sales agent who fails to file a return 747
and remit the amounts deducted and withheld is personally liable 748
for the amount deducted and withheld and not remitted. Such 749
personal liability extends to any penalty and interest imposed 750
for the late filing of a return or the late payment of tax 751
deducted and withheld. 752

(F) If a video lottery sales agent ceases to operate video 753
lottery terminals, sells a sports wagering facility, or 754
otherwise quits the sports wagering business, the amounts 755
deducted and withheld along with any penalties and interest 756
thereon are immediately due and payable. The successor of the 757
video lottery sales agent ~~that purchases the video lottery~~ 758
~~terminals from the agent~~ shall withhold an amount from the 759
purchase money that is sufficient to cover the amounts deducted 760
and withheld and any penalties and interest thereon until the 761
predecessor video lottery sales agent operator produces either 762
of the following: 763

(1) A receipt from the tax administrator showing that the 764
amounts deducted and withheld and penalties and interest thereon 765
have been paid; 766

(2) A certificate from the tax administrator indicating 767
that no amounts are due. 768

If the successor fails to withhold purchase money, the 769
successor is personally liable for the payment of the amounts 770

deducted and withheld and penalties and interest thereon. 771

(G) The failure of a video lottery sales agent to deduct 772
and withhold the required amount from a person's winnings or 773
prize award awards does not relieve that person from liability 774
for the municipal income tax with respect to ~~that~~ those winnings 775
or prize award awards. 776

(H) If a casino operator or lottery sales agent files a 777
return late, fails to file a return, remits amounts deducted and 778
withheld late, or fails to remit amounts deducted and withheld 779
as required under this section, the tax administrator of a 780
municipal corporation may impose the following applicable 781
penalty: 782

(1) For the late remittance of, or failure to remit, tax 783
deducted and withheld under this section, a penalty equal to 784
fifty per cent of the tax deducted and withheld; 785

(2) For the failure to file, or the late filing of, a 786
monthly or annual return, a penalty of five hundred dollars for 787
each return not filed or filed late. Interest shall accrue on 788
past due amounts deducted and withheld at the rate prescribed in 789
section 5703.47 of the Revised Code. 790

(I) Amounts deducted and withheld on behalf of a municipal 791
corporation shall be allowed as a credit against payment of the 792
tax imposed by the municipal corporation and shall be treated as 793
taxes paid for purposes of section 718.08 of the Revised Code. 794
This division applies only to the person for whom the amount is 795
deducted and withheld. 796

(J) The tax administrator shall prescribe the forms of the 797
receipts and returns required under this section. 798

Sec. 2915.01. As used in this chapter: 799

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| (A) "Bookmaking" means the business of receiving or paying off bets. | 800 801 |
| (B) "Bet" means the hazarding of anything of value upon the result of an event, undertaking, or contingency, but does not include a bona fide business risk. <u>"Bet" does not include sports wagering as permitted in Chapter 3775. of the Revised Code.</u> | 802 803 804 805 806 |
| (C) "Scheme of chance" means a slot machine unless authorized under Chapter 3772. of the Revised Code, lottery unless authorized under Chapter 3770. of the Revised Code, numbers game, pool conducted for profit, or other scheme in which a participant gives a valuable consideration for a chance to win a prize, but does not include bingo, a skill-based amusement machine, or a pool not conducted for profit. "Scheme of chance" includes the use of an electronic device to reveal the results of a game entry if valuable consideration is paid, directly or indirectly, for a chance to win a prize. Valuable consideration is deemed to be paid for a chance to win a prize in the following instances: | 807 808 809 810 811 812 813 814 815 816 817 818 |
| (1) Less than fifty per cent of the goods or services sold by a scheme of chance operator in exchange for game entries are used or redeemed by participants at any one location; | 819 820 821 |
| (2) Less than fifty per cent of participants who purchase goods or services at any one location do not accept, use, or redeem the goods or services sold or purportedly sold; | 822 823 824 |
| (3) More than fifty per cent of prizes at any one location are revealed to participants through an electronic device simulating a game of chance or a "casino game" as defined in section 3772.01 of the Revised Code; | 825 826 827 828 |

(4) The good or service sold by a scheme of chance operator in exchange for a game entry cannot be used or redeemed in the manner advertised;

(5) A participant pays more than fair market value for goods or services offered by a scheme of chance operator in order to receive one or more game entries;

(6) A participant may use the electronic device to purchase additional game entries;

(7) A participant may purchase additional game entries by using points or credits won as prizes while using the electronic device;

(8) A scheme of chance operator pays out in prize money more than twenty per cent of the gross revenue received at one location; or

(9) A participant makes a purchase or exchange in order to obtain any good or service that may be used to facilitate play on the electronic device.

As used in this division, "electronic device" means a mechanical, video, digital, or electronic machine or device that is capable of displaying information on a screen or other mechanism and that is owned, leased, or otherwise possessed by any person conducting a scheme of chance, or by that person's partners, affiliates, subsidiaries, or contractors.

(D) "Game of chance" means poker, craps, roulette, or other game in which a player gives anything of value in the hope of gain, the outcome of which is determined largely by chance, but does not include bingo.

(E) "Game of chance conducted for profit" means any game

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| of chance designed to produce income for the person who conducts | 857 |
| or operates the game of chance, but does not include bingo. | 858 |
| (F) "Gambling device" means any of the following: | 859 |
| (1) A book, totalizer, or other equipment for recording | 860 |
| bets; | 861 |
| (2) A ticket, token, or other device representing a | 862 |
| chance, share, or interest in a scheme of chance or evidencing a | 863 |
| bet; | 864 |
| (3) A deck of cards, dice, gaming table, roulette wheel, | 865 |
| slot machine, or other apparatus designed for use in connection | 866 |
| with a game of chance; | 867 |
| (4) Any equipment, device, apparatus, or paraphernalia | 868 |
| specially designed for gambling purposes; | 869 |
| (5) Bingo supplies sold or otherwise provided, or used, in | 870 |
| violation of this chapter. | 871 |
| (G) "Gambling offense" means any of the following: | 872 |
| (1) A violation of section 2915.02, 2915.03, 2915.04, | 873 |
| 2915.05, 2915.06, 2915.07, 2915.08, 2915.081, 2915.082, 2915.09, | 874 |
| 2915.091, 2915.092, 2915.10, or 2915.11 of the Revised Code; | 875 |
| (2) A violation of an existing or former municipal | 876 |
| ordinance or law of this or any other state or the United States | 877 |
| substantially equivalent to any section listed in division (G) | 878 |
| (1) of this section or a violation of section 2915.06 of the | 879 |
| Revised Code as it existed prior to July 1, 1996; | 880 |
| (3) An offense under an existing or former municipal | 881 |
| ordinance or law of this or any other state or the United | 882 |
| States, of which gambling is an element; | 883 |

(4) A conspiracy or attempt to commit, or complicity in committing, any offense under division (G) (1), (2), or (3) of this section. 884
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(H) Except as otherwise provided in this chapter, "charitable organization" means either of the following: 887
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(1) An organization that is, and has received from the internal revenue service a determination letter that currently is in effect stating that the organization is, exempt from federal income taxation under subsection 501(a) and described in subsection 501(c) (3) of the Internal Revenue Code; 889
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(2) A volunteer rescue service organization, volunteer firefighter's organization, veteran's organization, fraternal organization, or sporting organization that is exempt from federal income taxation under subsection 501(c) (4), (c) (7), (c) (8), (c) (10), or (c) (19) of the Internal Revenue Code. 894
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To qualify as a "charitable organization," an organization shall have been in continuous existence as such in this state for a period of two years immediately preceding either the making of an application for a bingo license under section 2915.08 of the Revised Code or the conducting of any game of chance as provided in division (D) of section 2915.02 of the Revised Code. 899
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(I) "Religious organization" means any church, body of communicants, or group that is not organized or operated for profit and that gathers in common membership for regular worship and religious observances. 906
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(J) "Veteran's organization" means any individual post or state headquarters of a national veteran's association or an auxiliary unit of any individual post of a national veteran's 910
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association, which post, state headquarters, or auxiliary unit 913
is incorporated as a nonprofit corporation and either has 914
received a letter from the state headquarters of the national 915
veteran's association indicating that the individual post or 916
auxiliary unit is in good standing with the national veteran's 917
association or has received a letter from the national veteran's 918
association indicating that the state headquarters is in good 919
standing with the national veteran's association. As used in 920
this division, "national veteran's association" means any 921
veteran's association that has been in continuous existence as 922
such for a period of at least five years and either is 923
incorporated by an act of the United States congress or has a 924
national dues-paying membership of at least five thousand 925
persons. 926

(K) "Volunteer firefighter's organization" means any 927
organization of volunteer firefighters, as defined in section 928
146.01 of the Revised Code, that is organized and operated 929
exclusively to provide financial support for a volunteer fire 930
department or a volunteer fire company and that is recognized or 931
ratified by a county, municipal corporation, or township. 932

(L) "Fraternal organization" means any society, order, 933
state headquarters, or association within this state, except a 934
college or high school fraternity, that is not organized for 935
profit, that is a branch, lodge, or chapter of a national or 936
state organization, that exists exclusively for the common 937
business or sodality of its members. 938

(M) "Volunteer rescue service organization" means any 939
organization of volunteers organized to function as an emergency 940
medical service organization, as defined in section 4765.01 of 941
the Revised Code. 942

(N) "Charitable bingo game" means any bingo game described 943
in division (O) (1) or (2) of this section that is conducted by a 944
charitable organization that has obtained a license pursuant to 945
section 2915.08 of the Revised Code and the proceeds of which 946
are used for a charitable purpose. 947

(O) "Bingo" means either of the following: 948

(1) A game with all of the following characteristics: 949

(a) The participants use bingo cards or sheets, including 950
paper formats and electronic representation or image formats, 951
that are divided into twenty-five spaces arranged in five 952
horizontal and five vertical rows of spaces, with each space, 953
except the central space, being designated by a combination of a 954
letter and a number and with the central space being designated 955
as a free space. 956

(b) The participants cover the spaces on the bingo cards 957
or sheets that correspond to combinations of letters and numbers 958
that are announced by a bingo game operator. 959

(c) A bingo game operator announces combinations of 960
letters and numbers that appear on objects that a bingo game 961
operator selects by chance, either manually or mechanically, 962
from a receptacle that contains seventy-five objects at the 963
beginning of each game, each object marked by a different 964
combination of a letter and a number that corresponds to one of 965
the seventy-five possible combinations of a letter and a number 966
that can appear on the bingo cards or sheets. 967

(d) The winner of the bingo game includes any participant 968
who properly announces during the interval between the 969
announcements of letters and numbers as described in division 970
(O) (1) (c) of this section, that a predetermined and preannounced 971

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| pattern of spaces has been covered on a bingo card or sheet | 972 |
| being used by the participant. | 973 |
| (2) Instant bingo, punch boards, and raffles. | 974 |
| (P) "Conduct" means to back, promote, organize, manage, | 975 |
| carry on, sponsor, or prepare for the operation of bingo or a | 976 |
| game of chance, a scheme of chance, or a sweepstakes. | 977 |
| (Q) "Bingo game operator" means any person, except | 978 |
| security personnel, who performs work or labor at the site of | 979 |
| bingo, including, but not limited to, collecting money from | 980 |
| participants, handing out bingo cards or sheets or objects to | 981 |
| cover spaces on bingo cards or sheets, selecting from a | 982 |
| receptacle the objects that contain the combination of letters | 983 |
| and numbers that appear on bingo cards or sheets, calling out | 984 |
| the combinations of letters and numbers, distributing prizes, | 985 |
| selling or redeeming instant bingo tickets or cards, supervising | 986 |
| the operation of a punch board, selling raffle tickets, | 987 |
| selecting raffle tickets from a receptacle and announcing the | 988 |
| winning numbers in a raffle, and preparing, selling, and serving | 989 |
| food or beverages. | 990 |
| (R) "Participant" means any person who plays bingo. | 991 |
| (S) "Bingo session" means a period that includes both of | 992 |
| the following: | 993 |
| (1) Not to exceed five continuous hours for the conduct of | 994 |
| one or more games described in division (O)(1) of this section, | 995 |
| instant bingo, and seal cards; | 996 |
| (2) A period for the conduct of instant bingo and seal | 997 |
| cards for not more than two hours before and not more than two | 998 |
| hours after the period described in division (S)(1) of this | 999 |
| section. | 1000 |

(T) "Gross receipts" means all money or assets, including 1001
admission fees, that a person receives from bingo without the 1002
deduction of any amounts for prizes paid out or for the expenses 1003
of conducting bingo. "Gross receipts" does not include any money 1004
directly taken in from the sale of food or beverages by a 1005
charitable organization conducting bingo, or by a bona fide 1006
auxiliary unit or society of a charitable organization 1007
conducting bingo, provided all of the following apply: 1008

(1) The auxiliary unit or society has been in existence as 1009
a bona fide auxiliary unit or society of the charitable 1010
organization for at least two years prior to conducting bingo. 1011

(2) The person who purchases the food or beverage receives 1012
nothing of value except the food or beverage and items 1013
customarily received with the purchase of that food or beverage. 1014

(3) The food and beverages are sold at customary and 1015
reasonable prices. 1016

(U) "Security personnel" includes any person who either is 1017
a sheriff, deputy sheriff, marshal, deputy marshal, township 1018
constable, or member of an organized police department of a 1019
municipal corporation or has successfully completed a peace 1020
officer's training course pursuant to sections 109.71 to 109.79 1021
of the Revised Code and who is hired to provide security for the 1022
premises on which bingo is conducted. 1023

(V) "Charitable purpose" means that the net profit of 1024
bingo, other than instant bingo, is used by, or is given, 1025
donated, or otherwise transferred to, any of the following: 1026

(1) Any organization that is described in subsection 1027
509(a)(1), 509(a)(2), or 509(a)(3) of the Internal Revenue Code 1028
and is either a governmental unit or an organization that is tax 1029

exempt under subsection 501(a) and described in subsection 1030
501(c) (3) of the Internal Revenue Code; 1031

(2) A veteran's organization that is a post, chapter, or 1032
organization of veterans, or an auxiliary unit or society of, or 1033
a trust or foundation for, any such post, chapter, or 1034
organization organized in the United States or any of its 1035
possessions, at least seventy-five per cent of the members of 1036
which are veterans and substantially all of the other members of 1037
which are individuals who are spouses, widows, or widowers of 1038
veterans, or such individuals, provided that no part of the net 1039
earnings of such post, chapter, or organization inures to the 1040
benefit of any private shareholder or individual, and further 1041
provided that the net profit is used by the post, chapter, or 1042
organization for the charitable purposes set forth in division 1043
(B) (12) of section 5739.02 of the Revised Code, is used for 1044
awarding scholarships to or for attendance at an institution 1045
mentioned in division (B) (12) of section 5739.02 of the Revised 1046
Code, is donated to a governmental agency, or is used for 1047
nonprofit youth activities, the purchase of United States or 1048
Ohio flags that are donated to schools, youth groups, or other 1049
bona fide nonprofit organizations, promotion of patriotism, or 1050
disaster relief; 1051

(3) A fraternal organization that has been in continuous 1052
existence in this state for fifteen years and that uses the net 1053
profit exclusively for religious, charitable, scientific, 1054
literary, or educational purposes, or for the prevention of 1055
cruelty to children or animals, if contributions for such use 1056
would qualify as a deductible charitable contribution under 1057
subsection 170 of the Internal Revenue Code; 1058

(4) A volunteer firefighter's organization that uses the 1059

net profit for the purposes set forth in division (K) of this section. 1060
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(W) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as now or hereafter amended. 1062
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(X) "Youth athletic organization" means any organization, not organized for profit, that is organized and operated exclusively to provide financial support to, or to operate, athletic activities for persons who are twenty-one years of age or younger by means of sponsoring, organizing, operating, or contributing to the support of an athletic team, club, league, or association. 1065
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(Y) "Youth athletic park organization" means any organization, not organized for profit, that satisfies both of the following: 1072
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(1) It owns, operates, and maintains playing fields that satisfy both of the following: 1075
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(a) The playing fields are used at least one hundred days per year for athletic activities by one or more organizations, not organized for profit, each of which is organized and operated exclusively to provide financial support to, or to operate, athletic activities for persons who are eighteen years of age or younger by means of sponsoring, organizing, operating, or contributing to the support of an athletic team, club, league, or association. 1077
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(b) The playing fields are not used for any profit-making activity at any time during the year. 1085
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(2) It uses the proceeds of bingo it conducts exclusively for the operation, maintenance, and improvement of its playing 1087
1088

fields of the type described in division (Y)(1) of this section. 1089

(Z) "Bingo supplies" means bingo cards or sheets; instant 1090
bingo tickets or cards; electronic bingo aids; raffle tickets; 1091
punch boards; seal cards; instant bingo ticket dispensers; and 1092
devices for selecting or displaying the combination of bingo 1093
letters and numbers or raffle tickets. Items that are "bingo 1094
supplies" are not gambling devices if sold or otherwise 1095
provided, and used, in accordance with this chapter. For 1096
purposes of this chapter, "bingo supplies" are not to be 1097
considered equipment used to conduct a bingo game. 1098

(AA) "Instant bingo" means a form of bingo that shall use 1099
folded or banded tickets or paper cards with perforated break- 1100
open tabs, a face of which is covered or otherwise hidden from 1101
view to conceal a number, letter, or symbol, or set of numbers, 1102
letters, or symbols, some of which have been designated in 1103
advance as prize winners, and may also include games in which 1104
some winners are determined by the random selection of one or 1105
more bingo numbers by the use of a seal card or bingo blower. In 1106
all "instant bingo" the prize amount and structure shall be 1107
predetermined. "Instant bingo" does not include any device that 1108
is activated by the insertion of a coin, currency, token, or an 1109
equivalent, and that contains as one of its components a video 1110
display monitor that is capable of displaying numbers, letters, 1111
symbols, or characters in winning or losing combinations. 1112

(BB) "Seal card" means a form of instant bingo that uses 1113
instant bingo tickets in conjunction with a board or placard 1114
that contains one or more seals that, when removed or opened, 1115
reveal predesignated winning numbers, letters, or symbols. 1116

(CC) "Raffle" means a form of bingo in which the one or 1117
more prizes are won by one or more persons who have purchased a 1118

raffle ticket. The one or more winners of the raffle are 1119
determined by drawing a ticket stub or other detachable section 1120
from a receptacle containing ticket stubs or detachable sections 1121
corresponding to all tickets sold for the raffle. "Raffle" does 1122
not include the drawing of a ticket stub or other detachable 1123
section of a ticket purchased to attend a professional sporting 1124
event if both of the following apply: 1125

(1) The ticket stub or other detachable section is used to 1126
select the winner of a free prize given away at the professional 1127
sporting event; and 1128

(2) The cost of the ticket is the same as the cost of a 1129
ticket to the professional sporting event on days when no free 1130
prize is given away. 1131

(DD) "Punch board" means a board containing a number of 1132
holes or receptacles of uniform size in which are placed, 1133
mechanically and randomly, serially numbered slips of paper that 1134
may be punched or drawn from the hole or receptacle when used in 1135
conjunction with instant bingo. A player may punch or draw the 1136
numbered slips of paper from the holes or receptacles and obtain 1137
the prize established for the game if the number drawn 1138
corresponds to a winning number or, if the punch board includes 1139
the use of a seal card, a potential winning number. 1140

(EE) "Gross profit" means gross receipts minus the amount 1141
actually expended for the payment of prize awards. 1142

(FF) "Net profit" means gross profit minus expenses. 1143

(GG) "Expenses" means the reasonable amount of gross 1144
profit actually expended for all of the following: 1145

(1) The purchase or lease of bingo supplies; 1146

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| (2) The annual license fee required under section 2915.08 of the Revised Code; | 1147 1148 |
| (3) Bank fees and service charges for a bingo session or game account described in section 2915.10 of the Revised Code; | 1149 1150 |
| (4) Audits and accounting services; | 1151 |
| (5) Safes; | 1152 |
| (6) Cash registers; | 1153 |
| (7) Hiring security personnel; | 1154 |
| (8) Advertising bingo; | 1155 |
| (9) Renting premises in which to conduct a bingo session; | 1156 |
| (10) Tables and chairs; | 1157 |
| (11) Expenses for maintaining and operating a charitable organization's facilities, including, but not limited to, a post home, club house, lounge, tavern, or canteen and any grounds attached to the post home, club house, lounge, tavern, or canteen; | 1158 1159 1160 1161 1162 |
| (12) Payment of real property taxes and assessments that are levied on a premises on which bingo is conducted; | 1163 1164 |
| (13) Any other product or service directly related to the conduct of bingo that is authorized in rules adopted by the attorney general under division (B)(1) of section 2915.08 of the Revised Code. | 1165 1166 1167 1168 |
| (HH) "Person" has the same meaning as in section 1.59 of the Revised Code and includes any firm or any other legal entity, however organized. | 1169 1170 1171 |
| (II) "Revoke" means to void permanently all rights and | 1172 |

privileges of the holder of a license issued under section 1173
2915.08, 2915.081, or 2915.082 of the Revised Code or a 1174
charitable gaming license issued by another jurisdiction. 1175

(JJ) "Suspend" means to interrupt temporarily all rights 1176
and privileges of the holder of a license issued under section 1177
2915.08, 2915.081, or 2915.082 of the Revised Code or a 1178
charitable gaming license issued by another jurisdiction. 1179

(KK) "Distributor" means any person who purchases or 1180
obtains bingo supplies and who does either of the following: 1181

(1) Sells, offers for sale, or otherwise provides or 1182
offers to provide the bingo supplies to another person for use 1183
in this state; 1184

(2) Modifies, converts, adds to, or removes parts from the 1185
bingo supplies to further their promotion or sale for use in 1186
this state. 1187

(LL) "Manufacturer" means any person who assembles 1188
completed bingo supplies from raw materials, other items, or 1189
subparts or who modifies, converts, adds to, or removes parts 1190
from bingo supplies to further their promotion or sale. 1191

(MM) "Gross annual revenues" means the annual gross 1192
receipts derived from the conduct of bingo described in division 1193
(O) (1) of this section plus the annual net profit derived from 1194
the conduct of bingo described in division (O) (2) of this 1195
section. 1196

(NN) "Instant bingo ticket dispenser" means a mechanical 1197
device that dispenses an instant bingo ticket or card as the 1198
sole item of value dispensed and that has the following 1199
characteristics: 1200

- (1) It is activated upon the insertion of United States
currency. 1201
1202
- (2) It performs no gaming functions. 1203
- (3) It does not contain a video display monitor or
generate noise. 1204
1205
- (4) It is not capable of displaying any numbers, letters,
symbols, or characters in winning or losing combinations. 1206
1207
- (5) It does not simulate or display rolling or spinning
reels. 1208
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- (6) It is incapable of determining whether a dispensed
bingo ticket or card is a winning or nonwinning ticket or card
and requires a winning ticket or card to be paid by a bingo game
operator. 1210
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- (7) It may provide accounting and security features to aid
in accounting for the instant bingo tickets or cards it
dispenses. 1214
1215
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- (8) It is not part of an electronic network and is not
interactive. 1217
1218
- (00) (1) "Electronic bingo aid" means an electronic device
used by a participant to monitor bingo cards or sheets purchased
at the time and place of a bingo session and that does all of
the following: 1219
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1222
- (a) It provides a means for a participant to input numbers
and letters announced by a bingo caller. 1223
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- (b) It compares the numbers and letters entered by the
participant to the bingo faces previously stored in the memory
of the device. 1225
1226
1227

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| (c) It identifies a winning bingo pattern. | 1228 |
| (2) "Electronic bingo aid" does not include any device | 1229 |
| into which a coin, currency, token, or an equivalent is inserted | 1230 |
| to activate play. | 1231 |
| (PP) "Deal of instant bingo tickets" means a single game | 1232 |
| of instant bingo tickets all with the same serial number. | 1233 |
| (QQ) (1) "Slot machine" means either of the following: | 1234 |
| (a) Any mechanical, electronic, video, or digital device | 1235 |
| that is capable of accepting anything of value, directly or | 1236 |
| indirectly, from or on behalf of a player who gives the thing of | 1237 |
| value in the hope of gain; | 1238 |
| (b) Any mechanical, electronic, video, or digital device | 1239 |
| that is capable of accepting anything of value, directly or | 1240 |
| indirectly, from or on behalf of a player to conduct bingo or a | 1241 |
| scheme or game of chance. | 1242 |
| (2) "Slot machine" does not include a skill-based | 1243 |
| amusement machine or an instant bingo ticket dispenser. | 1244 |
| (RR) "Net profit from the proceeds of the sale of instant | 1245 |
| bingo" means gross profit minus the ordinary, necessary, and | 1246 |
| reasonable expense expended for the purchase of instant bingo | 1247 |
| supplies, and, in the case of instant bingo conducted by a | 1248 |
| veteran's, fraternal, or sporting organization, minus the | 1249 |
| payment by that organization of real property taxes and | 1250 |
| assessments levied on a premises on which instant bingo is | 1251 |
| conducted. | 1252 |
| (SS) "Charitable instant bingo organization" means an | 1253 |
| organization that is exempt from federal income taxation under | 1254 |
| subsection 501(a) and described in subsection 501(c) (3) of the | 1255 |

Internal Revenue Code and is a charitable organization as 1256
defined in this section. A "charitable instant bingo 1257
organization" does not include a charitable organization that is 1258
exempt from federal income taxation under subsection 501(a) and 1259
described in subsection 501(c)(3) of the Internal Revenue Code 1260
and that is created by a veteran's organization, a fraternal 1261
organization, or a sporting organization in regards to bingo 1262
conducted or assisted by a veteran's organization, a fraternal 1263
organization, or a sporting organization pursuant to section 1264
2915.13 of the Revised Code. 1265

(TT) "Game flare" means the board or placard that 1266
accompanies each deal of instant bingo tickets and that has 1267
printed on or affixed to it the following information for the 1268
game: 1269

(1) The name of the game; 1270

(2) The manufacturer's name or distinctive logo; 1271

(3) The form number; 1272

(4) The ticket count; 1273

(5) The prize structure, including the number of winning 1274
instant bingo tickets by denomination and the respective winning 1275
symbol or number combinations for the winning instant bingo 1276
tickets; 1277

(6) The cost per play; 1278

(7) The serial number of the game. 1279

(UU) (1) "Skill-based amusement machine" means a 1280
mechanical, video, digital, or electronic device that rewards 1281
the player or players, if at all, only with merchandise prizes 1282
or with redeemable vouchers redeemable only for merchandise 1283

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| prizes, provided that with respect to rewards for playing the game all of the following apply: | 1284 1285 |
| (a) The wholesale value of a merchandise prize awarded as a result of the single play of a machine does not exceed ten dollars; | 1286 1287 1288 |
| (b) Redeemable vouchers awarded for any single play of a machine are not redeemable for a merchandise prize with a wholesale value of more than ten dollars; | 1289 1290 1291 |
| (c) Redeemable vouchers are not redeemable for a merchandise prize that has a wholesale value of more than ten dollars times the fewest number of single plays necessary to accrue the redeemable vouchers required to obtain that prize; and | 1292 1293 1294 1295 1296 |
| (d) Any redeemable vouchers or merchandise prizes are distributed at the site of the skill-based amusement machine at the time of play. | 1297 1298 1299 |
| A card for the purchase of gasoline is a redeemable voucher for purposes of division (UU) (1) of this section even if the skill-based amusement machine for the play of which the card is awarded is located at a place where gasoline may not be legally distributed to the public or the card is not redeemable at the location of, or at the time of playing, the skill-based amusement machine. | 1300 1301 1302 1303 1304 1305 1306 |
| (2) A device shall not be considered a skill-based amusement machine and shall be considered a slot machine if it pays cash or one or more of the following apply: | 1307 1308 1309 |
| (a) The ability of a player to succeed at the game is impacted by the number or ratio of prior wins to prior losses of players playing the game. | 1310 1311 1312 |

(b) Any reward of redeemable vouchers is not based solely 1313
on the player achieving the object of the game or the player's 1314
score; 1315

(c) The outcome of the game, or the value of the 1316
redeemable voucher or merchandise prize awarded for winning the 1317
game, can be controlled by a source other than any player 1318
playing the game. 1319

(d) The success of any player is or may be determined by a 1320
chance event that cannot be altered by player actions. 1321

(e) The ability of any player to succeed at the game is 1322
determined by game features not visible or known to the player. 1323

(f) The ability of the player to succeed at the game is 1324
impacted by the exercise of a skill that no reasonable player 1325
could exercise. 1326

(3) All of the following apply to any machine that is 1327
operated as described in division (UU) (1) of this section: 1328

(a) As used in division (UU) of this section, "game" and 1329
"play" mean one event from the initial activation of the machine 1330
until the results of play are determined without payment of 1331
additional consideration. An individual utilizing a machine that 1332
involves a single game, play, contest, competition, or 1333
tournament may be awarded redeemable vouchers or merchandise 1334
prizes based on the results of play. 1335

(b) Advance play for a single game, play, contest, 1336
competition, or tournament participation may be purchased. The 1337
cost of the contest, competition, or tournament participation 1338
may be greater than a single noncontest, competition, or 1339
tournament play. 1340

(c) To the extent that the machine is used in a contest, 1341
competition, or tournament, that contest, competition, or 1342
tournament has a defined starting and ending date and is open to 1343
participants in competition for scoring and ranking results 1344
toward the awarding of redeemable vouchers or merchandise prizes 1345
that are stated prior to the start of the contest, competition, 1346
or tournament. 1347

(4) For purposes of division (UU) (1) of this section, the 1348
mere presence of a device, such as a pin-setting, ball- 1349
releasing, or scoring mechanism, that does not contribute to or 1350
affect the outcome of the play of the game does not make the 1351
device a skill-based amusement machine. 1352

(VV) "Merchandise prize" means any item of value, but 1353
shall not include any of the following: 1354

(1) Cash, gift cards, or any equivalent thereof; 1355

(2) Plays on games of chance, state lottery tickets, 1356
bingo, or instant bingo; 1357

(3) Firearms, tobacco, or alcoholic beverages; or 1358

(4) A redeemable voucher that is redeemable for any of the 1359
items listed in division (VV) (1), (2), or (3) of this section. 1360

(WW) "Redeemable voucher" means any ticket, token, coupon, 1361
receipt, or other noncash representation of value. 1362

(XX) "Pool not conducted for profit" means a scheme in 1363
which a participant gives a valuable consideration for a chance 1364
to win a prize and the total amount of consideration wagered is 1365
distributed to a participant or participants. 1366

(YY) "Sporting organization" means a hunting, fishing, or 1367
trapping organization, other than a college or high school 1368

fraternity or sorority, that is not organized for profit, that 1369
is affiliated with a state or national sporting organization, 1370
including but not limited to, the league of Ohio sportsmen, and 1371
that has been in continuous existence in this state for a period 1372
of three years. 1373

(ZZ) "Community action agency" has the same meaning as in 1374
section 122.66 of the Revised Code. 1375

(AAA) (1) "Sweepstakes terminal device" means a mechanical, 1376
video, digital, or electronic machine or device that is owned, 1377
leased, or otherwise possessed by any person conducting a 1378
sweepstakes, or by that person's partners, affiliates, 1379
subsidiaries, or contractors, that is intended to be used by a 1380
sweepstakes participant, and that is capable of displaying 1381
information on a screen or other mechanism. A device is a 1382
sweepstakes terminal device if any of the following apply: 1383

(a) The device uses a simulated game terminal as a 1384
representation of the prizes associated with the results of the 1385
sweepstakes entries. 1386

(b) The device utilizes software such that the simulated 1387
game influences or determines the winning of or value of the 1388
prize. 1389

(c) The device selects prizes from a predetermined finite 1390
pool of entries. 1391

(d) The device utilizes a mechanism that reveals the 1392
content of a predetermined sweepstakes entry. 1393

(e) The device predetermines the prize results and stores 1394
those results for delivery at the time the sweepstakes entry 1395
results are revealed. 1396

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| (f) The device utilizes software to create a game result. | 1397 |
| (g) The device reveals the prize incrementally, even | 1398 |
| though the device does not influence the awarding of the prize | 1399 |
| or the value of any prize awarded. | 1400 |
| (h) The device determines and associates the prize with an | 1401 |
| entry or entries at the time the sweepstakes is entered. | 1402 |
| (2) As used in this division and in section 2915.02 of the | 1403 |
| Revised Code: | 1404 |
| (a) "Enter" means the act by which a person becomes | 1405 |
| eligible to receive any prize offered in a sweepstakes. | 1406 |
| (b) "Entry" means one event from the initial activation of | 1407 |
| the sweepstakes terminal device until all the sweepstakes prize | 1408 |
| results from that activation are revealed. | 1409 |
| (c) "Prize" means any gift, award, gratuity, good, | 1410 |
| service, credit, reward, or any other thing of value that may be | 1411 |
| transferred to a person, whether possession of the prize is | 1412 |
| actually transferred, or placed on an account or other record as | 1413 |
| evidence of the intent to transfer the prize. | 1414 |
| (d) "Sweepstakes terminal device facility" means any | 1415 |
| location in this state where a sweepstakes terminal device is | 1416 |
| provided to a sweepstakes participant, except as provided in | 1417 |
| division (G) of section 2915.02 of the Revised Code. | 1418 |
| (BBB) "Sweepstakes" means any game, contest, advertising | 1419 |
| scheme or plan, or other promotion where consideration is not | 1420 |
| required for a person to enter to win or become eligible to | 1421 |
| receive any prize, the determination of which is based upon | 1422 |
| chance. "Sweepstakes" does not include bingo as authorized under | 1423 |
| this chapter, pari-mutuel wagering as authorized by Chapter | 1424 |

3769. of the Revised Code, lotteries conducted by the state 1425
lottery commission as authorized by Chapter 3770. of the Revised 1426
Code, and casino gaming as authorized by Chapter 3772. of the 1427
Revised Code. 1428

Sec. 3775.01. As used in this chapter: 1429

(A) "Casino operator" has the same meaning as in section 1430
3772.01 of the Revised Code. 1431

(B) "Collegiate sport or athletic event" means a sport or 1432
athletic event in which two or more individuals participate in 1433
sports or athletic events offered, sponsored by, or played in 1434
connection with a public or private institution that offers 1435
educational services beyond the secondary level. 1436

(C) "Commission" means the Ohio casino control commission. 1437

(D) "Gross receipts" means the total amount of cash and 1438
cash equivalents paid by sports wagering patrons to a sports 1439
wagering operator to participate in sports wagering. 1440

(E) "Legal gaming facility" means the following: 1441

(1) A casino facility; or 1442

(2) A facility operated by a licensed video lottery sales 1443
agent and owned by a holder of a permit as defined in rule 3769- 1444
1-05 of the Administrative Code. 1445

(F) "Licensed supplier" means a person holding a 1446
supplier's license issued by the commission. 1447

(G) "Online sports pool" means sports wagering in which 1448
wagers on sporting events are made through computers or mobile 1449
devices and accepted at a legal gaming facility through an 1450
online gaming system that is operated by a sports wagering 1451

operator. 1452

(H) "Person" includes, but is not limited to, an 1453
individual or a combination of individuals; a sole 1454
proprietorship, a firm, a company, a joint venture, a 1455
partnership of any type, a joint-stock company, a corporation of 1456
any type, a corporate subsidiary of any type, a limited 1457
liability company, a business trust, or any other business 1458
entity or organization; an assignee; a receiver; a trustee in 1459
bankruptcy; an unincorporated association, club, society, or 1460
other unincorporated entity or organization; entities that are 1461
disregarded for federal income tax purposes; and any other 1462
nongovernmental, artificial, legal entity that is capable of 1463
engaging in business. 1464

(I) "Professional sport or athletic event" means an event 1465
at which two or more individuals participate in sports or 1466
athletic events and receive compensation in excess of actual 1467
expenses for their participation in such event. 1468

(J) "Sporting event" means any professional sport or 1469
athletic event, any collegiate sport or athletic event, any 1470
Olympic or international sports competition event, any motor 1471
race event, or any other special event authorized by the 1472
commission under this chapter. 1473

(K) "Sports governing body" means the organization that 1474
prescribes final rules and enforces codes of conduct with 1475
respect to a sporting event and the participants in the sporting 1476
event. 1477

(L) "Sports wagering" means the business of accepting 1478
wagers on sporting events, the individual performance statistics 1479
of athletes in a sporting event, or a combination of any of the 1480

same by any system or method of wagering approved by the 1481
commission including, but not limited to, mobile applications 1482
and other digital platforms that utilize communications 1483
technology to accept wagers originating within this state. 1484
"Sports wagering" includes, but is not limited to, exchange 1485
wagering, parlays, over-under, moneyline, pools, in-game 1486
wagering, single-game bets, teaser bets, in-play bets, 1487
proposition bets, and straight bets. "Sports wagering" does not 1488
include "casino gaming" as defined in section 3772.01 of the 1489
Revised Code, and does not include entry fees to participate in 1490
fantasy contests under Chapter 3774. of the Revised Code, or 1491
horse racing where the pari-mutuel system of wagering is 1492
conducted as authorized under Chapter 3769. of the Revised Code. 1493

(M) "Sports wagering account" means an electronic account 1494
that may be established by an individual for the purpose of 1495
sports wagering, including deposits, withdrawals, wagered 1496
amounts, and payouts on winning wagers. 1497

(N) "Sports wagering device" means a mechanical, 1498
electrical, or computerized contrivance, terminal, device, 1499
apparatus, piece of equipment, or related supplies approved by 1500
the commission for conducting sports wagering at a legal gaming 1501
facility. "Sports wagering device" does not include a patron's 1502
personal computer, mobile device, or other device used solely to 1503
transmit information and input to a device used to conduct 1504
sports wagering at a legal gaming facility. 1505

(O) "Sports wagering operator" or "operator" means a 1506
casino operator or video lottery sales agent issued a 1507
certificate of authority by the commission to conduct sports 1508
wagering. 1509

(P) "Supplier's license" means a license issued by the 1510

commission to supply sports wagering devices to sports wagering operators. 1511
1512

(Q) "Video lottery sales agent" has the same meaning as in section 3770:2-2-01 of the Ohio Administrative Code. 1513
1514

(R) "Wager" means a sum of money or thing of value risked on an uncertain occurrence. 1515
1516

Sec. 3775.02. (A) The commission may accept applications for a certificate to conduct sports wagering from any casino operator or video lottery sales agent that wishes to offer sports wagering under this chapter. The commission shall prescribe the form of the application by rule. 1517
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(B) A casino operator or video lottery sales agent that wishes to offer sports wagering under this chapter shall do both of the following: 1522
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1524

(1) Submit an application to the commission in the manner prescribed by the commission for each legal gaming facility in which the applicant wishes to conduct sports wagering; 1525
1526
1527

(2) Pay a nonrefundable fee of one hundred thousand dollars for the first certificate issued to the casino operator or video lottery sales agent. 1528
1529
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(C) Upon receipt of the application and fee required by division (B) of this section, the commission shall issue to a casino operator or video lottery sales agent that satisfies the qualification requirements established by the commission a certificate authorizing the casino operator or video lottery sales agent to conduct sports wagering under this chapter in a designated legal gaming facility. 1531
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(D) A sports wagering operator shall pay a nonrefundable 1538

administrative fee of one hundred thousand dollars to the 1539
commission. The fee imposed by this division is due five years 1540
after the date on which the sports wagering operator commences 1541
sports wagering operations under this chapter and every five 1542
years thereafter, provided the sports wagering operator 1543
continues to meet all qualification requirements in rules 1544
adopted by the commission. The commission shall deposit 1545
administrative fees received under this division in the state 1546
sports wagering revenue fund established by division (G) of this 1547
section. 1548

(E) (1) A sports wagering operator may contract with a 1549
licensed management services provider to conduct its sports 1550
wagering, including its online sports pool, in accordance with 1551
this chapter and any rules adopted by the commission. 1552

(2) A person may obtain a management services provider 1553
license from the commission by meeting all requirements for 1554
licensure in rules adopted by the commission and by paying a 1555
nonrefundable license and application fee of ten thousand 1556
dollars. The commission may accept licensing by another 1557
jurisdiction with similar licensing requirements as evidence the 1558
applicant meets the requirements to be a licensed management 1559
services provider. 1560

(3) A management services provider license shall be 1561
renewed annually if the licensee is in compliance with all 1562
requirements and pays a nonrefundable annual renewal fee of one 1563
thousand dollars. The commission shall deposit fees received 1564
under this division in the state sports wagering revenue fund 1565
created in division (G) of this section. 1566

(4) A licensed management services provider shall fulfill 1567
the sports wagering operator's duties under this chapter and 1568

shall be subject to all applicable provisions of this chapter to 1569
the same extent as the sports wagering operator. 1570

(5) A licensed management services provider may operate an 1571
online sports pool on behalf of the sports wagering operator 1572
with which it has a contract and shall be subject to all 1573
applicable provisions of this chapter to the same extent as the 1574
sports wagering operator. 1575

(F) The commission shall issue supplier's licenses 1576
consistent with its procedures for issuing gaming-related vendor 1577
licenses under sections 3772.12 and 3772.121 of the Revised 1578
Code. 1579

(G) There is created the state sports wagering revenue 1580
fund, which shall be in the custody of the treasurer of state 1581
but shall not be part of the state treasury. All fees collected 1582
by the commission in connection with the operation of sports 1583
wagering shall be deposited into the fund. The treasurer of 1584
state shall invest any portion of the fund not needed for 1585
immediate use in the same manner as, and subject to all 1586
provisions of law with respect to the investment of, state 1587
funds. The treasurer of state shall disburse money from the fund 1588
on order of the executive director of the commission or the 1589
executive director's designee. 1590

Sec. 3775.03. (A) A sports wagering operator shall accept 1591
wagers on sporting events authorized under this chapter from an 1592
individual who is physically present in the area of a legal 1593
gaming facility designated under section 3775.05 of the Revised 1594
Code where authorized sports wagering occurs, or from an 1595
individual who wagers by means of a sports wagering device 1596
located in the legal gaming facility as authorized by the 1597
commission. An individual placing a wager on a sporting event 1598

shall be at least twenty-one years of age. 1599

(B) (1) A sports wagering operator may accept a wager from 1600
an individual physically located within this state using a 1601
mobile or other digital platform through the individual's sports 1602
wagering account. An individual must establish a sports wagering 1603
account with a sports wagering operator before a sports wagering 1604
operator may accept any wager that utilizes a sports wagering 1605
account. A sports wagering account shall be in the name of an 1606
individual and may not be in the name of any beneficiary, 1607
custodian, joint trust, corporation, partnership, or other 1608
organization or entity. A sports wagering account may be 1609
established and funded in person through employees or sales 1610
agents of a sports wagering operator or, pursuant to rules 1611
adopted by the commission, over the internet through a sports 1612
wagering operator's web site or mobile application in a manner 1613
that complies with the internal controls of the sports wagering 1614
operator. 1615

(2) A sports wagering operator may use the same brand as 1616
its legal gaming facility to provide an online sports pool web 1617
site. Each web site may have an accompanying mobile application 1618
bearing the same brand as the web site. The server hosting a web 1619
site shall be located within a restricted area of the legal 1620
gaming facility or in another secure facility in the United 1621
States owned or operated by the sports wagering operator or its 1622
management services provider. 1623

(C) A sports wagering operator may accept wagers from an 1624
individual physically located in a state or jurisdiction with 1625
which the commission has entered into a sports wagering 1626
agreement under section 3775.04 of the Revised Code using a 1627
mobile or other digital platform through the individual's sports 1628

wagering account, so long as the platform is approved by the 1629
commission and all other requirements of the agreement are 1630
satisfied, and so long as accepting wagers from a person not 1631
physically located in this state does not violate federal law. 1632

(D) (1) The commission or sports wagering operator may ban 1633
any individual from entering a sports wagering area of a legal 1634
gaming facility or conducting sports wagering on the grounds of 1635
a legal gaming facility or from wagering or operating sports 1636
wagering. 1637

(2) No individual participating in the voluntary exclusion 1638
program established by the commission under Chapter 3772. of the 1639
Revised Code shall wager on any sporting event under this 1640
chapter. 1641

(E) No sports wagering operator employee may place a wager 1642
on any sporting event at any of the sports wagering operator's 1643
facilities or through any other mobile application or digital 1644
platform of the sports wagering operator. 1645

(F) An individual present in a designated area of a legal 1646
gaming facility shall not place or attempt to place a wager on 1647
behalf of an individual who is not present in the designated 1648
area of the legal gaming facility. 1649

Sec. 3775.04. (A) On behalf of the state, the commission 1650
may do both of the following: 1651

(1) Enter into sports wagering agreements with other 1652
governments whereby persons who are physically located in a 1653
signatory jurisdiction may participate in sports wagering 1654
conducted by one or more operators authorized to conduct sports 1655
wagering by the signatory governments; and 1656

(2) Take all necessary actions to ensure that any sports 1657

wagering agreement entered into under this section becomes 1658
effective. 1659

(B) The rules adopted by the commission under this section 1660
may include provisions prescribing all of the following: 1661

(1) The form, length, and terms of an agreement entered 1662
into by the commission and another government, including, but 1663
not limited to, provisions relating to all of the following: 1664

(a) How this state and other governments will tax 1665
activities under the agreement; 1666

(b) How to share and distribute revenues; and 1667

(c) How to resolve disputes with patrons. 1668

(2) The information to be furnished to the commission by a 1669
government that proposes to enter into an agreement with this 1670
state pursuant to this section; 1671

(3) The information to be furnished to the commission to 1672
enable the commission and executive director to carry out the 1673
purposes of this section; 1674

(4) The manner and procedure for hearings conducted by the 1675
commission to resolve disputes arising under an agreement 1676
pursuant to this section, including any special rules or 1677
notices; and 1678

(5) The information required to be furnished to the 1679
commission to support any recommendations made to the 1680
commission, pursuant to this section. 1681

(C) The commission may not enter into a sports wagering 1682
agreement under this section unless the agreement includes 1683
provisions that do all of the following: 1684

- (1) Account for revenue sharing by this state and another government; 1685
1686
- (2) Permit this state's effective regulation of sports wagering, including provisions relating to licensing of persons, technical standards, resolution of disputes by patrons, requirements for bankrolls, enforcement, accounting, and maintenance of records; 1687
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- (3) Require each signatory government to prohibit operators of sports wagering, management or other service providers, or suppliers, manufacturers, or distributors of sports wagering systems from engaging in any activity permitted by the sports wagering agreement unless they are authorized to engage in the activity in this state or in a signatory jurisdiction with similar requirements approved by the commission; 1692
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- (4) Prohibit variation from the requirements of the sports wagering agreement for any signatory government without a lack of opposition by this state and all signatory governments; 1700
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- (5) Prohibit any subordinate or side agreements among any subset of signatory governments unless it relates exclusively to the sharing of revenues; and 1703
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1705
- (6) Require the signatory government to establish and maintain regulatory requirements governing sports wagering that are consistent with the requirements of this state in all material respects if the sports wagering agreement allows individuals physically located in this state to participate in sports wagering conducted by another government or an operator licensed by another government. 1706
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- (D) Except as authorized under this section, all sports 1713

wagers authorized under this chapter shall be initiated, 1714
received, and otherwise made within this state unless the 1715
commission enters into a sports wagering agreement with another 1716
government after determining that such agreement would be in 1717
accordance with applicable federal and state laws. Consistent 1718
with the intent of the congress of the United States as 1719
articulated in the "Unlawful Internet Gambling Enforcement Act 1720
of 2006," 31 U.S.C. 5361 et seq., the intermediate routing of 1721
electronic data relating to lawful intrastate sports wagering 1722
authorized under this chapter shall not determine the location 1723
or locations in which such wagering is initiated, received, or 1724
otherwise made. 1725

Sec. 3775.05. (A) A sports wagering operator shall 1726
designate an area within the sports wagering operator's legal 1727
gaming facility for conducting sports wagering under this 1728
chapter. A sports wagering operator shall accept wagers from 1729
individuals physically present in the designated area, through 1730
sports wagering devices located in the legal gaming facility as 1731
authorized by the commission, or through an online sports pool. 1732
A sports wagering operator may not accept wagers unless made 1733
with cash, chips, tokens, or other representatives of value 1734
approved by the commission, or against credits made to a sports 1735
wagering account, or on credit extended in accordance with the 1736
sports wagering operator's internal controls and the rules of 1737
the commission. 1738

(B) (1) Except as provided in division (B) (2) of this 1739
section, an individual who is less than twenty-one years of age 1740
may not be present in the area designated under division (A) of 1741
this section where sports wagering is being conducted. 1742

(2) An employee of a sports wagering operator who is 1743

between eighteen and twenty-one years of age may be present in 1744
the area of a legal gaming facility where sports wagering is 1745
being conducted, as long as the employee's duties are related 1746
solely to nongaming activities. An individual who is less than 1747
twenty-one years of age may enter a designated area of a legal 1748
gaming facility where sports wagering is being conducted, as 1749
established by the commission, to pass to another area where 1750
sports wagering is not being conducted, but only if the 1751
individual is personally escorted by licensed sports wagering 1752
operator personnel, as approved by the commission, who at all 1753
times remain in close proximity to the individual. 1754

(C) A sports wagering operator shall determine the minimum 1755
and maximum wagers for sports wagering conducted in the sports 1756
wagering operator's legal gaming facility. 1757

(D) A sports wagering operator may not permit any sports 1758
wagering on the premises of the legal gaming facility except as 1759
permitted by this chapter. 1760

(E) A sports wagering device must be approved by the 1761
commission and acquired by a sports wagering operator from a 1762
licensed supplier. The commission shall test sports wagering 1763
devices and forms, variations, or composites of sports wagering 1764
under the terms and conditions that the commission considers 1765
appropriate before authorizing a sports wagering operator to 1766
offer a sports wagering device or a form, variation, or 1767
composite of sports wagering. 1768

(F) The commission shall determine the occupations related 1769
to sports wagering that require an occupational license, 1770
provided that no employee licensed in a similar occupation under 1771
Chapter 3772. of the Revised Code shall be subject to additional 1772
licensing requirements. 1773

(G) A sports wagering operator may manage risk associated 1774
with sports wagers by rejecting or pooling one or more sports 1775
wagers. A sports wagering operator may lay off with another 1776
sports wagering operator one or more sports wagers. 1777

(H) Sports wagering operators may employ systems that 1778
offset loss or manage risk in the operation of sports wagering 1779
pursuant to this chapter through the use of liquidity pools in 1780
another jurisdiction in which the licensee or an affiliate or 1781
other third party also holds licensure; provided that at all 1782
times adequate protections are maintained to ensure sufficient 1783
funds are available to pay patrons. 1784

(I) If a patron does not claim a winning sports wager 1785
within one year from the date of the event, the obligation of 1786
the sports wagering operator to pay the winnings shall expire 1787
and the funds shall be distributed as follows: the sports 1788
wagering operator shall retain fifty per cent and remit the 1789
remaining fifty per cent to the state sports wagering revenue 1790
fund. 1791

Sec. 3775.06. All rules adopted by the commission under 1792
this chapter shall be adopted under procedures established in 1793
Chapter 119. of the Revised Code. 1794

To the extent not addressed in existing rules adopted 1795
under Chapter 3770. or 3772. of the Revised Code, the commission 1796
shall adopt, and as advisable and necessary shall amend or 1797
repeal, rules as are necessary for completing the functions of 1798
this chapter, which may include any or all of the following: 1799

(A) Standards and procedures to govern the conduct of 1800
sports wagering, including the manner in which wagers are 1801
received, payouts are paid, and point spreads, lines, and odds 1802

are disclosed; 1803

(B) Prescribing qualifications for a certificate to 1804
operate sports wagering under section 3775.02 of the Revised 1805
Code; 1806

(C) Prescribing qualifications for a management services 1807
provider license issued under section 3775.02 of the Revised 1808
Code; 1809

(D) Prescribing the manner in which a sports wagering 1810
operator's books and financial records relating to sports 1811
wagering are maintained and audited, including standards for the 1812
daily counting of a sports wagering operator's gross receipts 1813
from sports wagering and standards to ensure that internal 1814
controls are followed; 1815

(E) Prescribing the manner in which the sports wagering 1816
operator maintains records of all wagers placed, including, to 1817
the extent practicable, personally identifiable information of 1818
the individual placing the wager, the amount and type of wager, 1819
the time the wager was placed, the location of the wager, 1820
including internet protocol address if applicable, the outcome 1821
of the wager and records of abnormal wager activity for at least 1822
three years after the sporting event occurs; 1823

(F) Prescribing conditions to ensure the security and 1824
integrity of wagers accepted under an approved mobile or digital 1825
platform or online sports pool; 1826

(G) Providing written information to persons participating 1827
in sports wagering about sports wagering, payouts, winning 1828
wagers, and other information considered relevant by the 1829
commission; 1830

(H) Prescribing conditions to ensure that advertisements 1831

for sports wagering meet all of the following: 1832

(1) Do not target persons under twenty-one years of age or 1833
other persons who are ineligible to place wagers, problem 1834
gamblers, or other vulnerable individuals; 1835

(2) Disclose the identity of the sports wagering operator; 1836

(3) Provide information about or links to resources 1837
relating to problem gambling; and 1838

(4) Are not otherwise false, misleading, or deceptive to a 1839
reasonable consumer. 1840

Sec. 3775.07. (A) An individual applying for an 1841
occupational license issued under this chapter shall submit one 1842
complete set of fingerprints directly to the superintendent of 1843
the bureau of criminal identification and investigation for the 1844
purpose of conducting a criminal records check. The individual 1845
shall provide the fingerprints using a method the superintendent 1846
of the bureau of criminal identification and investigation 1847
prescribes pursuant to division (C) (2) of section 109.572 of the 1848
Revised Code and fill out the form the superintendent of the 1849
bureau of criminal identification and investigation prescribes 1850
pursuant to division (C) (1) of section 109.572 of the Revised 1851
Code. Upon receiving an application under this section, the 1852
executive director of the commission shall request the 1853
superintendent of the bureau of criminal identification and 1854
investigation, or a vendor approved by the bureau, to conduct a 1855
criminal records check based on the individual's fingerprint 1856
impressions in accordance with division (A) (18) of section 1857
109.572 of the Revised Code. 1858

(B) A sports wagering operator shall employ commercially 1859
reasonable methods to do all of the following: 1860

(1) Prohibit the operator, directors, officers, and employees of the operator, and any relative living in the same household of a person described in this division from placing bets with the sports wagering operator; 1861
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(2) Using publicly available information and any lists of employees and affiliates provided to the sports wagering operator or the commission by a sports governing body, prohibit wagering by any athlete, coach, referee, team owner, employee of a sports governing body or one of its member teams, or player or referee union personnel; 1865
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(3) Prohibit any individual with access to nonpublic confidential information held by the operator from placing wagers with the sports wagering operator; 1871
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(4) Prevent the sharing of confidential information that could affect sports wagering offered by the operator or by third parties until the information is made publicly available. 1874
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(C) The commission and sports wagering operators shall cooperate with investigations conducted by sports governing bodies or law enforcement agencies, including by providing or facilitating the provision of betting information and audio or video files relating to persons placing wagers. 1877
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(D) A sports wagering operator shall immediately report to the commission any information relating to any of the following: 1882
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(1) Criminal or disciplinary proceedings commenced against the sports wagering operator in connection with its operations; 1884
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(2) Wagers that violate state or federal law; 1886

(3) Abnormal sports wagering activity or patterns that may indicate a concern regarding the integrity of a sporting event 1887
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| <u>or events;</u> | 1889 |
| <u>(4) Any other conduct that corrupts a wagering outcome of</u> | 1890 |
| <u>a sporting event or events for purposes of financial gain; or</u> | 1891 |
| <u>(5) Suspicious wagering activities.</u> | 1892 |
| <u>(E) A sports wagering operator shall maintain the</u> | 1893 |
| <u>confidentiality of information provided by a sports governing</u> | 1894 |
| <u>body to the sports wagering operator, unless disclosure is</u> | 1895 |
| <u>required by this chapter, the commission, other law, or court</u> | 1896 |
| <u>order.</u> | 1897 |
| <u>Sec. 3775.08. A sports wagering operator is not liable</u> | 1898 |
| <u>under the laws of Ohio to any party, including patrons, for</u> | 1899 |
| <u>disclosing information as required under this chapter and is not</u> | 1900 |
| <u>liable for refusing to disclose information unless required</u> | 1901 |
| <u>under this chapter.</u> | 1902 |
| <u>Sec. 3775.09. All shipments of gaming supplies, devices,</u> | 1903 |
| <u>and equipment, including slot machines, into this state are</u> | 1904 |
| <u>exempt from section (2) of "An Act to Prohibit Transportation of</u> | 1905 |
| <u>Gambling Devices in Interstate and Foreign Commerce," 15 U.S.C.</u> | 1906 |
| <u>1171 through 1177.</u> | 1907 |
| <u>Sec. 3775.10. (A) For the purposes of this section,</u> | 1908 |
| <u>"confidential information" means any information concerning the</u> | 1909 |
| <u>following submitted, collected, or gathered as part of an</u> | 1910 |
| <u>application to the commission for a certificate or license under</u> | 1911 |
| <u>this chapter:</u> | 1912 |
| <u>(1) A minor child of an applicant;</u> | 1913 |
| <u>(2) The social security number, passport number, or</u> | 1914 |
| <u>federal tax identification number of an applicant or the spouse</u> | 1915 |
| <u>of an applicant;</u> | 1916 |

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|---|------|
| <u>(3) The home address and telephone number of an applicant</u> | 1917 |
| <u>or the spouse or dependent of an applicant;</u> | 1918 |
| <u>(4) An applicant's birth certificate;</u> | 1919 |
| <u>(5) The driver's license number of an applicant or the</u> | 1920 |
| <u>applicant's spouse;</u> | 1921 |
| <u>(6) The name or address of a previous spouse of the</u> | 1922 |
| <u>applicant;</u> | 1923 |
| <u>(7) The date of birth of the applicant and the spouse of</u> | 1924 |
| <u>an applicant;</u> | 1925 |
| <u>(8) The place of birth of the applicant and the spouse of</u> | 1926 |
| <u>an applicant;</u> | 1927 |
| <u>(9) The personal financial information and records of an</u> | 1928 |
| <u>applicant or of an employee or the spouse or dependent of an</u> | 1929 |
| <u>applicant, including tax returns and information, and records of</u> | 1930 |
| <u>criminal proceedings;</u> | 1931 |
| <u>(10) Any information concerning a victim of domestic</u> | 1932 |
| <u>violence, sexual assault, or stalking;</u> | 1933 |
| <u>(11) The electronic mail address of the spouse or family</u> | 1934 |
| <u>member of the applicant;</u> | 1935 |
| <u>(12) Any trade secret, medical records, and patents or</u> | 1936 |
| <u>exclusive licenses;</u> | 1937 |
| <u>(13) Security information, including risk prevention</u> | 1938 |
| <u>plans, detection and countermeasures, location of count rooms or</u> | 1939 |
| <u>other money storage areas, emergency management plans, security</u> | 1940 |
| <u>and surveillance plans, equipment and usage protocols, and theft</u> | 1941 |
| <u>and fraud prevention plans and countermeasures;</u> | 1942 |
| <u>(14) Information that is received by the commission from</u> | 1943 |

another jurisdiction relating to an applicant who holds, held, 1944
or has applied for a certificate or license under this chapter. 1945

Confidential information is not subject to disclosure by a 1946
public office as a public record under section 149.43 of the 1947
Revised Code. 1948

(B) Notwithstanding any other chapter of the Revised Code 1949
to the contrary, upon written request, the commission shall 1950
provide the following to a requestor: 1951

(1) The information provided under this chapter concerning 1952
a sports wagering operator or an applicant for a sports wagering 1953
operator certificate; 1954

(2) The amount of the wagering tax and admission tax paid 1955
daily to the state by a sports wagering operator; and 1956

(3) A copy of a letter providing the reasons for the 1957
denial of an application for a sports wagering operator 1958
certificate and a copy of a letter providing the reasons for the 1959
commission's refusal to allow an applicant to withdraw the 1960
application, but with confidential information redacted if that 1961
information is the reason for the denial or refusal to withdraw. 1962

(C) An individual's or person's name, place of employment, 1963
job title, and gaming experience that is provided for an 1964
individual or person who holds, held, or has applied for a 1965
certificate or license under this chapter is not confidential. 1966
The reason for denial or revocation of a certificate or license 1967
or for disciplinary action against the person or individual is 1968
not confidential. 1969

(D) An individual or person who holds, held, or has 1970
applied for a certificate or license under this chapter may 1971
waive the confidentiality requirements of division (A) of this 1972

section. 1973

(E) The commission may disclose confidential information 1974
to the inspector general, a prosecuting authority, a law 1975
enforcement agency, or any other appropriate governmental entity 1976
or licensing agency, if the recipient complies with the same 1977
requirements regarding confidential information as those with 1978
which the commission must comply. 1979

Sec. 3775.11. (A) If any person violates this chapter or a 1980
rule adopted thereunder, the attorney general has a cause of 1981
action to restrain the violation. This action is a civil action 1982
governed by the rules of civil procedure. Upon receiving a 1983
request from the commission or the executive director, the 1984
attorney general shall commence and prosecute such an action to 1985
completion. The court shall give priority to such an action over 1986
all other civil actions. Such an action does not preclude an 1987
administrative or criminal proceeding on the same facts. 1988

(B) The attorney general may enter into agreements with 1989
any state or local law enforcement agency to carry out its 1990
duties. 1991

(C) A sheriff, chief of police, and prosecuting attorney 1992
shall furnish to the commission, on prescribed forms, all 1993
information obtained during the course of any substantial 1994
investigation or prosecution if it appears a violation of this 1995
chapter has occurred. Any such information is not a public 1996
record, as defined in section 149.43 of the Revised Code, until 1997
such information would otherwise become a public record. 1998

Sec. 3775.12. (A) The commission may impose civil 1999
penalties against a person who violates this chapter under 2000
penalties adopted by commission rule, which civil penalty shall 2001

not exceed fifty thousand dollars for each violation. Moneys 2002
collected from such penalty levies shall be credited to the 2003
general revenue fund. 2004

(B) If a sports wagering operator or its employee or agent 2005
violates this chapter or engages in a fraudulent act, the 2006
commission may do either or both of the following: 2007

(1) Suspend or restrict the sports wagering of the sports 2008
wagering operator; 2009

(2) Require the removal of an employee or agent of a 2010
sports wagering operator. 2011

Sec. 3775.99. (A) A person who knowingly does any of the 2012
following commits a misdemeanor of the first degree on the first 2013
offense and a felony of the fifth degree for a subsequent 2014
offense: 2015

(1) Makes a false statement on an application submitted 2016
under this chapter; 2017

(2) Permits an individual who is less than twenty-one 2018
years of age to make a sports wager; 2019

(3) Enters or attempts to enter the area of a legal gaming 2020
facility where sports wagering is being conducted while under 2021
twenty-one years of age, unless the individual enters a 2022
designated area as described in section 3772.24 or 3775.05 of 2023
the Revised Code; 2024

(4) Is a sports wagering operator, agent, or employee and 2025
participates in sports wagering at a legal gaming facility at 2026
which the sports wagering operator, agent, or employee has an 2027
interest or is employed. 2028

(B) A person who knowingly does any of the following 2029

commits a felony of the fifth degree on a first offense and a 2030
felony of the fourth degree for a subsequent offense: 2031

(1) Offers, promises, or gives anything of value to anyone 2032
for the purpose of influencing the outcome of a race, sporting 2033
event, contest, or game upon which a wager may be made, or a 2034
person places, increases, or decreases a wager after acquiring 2035
knowledge, not available to the general public, that anyone has 2036
been offered, promised, or given anything of value for the 2037
purpose of influencing the outcome of the race, sporting event, 2038
contest, or game upon which the wager is placed, increased or 2039
decreased, or attempts to do any of the same; 2040

(2) Changes or alters the normal outcome of any game 2041
played on a mobile or other digital platform or online sports 2042
pool, including any interactive gaming system used to monitor 2043
the same or the way in which the outcome is reported to any 2044
participant in the game; 2045

(3) Manufactures, sells, or distributes any device that is 2046
intended by that person to be used to violate any provision of 2047
this chapter; 2048

(4) Places a bet or aids any other individual in placing a 2049
bet on a sporting event after unlawfully acquiring knowledge of 2050
the outcome on which winnings from that bet are contingent; 2051

(5) Claims, collects, or takes anything of value from a 2052
legal gaming facility with intent to defraud or attempts such 2053
action without having made a wager in which such amount or value 2054
is legitimately won or owed; 2055

(6) Places a wager using counterfeit currency or other 2056
counterfeit form of credit for wagering at a legal gaming 2057
facility; 2058

(7) Has in the person's possession on grounds owned by the 2059
legal gaming facility or on grounds contiguous to the legal 2060
gaming facility, any device intended to be used to violate a 2061
provision of this chapter or any rule of the commission; or 2062

(8) Operates sports wagering in a manner other than the 2063
manner required under this chapter. 2064

If the person engaging in conduct described in divisions 2065
(B)(1) to (8) of this section is certified or licensed under 2066
this chapter, the commission shall revoke the person's 2067
certificate or license after the first offense. 2068

(C) A person who knowingly does any of the following 2069
commits a felony of the third degree: 2070

(1) Offers, promises, or gives anything of value or 2071
benefit to a person who is connected with a sports wagering 2072
operator, or agent or employee of a sports wagering operator, 2073
under an agreement to influence or with the intent to influence 2074
the actions of the person to whom the offer, promise, or gift 2075
was made in order to affect or attempt to affect the outcome of 2076
sports wagering conducted under this chapter or an official 2077
action of a commission member, agent, or employee; 2078

(2) Solicits, accepts, or receives a promise of anything 2079
of value or benefit while the person is connected with a sports 2080
wagering operator, or agent or employee of a sports wagering 2081
operator, under an agreement to influence or with the intent to 2082
influence the actions of the person to affect or attempt to 2083
affect the outcome of sports wagering conducted under this 2084
chapter or an official action of a commission member, agent, or 2085
employee. 2086

If the person engaging in conduct described in division 2087

(C) (1) or (2) of this section is a is certified or licensed 2088
under this chapter, the commission shall revoke the person's 2089
certificate or license after the first offense. A public servant 2090
or party official who is convicted under this division is 2091
forever disqualified from holding any public office, employment, 2092
or position of trust in this state. 2093

(D) A person who is convicted of a felony described in 2094
this chapter may be barred for life from entering a legal gaming 2095
facility by the commission. 2096

Sec. 5703.21. (A) Except as provided in divisions (B) and 2097
(C) of this section, no agent of the department of taxation, 2098
except in the agent's report to the department or when called on 2099
to testify in any court or proceeding, shall divulge any 2100
information acquired by the agent as to the transactions, 2101
property, or business of any person while acting or claiming to 2102
act under orders of the department. Whoever violates this 2103
provision shall thereafter be disqualified from acting as an 2104
officer or employee or in any other capacity under appointment 2105
or employment of the department. 2106

(B) (1) For purposes of an audit pursuant to section 117.15 2107
of the Revised Code, or an audit of the department pursuant to 2108
Chapter 117. of the Revised Code, or an audit, pursuant to that 2109
chapter, the objective of which is to express an opinion on a 2110
financial report or statement prepared or issued pursuant to 2111
division (A) (7) or (9) of section 126.21 of the Revised Code, 2112
the officers and employees of the auditor of state charged with 2113
conducting the audit shall have access to and the right to 2114
examine any state tax returns and state tax return information 2115
in the possession of the department to the extent that the 2116
access and examination are necessary for purposes of the audit. 2117

Any information acquired as the result of that access and 2118
examination shall not be divulged for any purpose other than as 2119
required for the audit or unless the officers and employees are 2120
required to testify in a court or proceeding under compulsion of 2121
legal process. Whoever violates this provision shall thereafter 2122
be disqualified from acting as an officer or employee or in any 2123
other capacity under appointment or employment of the auditor of 2124
state. 2125

(2) For purposes of an internal audit pursuant to section 2126
126.45 of the Revised Code, the officers and employees of the 2127
office of internal audit in the office of budget and management 2128
charged with directing the internal audit shall have access to 2129
and the right to examine any state tax returns and state tax 2130
return information in the possession of the department to the 2131
extent that the access and examination are necessary for 2132
purposes of the internal audit. Any information acquired as the 2133
result of that access and examination shall not be divulged for 2134
any purpose other than as required for the internal audit or 2135
unless the officers and employees are required to testify in a 2136
court or proceeding under compulsion of legal process. Whoever 2137
violates this provision shall thereafter be disqualified from 2138
acting as an officer or employee or in any other capacity under 2139
appointment or employment of the office of internal audit. 2140

(3) As provided by section 6103(d)(2) of the Internal 2141
Revenue Code, any federal tax returns or federal tax information 2142
that the department has acquired from the internal revenue 2143
service, through federal and state statutory authority, may be 2144
disclosed to the auditor of state or the office of internal 2145
audit solely for purposes of an audit of the department. 2146

(4) For purposes of Chapter 3739. of the Revised Code, an 2147

agent of the department of taxation may share information with 2148
the division of state fire marshal that the agent finds during 2149
the course of an investigation. 2150

(C) Division (A) of this section does not prohibit any of 2151
the following: 2152

(1) Divulging information contained in applications, 2153
complaints, and related documents filed with the department 2154
under section 5715.27 of the Revised Code or in applications 2155
filed with the department under section 5715.39 of the Revised 2156
Code; 2157

(2) Providing information to the office of child support 2158
within the department of job and family services pursuant to 2159
section 3125.43 of the Revised Code; 2160

(3) Disclosing to the motor vehicle repair board any 2161
information in the possession of the department that is 2162
necessary for the board to verify the existence of an 2163
applicant's valid vendor's license and current state tax 2164
identification number under section 4775.07 of the Revised Code; 2165

(4) Providing information to the administrator of workers' 2166
compensation pursuant to sections 4123.271 and 4123.591 of the 2167
Revised Code; 2168

(5) Providing to the attorney general information the 2169
department obtains under division (J) of section 1346.01 of the 2170
Revised Code; 2171

(6) Permitting properly authorized officers, employees, or 2172
agents of a municipal corporation from inspecting reports or 2173
information pursuant to section 718.84 of the Revised Code or 2174
rules adopted under section 5745.16 of the Revised Code; 2175

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| (7) Providing information regarding the name, account | 2176 |
| number, or business address of a holder of a vendor's license | 2177 |
| issued pursuant to section 5739.17 of the Revised Code, a holder | 2178 |
| of a direct payment permit issued pursuant to section 5739.031 | 2179 |
| of the Revised Code, or a seller having a use tax account | 2180 |
| maintained pursuant to section 5741.17 of the Revised Code, or | 2181 |
| information regarding the active or inactive status of a | 2182 |
| vendor's license, direct payment permit, or seller's use tax | 2183 |
| account; | 2184 |
| (8) Releasing invoices or invoice information furnished | 2185 |
| under section 4301.433 of the Revised Code pursuant to that | 2186 |
| section; | 2187 |
| (9) Providing to a county auditor notices or documents | 2188 |
| concerning or affecting the taxable value of property in the | 2189 |
| county auditor's county. Unless authorized by law to disclose | 2190 |
| documents so provided, the county auditor shall not disclose | 2191 |
| such documents; | 2192 |
| (10) Providing to a county auditor sales or use tax return | 2193 |
| or audit information under section 333.06 of the Revised Code; | 2194 |
| (11) Subject to section 4301.441 of the Revised Code, | 2195 |
| disclosing to the appropriate state agency information in the | 2196 |
| possession of the department of taxation that is necessary to | 2197 |
| verify a permit holder's gallonage or noncompliance with taxes | 2198 |
| levied under Chapter 4301. or 4305. of the Revised Code; | 2199 |
| (12) Disclosing to the department of natural resources | 2200 |
| information in the possession of the department of taxation that | 2201 |
| is necessary for the department of taxation to verify the | 2202 |
| taxpayer's compliance with section 5749.02 of the Revised Code | 2203 |
| or to allow the department of natural resources to enforce | 2204 |

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| Chapter 1509. of the Revised Code; | 2205 |
| (13) Disclosing to the department of job and family services, industrial commission, and bureau of workers' compensation information in the possession of the department of taxation solely for the purpose of identifying employers that misclassify employees as independent contractors or that fail to properly report and pay employer tax liabilities. The department of taxation shall disclose only such information that is necessary to verify employer compliance with law administered by those agencies. | 2206 2207 2208 2209 2210 2211 2212 2213 2214 |
| (14) Disclosing to the Ohio casino control commission information in the possession of the department of taxation that is necessary to verify a casino operator's compliance with section 5747.063 or 5753.02 of the Revised Code and sections related thereto; | 2215 2216 2217 2218 2219 |
| (15) Disclosing to the state lottery commission information in the possession of the department of taxation that is necessary to verify a lottery sales agent's compliance with section 5747.064 of the Revised Code. | 2220 2221 2222 2223 |
| (16) <u>Disclosing to the casino control commission information in the possession of the department of taxation that is necessary to verify a sports wagering operator's compliance with section 5747.063, 5747.064, or 5753.021 of the Revised Code and sections related thereto;</u> | 2224 2225 2226 2227 2228 |
| (17) <u>Disclosing to the development services agency information in the possession of the department of taxation that is necessary to ensure compliance with the laws of this state governing taxation and to verify information reported to the development services agency for the purpose of evaluating</u> | 2229 2230 2231 2232 2233 |

potential tax credits, grants, or loans. Such information shall 2234
not include information received from the internal revenue 2235
service the disclosure of which is prohibited by section 6103 of 2236
the Internal Revenue Code. No officer, employee, or agent of the 2237
development services agency shall disclose any information 2238
provided to the development services agency by the department of 2239
taxation under division (C)(16) of this section except when 2240
disclosure of the information is necessary for, and made solely 2241
for the purpose of facilitating, the evaluation of potential tax 2242
credits, grants, or loans. 2243

~~(17)~~(18) Disclosing to the department of insurance 2244
information in the possession of the department of taxation that 2245
is necessary to ensure a taxpayer's compliance with the 2246
requirements with any tax credit administered by the development 2247
services agency and claimed by the taxpayer against any tax 2248
administered by the superintendent of insurance. No officer, 2249
employee, or agent of the department of insurance shall disclose 2250
any information provided to the department of insurance by the 2251
department of taxation under division (C)(17) of this section. 2252

~~(18)~~(19) Disclosing to the division of liquor control 2253
information in the possession of the department of taxation that 2254
is necessary for the division and department to comply with the 2255
requirements of sections 4303.26 and 4303.271 of the Revised 2256
Code. 2257

Sec. 5747.02. (A) For the purpose of providing revenue for 2258
the support of schools and local government functions, to 2259
provide relief to property taxpayers, to provide revenue for the 2260
general revenue fund, and to meet the expenses of administering 2261
the tax levied by this chapter, there is hereby levied on every 2262
individual, trust, and estate residing in or earning or 2263

receiving income in this state, on every individual, trust, and 2264
estate earning or receiving lottery winnings, prizes, or awards 2265
pursuant to Chapter 3770. of the Revised Code, on every 2266
individual, trust, and estate earning or receiving winnings on 2267
casino gaming or sports wagering, and on every individual, 2268
trust, and estate otherwise having nexus with or in this state 2269
under the Constitution of the United States, an annual tax 2270
measured as prescribed in divisions (A)(1) to (4) of this 2271
section. 2272

(1) In the case of trusts, the tax imposed by this section 2273
shall be measured by modified Ohio taxable income under division 2274
(D) of this section and levied in the same amount as the tax is 2275
imposed on estates as prescribed in division (A)(2) of this 2276
section. 2277

(2) In the case of estates, the tax imposed by this 2278
section shall be measured by Ohio taxable income and levied at 2279
the rate of seven thousand four hundred twenty-five ten- 2280
thousandths per cent for the first ten thousand five hundred 2281
dollars of such income and, for income in excess of that amount, 2282
at the same rates prescribed in division (A)(3) of this section 2283
for individuals. 2284

(3) In the case of individuals, for taxable years 2285
beginning in 2017 or thereafter, the tax imposed by this section 2286
on income other than taxable business income shall be measured 2287
by Ohio adjusted gross income, less taxable business income and 2288
less an exemption for the taxpayer, the taxpayer's spouse, and 2289
each dependent as provided in section 5747.025 of the Revised 2290
Code. If the balance thus obtained is equal to or less than ten 2291
thousand five hundred dollars, no tax shall be imposed on that 2292
balance. If the balance thus obtained is greater than ten 2293

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| thousand five hundred dollars, the tax is hereby levied as follows: | 2294 2295 |
| OHIO ADJUSTED GROSS | 2296 |
| INCOME LESS TAXABLE | 2297 |
| BUSINESS INCOME AND EXEMPTIONS (INDIVIDUALS) | 2298 2299 |
| OR | 2300 |
| MODIFIED OHIO | 2301 |
| TAXABLE INCOME (TRUSTS) | 2302 |
| OR | 2303 |
| OHIO TAXABLE INCOME (ESTATES) TAX | 2304 |
| More than \$10,500 but \$77.96 plus 1.980% of the amount not more than \$15,800 in excess of \$10,500 | 2305 2306 |
| More than \$15,800 but \$182.90 plus 2.476% of the amount not more than \$21,100 in excess of \$15,800 | 2307 2308 |
| More than \$21,100 but \$314.13 plus 2.969% of the amount not more than \$42,100 in excess of \$21,100 | 2309 2310 |
| More than \$42,100 but \$937.62 plus 3.465% of the amount not more than \$84,200 in excess of \$42,100 | 2311 2312 |
| More than \$84,200 but \$2,396.39 plus 3.960% of the amount not more than \$105,300 in excess of \$84,200 | 2313 2314 |
| More than \$105,300 but \$3,231.95 plus 4.597% of the amount not more than \$210,600 in excess of \$105,300 | 2315 2316 |
| More than \$210,600 \$8,072.59 plus 4.997% of the amount in excess of \$210,600 | 2317 2318 |
| (4) (a) In the case of individuals, for taxable years beginning in 2016 or thereafter, the tax imposed by this section on taxable business income shall equal three per cent of the | 2319 2320 2321 |

result obtained by subtracting any amount allowed under division 2322
(A) (4) (b) of this section from the individual's taxable business 2323
income. 2324

(b) If the exemptions allowed to an individual under 2325
division (A) (3) of this section exceed the taxpayer's Ohio 2326
adjusted gross income less taxable business income, the excess 2327
shall be deducted from taxable business income before computing 2328
the tax under division (A) (4) (a) of this section. 2329

(5) Except as otherwise provided in this division, in 2330
August of each year, the tax commissioner shall make a new 2331
adjustment to the income amounts prescribed in divisions (A) (2) 2332
and (3) of this section by multiplying the percentage increase 2333
in the gross domestic product deflator computed that year under 2334
section 5747.025 of the Revised Code by each of the income 2335
amounts resulting from the adjustment under this division in the 2336
preceding year, adding the resulting product to the 2337
corresponding income amount resulting from the adjustment in the 2338
preceding year, and rounding the resulting sum to the nearest 2339
multiple of fifty dollars. The tax commissioner also shall 2340
recompute each of the tax dollar amounts to the extent necessary 2341
to reflect the new adjustment of the income amounts. To 2342
recompute the tax dollar amount corresponding to the lowest tax 2343
rate in division (A) (3) of this section, the commissioner shall 2344
multiply the tax rate prescribed in division (A) (2) of this 2345
section by the income amount specified in that division and as 2346
adjusted according to this paragraph. The rates of taxation 2347
shall not be adjusted. 2348

The adjusted amounts apply to taxable years beginning in 2349
the calendar year in which the adjustments are made and to 2350
taxable years beginning in each ensuing calendar year until a 2351

calendar year in which a new adjustment is made pursuant to this 2352
division. The tax commissioner shall not make a new adjustment 2353
in any year in which the amount resulting from the adjustment 2354
would be less than the amount resulting from the adjustment in 2355
the preceding year. 2356

(B) If the director of budget and management makes a 2357
certification to the tax commissioner under division (B) of 2358
section 131.44 of the Revised Code, the amount of tax as 2359
determined under divisions (A) (1) to (3) of this section shall 2360
be reduced by the percentage prescribed in that certification 2361
for taxable years beginning in the calendar year in which that 2362
certification is made. 2363

(C) The levy of this tax on income does not prevent a 2364
municipal corporation, a joint economic development zone created 2365
under section 715.691, or a joint economic development district 2366
created under section 715.70, 715.71, or 715.72 of the Revised 2367
Code from levying a tax on income. 2368

(D) This division applies only to taxable years of a trust 2369
beginning in 2002 or thereafter. 2370

(1) The tax imposed by this section on a trust shall be 2371
computed by multiplying the Ohio modified taxable income of the 2372
trust by the rates prescribed by division (A) of this section. 2373

(2) A resident trust may claim a credit against the tax 2374
computed under division (D) of this section equal to the lesser 2375
of (a) the tax paid to another state or the District of Columbia 2376
on the resident trust's modified nonbusiness income, other than 2377
the portion of the resident trust's nonbusiness income that is 2378
qualifying investment income as defined in section 5747.012 of 2379
the Revised Code, or (b) the effective tax rate, based on 2380

modified Ohio taxable income, multiplied by the resident trust's 2381
modified nonbusiness income other than the portion of the 2382
resident trust's nonbusiness income that is qualifying 2383
investment income. The credit applies before any other 2384
applicable credits. 2385

(3) The credits enumerated in divisions (A)(1) to (9) and 2386
(A)(18) to (20) of section 5747.98 of the Revised Code do not 2387
apply to a trust subject to division (D) of this section. Any 2388
credits enumerated in other divisions of section 5747.98 of the 2389
Revised Code apply to a trust subject to division (D) of this 2390
section. To the extent that the trust distributes income for the 2391
taxable year for which a credit is available to the trust, the 2392
credit shall be shared by the trust and its beneficiaries. The 2393
tax commissioner and the trust shall be guided by applicable 2394
regulations of the United States treasury regarding the sharing 2395
of credits. 2396

(E) For the purposes of this section, "trust" means any 2397
trust described in Subchapter J of Chapter 1 of the Internal 2398
Revenue Code, excluding trusts that are not irrevocable as 2399
defined in division (I)(3)(b) of section 5747.01 of the Revised 2400
Code and that have no modified Ohio taxable income for the 2401
taxable year, charitable remainder trusts, qualified funeral 2402
trusts and preneed funeral contract trusts established pursuant 2403
to sections 4717.31 to 4717.38 of the Revised Code that are not 2404
qualified funeral trusts, endowment and perpetual care trusts, 2405
qualified settlement trusts and funds, designated settlement 2406
trusts and funds, and trusts exempted from taxation under 2407
section 501(a) of the Internal Revenue Code. 2408

(F) Nothing in division (A)(3) of this section shall 2409
prohibit an individual with an Ohio adjusted gross income, less 2410

taxable business income and exemptions, of ten thousand five 2411
hundred dollars or less from filing a return under this chapter 2412
to receive a refund of taxes withheld or to claim any refundable 2413
credit allowed under this chapter. 2414

Sec. 5747.063. The requirements imposed under this section 2415
are in addition to the municipal income tax withholding 2416
requirements under section 718.031 of the Revised Code. As used 2417
in this section, "casino operator" has the same meaning as in 2418
section 3772.01 of the Revised Code and "sports wagering 2419
facility" has the same meaning as in section 5753.01 of the 2420
Revised Code. 2421

(A) (1) If a person's winnings ~~at a~~ from casino ~~facility~~ 2422
gaming or from sports wagering are an amount for which reporting 2423
to the internal revenue service of the amount is required by 2424
section 6041 of the Internal Revenue Code, as amended, ~~the a~~ 2425
casino operator shall deduct and withhold Ohio income tax from 2426
the person's winnings at a rate of four per cent of the amount 2427
won. A person's amount of winnings from casino gaming shall be 2428
determined each time the person exchanges amounts won in tokens, 2429
chips, casino credit, or other prepaid representations of value 2430
for cash or a cash equivalent. The casino operator shall issue, 2431
to a person from whose winnings an amount has been deducted and 2432
withheld, a receipt for the amount deducted and withheld, and 2433
also shall obtain from the person additional information that 2434
will be necessary for the casino operator to prepare the returns 2435
required by this section. 2436

(2) If a person's winnings ~~at a~~ from casino ~~facility~~ 2437
gaming or sports wagering require reporting to the internal 2438
revenue service under division (A) (1) of this section, the 2439
casino operator also shall require the person to state in 2440

writing, under penalty of falsification, whether the person is 2441
in default under a support order. 2442

(B) Amounts deducted and withheld by a casino operator are 2443
held in trust for the benefit of the state. 2444

(1) On or before the tenth day of each month, the casino 2445
operator shall file a return electronically with the tax 2446
commissioner identifying the persons from whose winnings amounts 2447
were deducted and withheld, the amount of each such deduction 2448
and withholding during the preceding calendar month, the amount 2449
of the winnings from which each such amount was withheld, the 2450
type of casino gaming or sports wagering that resulted in such 2451
winnings, and any other information required by the tax 2452
commissioner. With the return, the casino operator shall remit 2453
electronically to the commissioner all the amounts deducted and 2454
withheld during the preceding month. 2455

(2) (a) A casino operator shall maintain a record of each 2456
written statement provided under division (A) (2) of this section 2457
in which a person admits to being in default under a support 2458
order. The casino operator shall make these records available to 2459
the director of job and family services upon request. 2460

(b) A casino operator shall maintain copies of receipts 2461
issued under division (A) (1) of this section and of written 2462
statements provided under division (A) (2) of this section and 2463
shall make these copies available to the tax commissioner upon 2464
request. 2465

(c) A casino operator shall maintain the information 2466
described in divisions (B) (2) (a) and (b) of this section in 2467
accordance with section 5747.17 of the Revised Code and any 2468
rules adopted pursuant thereto. 2469

(3) Annually, on or before the thirty-first day of 2470
January, a casino operator shall file an annual return 2471
electronically with the tax commissioner indicating the total 2472
amount deducted and withheld during the preceding calendar year. 2473
The casino operator shall remit electronically with the annual 2474
return any amount that was deducted and withheld and that was 2475
not previously remitted. If the identity of a person and the 2476
amount deducted and withheld with respect to that person were 2477
omitted on a monthly return, that information shall be indicated 2478
on the annual return. 2479

(4) (a) A casino operator who fails to file a return and 2480
remit the amounts deducted and withheld is personally liable for 2481
the amount deducted and withheld and not remitted. The 2482
commissioner may impose a penalty up to one thousand dollars if 2483
a return is filed late, if amounts deducted and withheld are 2484
remitted late, if a return is not filed, or if amounts deducted 2485
and withheld are not remitted. Interest accrues on past due 2486
amounts deducted and withheld at the rate prescribed in section 2487
5703.47 of the Revised Code. The commissioner may collect past 2488
due amounts deducted and withheld and penalties and interest 2489
thereon by assessment under section 5747.13 of the Revised Code 2490
as if they were income taxes collected by an employer. 2491

(b) If a casino operator sells the casino facility or 2492
sports wagering facility, or otherwise quits the casino or 2493
sports wagering business, the amounts deducted and withheld and 2494
any penalties and interest thereon are immediately due and 2495
payable. The successor shall withhold an amount of the purchase 2496
money that is sufficient to cover the amounts deducted and 2497
withheld and penalties and interest thereon until the 2498
predecessor casino operator produces either a receipt from the 2499
commissioner showing that the amounts deducted and withheld and 2500

penalties and interest thereon have been paid or a certificate 2501
from the commissioner indicating that no amounts deducted and 2502
withheld or penalties and interest thereon are due. If the 2503
successor fails to withhold purchase money, the successor is 2504
personally liable for payment of the amounts deducted and 2505
withheld and penalties and interest thereon, up to the amount of 2506
the purchase money. 2507

(C) (1) Annually, on or before the thirty-first day of 2508
January, a casino operator shall issue an information return to 2509
each person with respect to whom an amount has been deducted and 2510
withheld during the preceding calendar year. The information 2511
return shall show the total amount deducted from the person's 2512
winnings by the casino operator during the preceding calendar 2513
year. 2514

(2) Annually, on or before the thirty-first day of 2515
January, a casino operator shall provide to the commissioner a 2516
copy of each information return issued under division (C) (1) of 2517
this section for the preceding calendar year. The commissioner 2518
may require that the copies be transmitted electronically. 2519

(D) Amounts deducted and withheld shall be allowed as a 2520
credit against payment of the tax imposed by section 5747.02 of 2521
the Revised Code and shall be treated as taxes paid for purposes 2522
of section 5747.09 of the Revised Code. This division applies 2523
only to the person for whom the amount is deducted and withheld. 2524

(E) The failure of a casino operator to deduct and 2525
withhold the required amount from a person's winnings does not 2526
relieve the person from liability for the tax imposed by section 2527
5747.02 of the Revised Code with respect to those winnings. And 2528
compliance with this section does not relieve a casino operator 2529
or a person who has winnings ~~at a~~ from casino facility gaming or 2530

sports wagering from compliance with relevant provisions of 2531
federal tax laws. 2532

(F) The commissioner shall prescribe the form of the 2533
receipt and returns required by this section. The director of 2534
job and family services shall prescribe the form of the 2535
statement required by this section. 2536

(G) The commissioner may adopt rules that are necessary to 2537
administer this section. 2538

Sec. 5747.064. The requirements imposed under this section 2539
are in addition to the municipal income tax withholding 2540
requirements under section 718.031 of the Revised Code. 2541

(A) As used in this section, "lottery sales agent" means 2542
an agent that conducts video lottery terminals on behalf of the 2543
state, "sports wagering facility" has the same meaning as in 2544
section 5753.01 of the Revised Code, and "video lottery 2545
terminal" has the same meaning as in section 3770.21 of the 2546
Revised Code. 2547

(B) If a person's winnings from sports wagering or prize 2548
award from a video lottery terminal is an amount for which 2549
reporting to the internal revenue service of the amount is 2550
required by section 6041 of the Internal Revenue Code, as 2551
amended, ~~the a~~ lottery sales agent shall deduct and withhold 2552
Ohio income tax from the person's winnings or prize award at a 2553
rate of four per cent of the amount won. The lottery sales agent 2554
shall issue, to a person from whose winnings or prize award an 2555
amount has been deducted or withheld, a receipt for the amount 2556
deducted and withheld, and also shall obtain from the person 2557
additional information that will be necessary for the lottery 2558
sales agent to prepare the returns required by this section. 2559

(C) Amounts deducted and withheld by a lottery sales agent 2560
are held in trust for the benefit of the state. 2561

(1) On or before the tenth day of each month, the lottery 2562
sales agent shall file a return electronically with the tax 2563
commissioner identifying the persons from whose winnings or 2564
prize awards amounts were deducted and withheld, the amount of 2565
each such deduction and withholding during the preceding month, 2566
the amount of the winnings or prize award from which each such 2567
amount was withheld, and any other information required by the 2568
commissioner. With the return, the lottery sales agent shall 2569
remit electronically to the commissioner all the amounts 2570
deducted and withheld during the preceding month. 2571

(2) A lottery sales agent shall maintain a record of all 2572
receipts issued under division (B) of this section and shall 2573
make those records available to the commissioner upon request. 2574
Such records shall be maintained in accordance with section 2575
5747.17 of the Revised Code and any rules adopted pursuant 2576
thereto. 2577

(3) Annually, on or before the thirty-first day of 2578
January, a lottery sales agent shall file an annual return 2579
electronically with the tax commissioner indicating the total 2580
amount deducted and withheld during the preceding calendar year. 2581
The lottery sales agent shall remit electronically with the 2582
annual return any amount that was deducted and withheld and that 2583
was not previously remitted. If the identity of a person and the 2584
amount deducted and withheld with respect to that person were 2585
omitted on a monthly return, that information shall be indicated 2586
on the annual return. 2587

(4) (a) A lottery sales agent who fails to file a return 2588
and remit the amounts deducted and withheld is personally liable 2589

for the amount deducted and withheld and not remitted. The 2590
commissioner may impose a penalty of up to one thousand dollars 2591
if a return is filed late, if amounts deducted and withheld are 2592
remitted late, if a return is not filed, or if amounts deducted 2593
and withheld are not remitted. Interest accrues on past due 2594
amounts deducted and withheld at the rate prescribed in section 2595
5703.47 of the Revised Code. The commissioner may collect past 2596
due amounts deducted and withheld and penalties and interest 2597
thereon by assessment under section 5747.13 of the Revised Code 2598
as if they were income taxes collected by an employer. 2599

(b) If a lottery sales agent ceases to operate video 2600
lottery terminals, sells a sports wagering facility, or 2601
otherwise quits the sports wagering business, the amounts 2602
deducted and withheld and any penalties and interest thereon are 2603
immediately due and payable. A successor of the lottery sales 2604
agent ~~that purchases the video lottery terminals from the agent~~ 2605
shall withhold an amount of the purchase money that is 2606
sufficient to cover the amounts deducted and withheld and 2607
penalties and interest thereon until the predecessor lottery 2608
sales agent produces either a receipt from the tax commissioner 2609
showing that the amounts deducted and withheld and penalties and 2610
interest thereon have been paid or a certificate from the 2611
commissioner indicating that no amounts deducted and withheld or 2612
penalties and interest thereon are due. If the successor fails 2613
to withhold purchase money, the successor is personally liable 2614
for payment of the amounts deducted and withheld and penalties 2615
and interest thereon, up to the amount of the purchase money. 2616

(D) (1) Annually, on or before the thirty-first day of 2617
January, a lottery sales agent shall issue an information return 2618
to each person with respect to whom an amount has been deducted 2619
and withheld during the preceding calendar year. The information 2620

return shall show the total amount deducted from the person's 2621
winnings or prize award by the lottery sales agent during the 2622
preceding year. 2623

(2) Annually, on or before the thirty-first day of 2624
January, a lottery sales agent shall provide to the tax 2625
commissioner a copy of each information return issued under 2626
division (D)(1) of this section for the preceding calendar year. 2627
The commissioner may require that such copies be transmitted 2628
electronically. 2629

(E) Amounts deducted and withheld shall be allowed as a 2630
credit against payment of the tax imposed by section 5747.02 of 2631
the Revised Code and shall be treated as taxes paid for purposes 2632
of section 5747.09 of the Revised Code. This division applies 2633
only to the person for whom the amount is deducted and withheld. 2634

(F) The failure of a lottery sales agent to deduct and 2635
withhold the required amount from a person's winnings or prize 2636
award does not relieve the person from liability for the tax 2637
imposed by section 5747.02 of the Revised Code with respect to 2638
that income. Compliance with this section does not relieve a 2639
lottery sales agent or a person who has winnings or a prize 2640
award from compliance with relevant provisions of federal tax 2641
laws. 2642

(G) The commissioner shall prescribe the form of the 2643
receipt and returns required by this section and may promulgate 2644
any rules necessary to administer the section. 2645

Sec. 5747.08. An annual return with respect to the tax 2646
imposed by section 5747.02 of the Revised Code and each tax 2647
imposed under Chapter 5748. of the Revised Code shall be made by 2648
every taxpayer for any taxable year for which the taxpayer is 2649

liable for the tax imposed by that section or under that 2650
chapter, unless the total credits allowed under division (E) of 2651
section 5747.05 and divisions (F) and (G) of section 5747.055 of 2652
the Revised Code for the year are equal to or exceed the tax 2653
imposed by section 5747.02 of the Revised Code, in which case no 2654
return shall be required unless the taxpayer is liable for a tax 2655
imposed pursuant to Chapter 5748. of the Revised Code. 2656

(A) If an individual is deceased, any return or notice 2657
required of that individual under this chapter shall be made and 2658
filed by that decedent's executor, administrator, or other 2659
person charged with the property of that decedent. 2660

(B) If an individual is unable to make a return or notice 2661
required by this chapter, the return or notice required of that 2662
individual shall be made and filed by the individual's duly 2663
authorized agent, guardian, conservator, fiduciary, or other 2664
person charged with the care of the person or property of that 2665
individual. 2666

(C) Returns or notices required of an estate or a trust 2667
shall be made and filed by the fiduciary of the estate or trust. 2668

(D) (1) (a) Except as otherwise provided in division (D) (1) 2669
(b) of this section, any pass-through entity may file a single 2670
return on behalf of one or more of the entity's investors other 2671
than an investor that is a person subject to the tax imposed 2672
under section 5733.06 of the Revised Code. The single return 2673
shall set forth the name, address, and social security number or 2674
other identifying number of each of those pass-through entity 2675
investors and shall indicate the distributive share of each of 2676
those pass-through entity investor's income taxable in this 2677
state in accordance with sections 5747.20 to 5747.231 of the 2678
Revised Code. Such pass-through entity investors for whom the 2679

pass-through entity elects to file a single return are not 2680
entitled to the exemption or credit provided for by sections 2681
5747.02 and 5747.022 of the Revised Code; shall calculate the 2682
tax before business credits at the highest rate of tax set forth 2683
in section 5747.02 of the Revised Code for the taxable year for 2684
which the return is filed; and are entitled to only their 2685
distributive share of the business credits as defined in 2686
division (D) (2) of this section. A single check drawn by the 2687
pass-through entity shall accompany the return in full payment 2688
of the tax due, as shown on the single return, for such 2689
investors, other than investors who are persons subject to the 2690
tax imposed under section 5733.06 of the Revised Code. 2691

(b) (i) A pass-through entity shall not include in such a 2692
single return any investor that is a trust to the extent that 2693
any direct or indirect current, future, or contingent 2694
beneficiary of the trust is a person subject to the tax imposed 2695
under section 5733.06 of the Revised Code. 2696

(ii) A pass-through entity shall not include in such a 2697
single return any investor that is itself a pass-through entity 2698
to the extent that any direct or indirect investor in the second 2699
pass-through entity is a person subject to the tax imposed under 2700
section 5733.06 of the Revised Code. 2701

(c) Nothing in division (D) of this section precludes the 2702
tax commissioner from requiring such investors to file the 2703
return and make the payment of taxes and related interest, 2704
penalty, and interest penalty required by this section or 2705
section 5747.02, 5747.09, or 5747.15 of the Revised Code. 2706
Nothing in division (D) of this section precludes such an 2707
investor from filing the annual return under this section, 2708
utilizing the refundable credit equal to the investor's 2709

proportionate share of the tax paid by the pass-through entity 2710
on behalf of the investor under division (I) of this section, 2711
and making the payment of taxes imposed under section 5747.02 of 2712
the Revised Code. Nothing in division (D) of this section shall 2713
be construed to provide to such an investor or pass-through 2714
entity any additional deduction or credit, other than the credit 2715
provided by division (I) of this section, solely on account of 2716
the entity's filing a return in accordance with this section. 2717
Such a pass-through entity also shall make the filing and 2718
payment of estimated taxes on behalf of the pass-through entity 2719
investors other than an investor that is a person subject to the 2720
tax imposed under section 5733.06 of the Revised Code. 2721

(2) For the purposes of this section, "business credits" 2722
means the credits listed in section 5747.98 of the Revised Code 2723
excluding the following credits: 2724

(a) The retirement income credit under division (B) of 2725
section 5747.055 of the Revised Code; 2726

(b) The senior citizen credit under division (F) of 2727
section 5747.055 of the Revised Code; 2728

(c) The lump sum distribution credit under division (G) of 2729
section 5747.055 of the Revised Code; 2730

(d) The dependent care credit under section 5747.054 of 2731
the Revised Code; 2732

(e) The lump sum retirement income credit under division 2733
(C) of section 5747.055 of the Revised Code; 2734

(f) The lump sum retirement income credit under division 2735
(D) of section 5747.055 of the Revised Code; 2736

(g) The lump sum retirement income credit under division 2737

| | |
|--|--|
| (E) of section 5747.055 of the Revised Code; | 2738 |
| (h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code; | 2739 2740 |
| (i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code; | 2741 2742 |
| (j) The joint filing credit under division (E) of section 5747.05 of the Revised Code; | 2743 2744 |
| (k) The nonresident credit under division (A) of section 5747.05 of the Revised Code; | 2745 2746 |
| (l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code; | 2747 2748 |
| (m) The earned income tax credit under section 5747.71 of the Revised Code. | 2749 2750 |
| (3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return. | 2751 2752 2753 2754 2755 2756 2757 2758 |
| (4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by that return. Nothing in this division shall be construed to | 2759 2760 2761 2762 2763 2764 2765 |

limit or alter the liability, if any, imposed on pass-through 2766
entity investors for unpaid or underpaid taxes, interest, 2767
interest penalty, or penalties as a result of the pass-through 2768
entity's making the election provided for under division (D) of 2769
this section. For the purposes of division (D) of this section, 2770
"correct tax due" means the tax that would have been paid by the 2771
pass-through entity had the single return been filed in a manner 2772
reflecting the commissioner's findings. Nothing in division (D) 2773
of this section shall be construed to make or hold a pass- 2774
through entity liable for tax attributable to a pass-through 2775
entity investor's income from a source other than the pass- 2776
through entity electing to file the single return. 2777

(E) If a husband and wife file a joint federal income tax 2778
return for a taxable year, they shall file a joint return under 2779
this section for that taxable year, and their liabilities are 2780
joint and several, but, if the federal income tax liability of 2781
either spouse is determined on a separate federal income tax 2782
return, they shall file separate returns under this section. 2783

If either spouse is not required to file a federal income 2784
tax return and either or both are required to file a return 2785
pursuant to this chapter, they may elect to file separate or 2786
joint returns, and, pursuant to that election, their liabilities 2787
are separate or joint and several. If a husband and wife file 2788
separate returns pursuant to this chapter, each must claim the 2789
taxpayer's own exemption, but not both, as authorized under 2790
section 5747.02 of the Revised Code on the taxpayer's own 2791
return. 2792

(F) Each return or notice required to be filed under this 2793
section shall contain the signature of the taxpayer or the 2794
taxpayer's duly authorized agent and of the person who prepared 2795

the return for the taxpayer, and shall include the taxpayer's 2796
social security number. Each return shall be verified by a 2797
declaration under the penalties of perjury. The tax commissioner 2798
shall prescribe the form that the signature and declaration 2799
shall take. 2800

(G) Each return or notice required to be filed under this 2801
section shall be made and filed as required by section 5747.04 2802
of the Revised Code, on or before the fifteenth day of April of 2803
each year, on forms that the tax commissioner shall prescribe, 2804
together with remittance made payable to the treasurer of state 2805
in the combined amount of the state and all school district 2806
income taxes shown to be due on the form. 2807

Upon good cause shown, the commissioner may extend the 2808
period for filing any notice or return required to be filed 2809
under this section and may adopt rules relating to extensions. 2810
If the extension results in an extension of time for the payment 2811
of any state or school district income tax liability with 2812
respect to which the return is filed, the taxpayer shall pay at 2813
the time the tax liability is paid an amount of interest 2814
computed at the rate per annum prescribed by section 5703.47 of 2815
the Revised Code on that liability from the time that payment is 2816
due without extension to the time of actual payment. Except as 2817
provided in section 5747.132 of the Revised Code, in addition to 2818
all other interest charges and penalties, all taxes imposed 2819
under this chapter or Chapter 5748. of the Revised Code and 2820
remaining unpaid after they become due, except combined amounts 2821
due of one dollar or less, bear interest at the rate per annum 2822
prescribed by section 5703.47 of the Revised Code until paid or 2823
until the day an assessment is issued under section 5747.13 of 2824
the Revised Code, whichever occurs first. 2825

If the commissioner considers it necessary in order to 2826
ensure the payment of the tax imposed by section 5747.02 of the 2827
Revised Code or any tax imposed under Chapter 5748. of the 2828
Revised Code, the commissioner may require returns and payments 2829
to be made otherwise than as provided in this section. 2830

To the extent that any provision in this division 2831
conflicts with any provision in section 5747.026 of the Revised 2832
Code, the provision in that section prevails. 2833

(H) The amounts withheld by an employer pursuant to 2834
section 5747.06 of the Revised Code, a casino operator pursuant 2835
to section 5747.063 of the Revised Code, or a lottery sales 2836
agent pursuant to section 5747.064 of the Revised Code shall be 2837
allowed to the recipient of the compensation, casino or sports 2838
wagering winnings, or lottery prize award as credits against 2839
payment of the appropriate taxes imposed on the recipient by 2840
section 5747.02 and under Chapter 5748. of the Revised Code. 2841

(I) If a pass-through entity elects to file a single 2842
return under division (D) of this section and if any investor is 2843
required to file the annual return and make the payment of taxes 2844
required by this chapter on account of the investor's other 2845
income that is not included in a single return filed by a pass- 2846
through entity or any other investor elects to file the annual 2847
return, the investor is entitled to a refundable credit equal to 2848
the investor's proportionate share of the tax paid by the pass- 2849
through entity on behalf of the investor. The investor shall 2850
claim the credit for the investor's taxable year in which or 2851
with which ends the taxable year of the pass-through entity. 2852
Nothing in this chapter shall be construed to allow any credit 2853
provided in this chapter to be claimed more than once. For the 2854
purpose of computing any interest, penalty, or interest penalty, 2855

the investor shall be deemed to have paid the refundable credit 2856
provided by this division on the day that the pass-through 2857
entity paid the estimated tax or the tax giving rise to the 2858
credit. 2859

(J) The tax commissioner shall ensure that each return 2860
required to be filed under this section includes a box that the 2861
taxpayer may check to authorize a paid tax preparer who prepared 2862
the return to communicate with the department of taxation about 2863
matters pertaining to the return. The return or instructions 2864
accompanying the return shall indicate that by checking the box 2865
the taxpayer authorizes the department of taxation to contact 2866
the preparer concerning questions that arise during the 2867
processing of the return and authorizes the preparer only to 2868
provide the department with information that is missing from the 2869
return, to contact the department for information about the 2870
processing of the return or the status of the taxpayer's refund 2871
or payments, and to respond to notices about mathematical 2872
errors, offsets, or return preparation that the taxpayer has 2873
received from the department and has shown to the preparer. 2874

(K) The tax commissioner shall permit individual taxpayers 2875
to instruct the department of taxation to cause any refund of 2876
overpaid taxes to be deposited directly into a checking account, 2877
savings account, or an individual retirement account or 2878
individual retirement annuity, or preexisting college savings 2879
plan or program account offered by the Ohio tuition trust 2880
authority under Chapter 3334. of the Revised Code, as designated 2881
by the taxpayer, when the taxpayer files the annual return 2882
required by this section electronically. 2883

(L) The tax commissioner may adopt rules to administer 2884
this section. 2885

Sec. 5747.20. This section applies solely for the purposes 2886
of computing the credit allowed under division (A) of section 2887
5747.05 of the Revised Code and computing income taxable in this 2888
state under division (D) of section 5747.08 of the Revised Code. 2889

All items of nonbusiness income or deduction shall be 2890
allocated in this state as follows: 2891

(A) All items of nonbusiness income or deduction taken 2892
into account in the computation of adjusted gross income for the 2893
taxable year by a resident shall be allocated to this state. 2894

(B) All items of nonbusiness income or deduction taken 2895
into account in the computation of adjusted gross income for the 2896
taxable year by a nonresident shall be allocated to this state 2897
as follows: 2898

(1) All items of compensation paid to an individual for 2899
personal services performed in this state who was a nonresident 2900
at the time of payment and all items of deduction directly 2901
allocated thereto shall be allocated to this state. 2902

(2) All gains or losses from the sale of real property, 2903
tangible personal property, or intangible property shall be 2904
allocated as follows: 2905

(a) Capital gains or losses from the sale or other 2906
transfer of real property are allocable to this state if the 2907
property is located physically in this state. 2908

(b) Capital gains or losses from the sale or other 2909
transfer of tangible personal property are allocable to this 2910
state if, at the time of such sale or other transfer, the 2911
property had its physical location in this state. 2912

(c) Capital gains or losses from the sale or other 2913

transfer of intangible personal property are allocable to this 2914
state if the taxpayer's domicile was in this state at the time 2915
of such sale or other transfer. 2916

(3) All rents and royalties of real or tangible personal 2917
property shall be allocated to this state as follows: 2918

(a) Rents and royalties derived from real property are 2919
allocable to this state if the property is physically located in 2920
this state. 2921

(b) Rents and royalties derived from tangible personal 2922
property are allocable to this state to the extent that such 2923
property is utilized in this state. 2924

The extent of utilization of tangible personal property in 2925
a state is determined by multiplying the rents or royalties 2926
derived from such property by a fraction, the numerator of which 2927
is the number of days of physical location of the property in 2928
this state during the rental or royalty period in the taxable 2929
year and the denominator of which is the number of days of 2930
physical location of the property everywhere during all rental 2931
or royalty periods in the taxable year. If the physical location 2932
of the property during the rental or royalty period is unknown 2933
or unascertainable by the nonresident, tangible personal 2934
property is utilized in the state in which the property was 2935
located at the time the rental or royalty payor obtained 2936
possession. 2937

(4) All patent and copyright royalties shall be allocated 2938
to this state to the extent the patent or copyright was utilized 2939
by the payor in this state. 2940

A patent is utilized in a state to the extent that it is 2941
employed in production, fabrication, manufacturing, or other 2942

processing in the state, or to the extent that a patented 2943
product is produced in the state. If the basis of receipts from 2944
patent royalties does not permit allocation to states or if the 2945
accounting procedures do not reflect states of utilization, the 2946
patent is utilized in this state if the taxpayer's domicile was 2947
in this state at the time such royalties were paid or accrued. 2948

A copyright is utilized in a state to the extent that 2949
printing or other publication originates in the state. If the 2950
basis of receipts from copyright royalties does not permit 2951
allocation to states or if the accounting procedures do not 2952
reflect states of utilization, the copyright is utilized in this 2953
state if the taxpayer's domicile was in this state at the time 2954
such royalties were paid or accrued. 2955

(5) (a) All lottery prize awards paid by the state lottery 2956
commission pursuant to Chapter 3770. of the Revised Code shall 2957
be allocated to this state. 2958

(b) All earnings, profit, income, and gain from the sale, 2959
exchange, or other disposition of lottery prize awards paid or 2960
to be paid to any person by the state lottery commission 2961
pursuant to Chapter 3770. of the Revised Code shall be allocated 2962
to this state. 2963

(c) All earnings, profit, income, and gain from the direct 2964
or indirect ownership of lottery prize awards paid or to be paid 2965
to any person by the state lottery commission pursuant to 2966
Chapter 3770. of the Revised Code shall be allocated to this 2967
state. 2968

(d) All earnings, profit, income, and gain from the direct 2969
or indirect interest in any right in or to any lottery prize 2970
awards paid or to be paid to any person by the state lottery 2971

commission pursuant to Chapter 3770. of the Revised Code shall 2972
be allocated to this state. 2973

(6) Any item of income or deduction which has been taken 2974
into account in the computation of adjusted gross income for the 2975
taxable year by a nonresident and which is not otherwise 2976
specifically allocated or apportioned pursuant to sections 2977
5747.20 to 5747.23 of the Revised Code, including, without 2978
limitation, interest, dividends and distributions, items of 2979
income taken into account under the provisions of sections 401 2980
to 425 of the Internal Revenue Code, and benefit payments 2981
received by a beneficiary of a supplemental unemployment trust 2982
which is referred to in section 501(c)(17) of the Internal 2983
Revenue Code, shall not be allocated to this state unless the 2984
taxpayer's domicile was in this state at the time such income 2985
was paid or accrued. 2986

(7) All casino gaming winnings paid by any person licensed 2987
by the Ohio casino control commission shall be allocated to the 2988
state. 2989

(8) All sports wagering winnings paid by a sports wagering 2990
operator, as that term is defined in section 5753.01 of the 2991
Revised Code, shall be allocated to the state. 2992

(C) If an individual is a resident for part of the taxable 2993
year and a nonresident for the remainder of the taxable year, 2994
all items of nonbusiness income or deduction shall be allocated 2995
under division (A) of this section for the part of the taxable 2996
year that the individual is a resident and under division (B) of 2997
this section for the part of the taxable year that the 2998
individual is a nonresident. 2999

Sec. 5751.01. As used in this chapter: 3000

(A) "Person" means, but is not limited to, individuals, 3001
combinations of individuals of any form, receivers, assignees, 3002
trustees in bankruptcy, firms, companies, joint-stock companies, 3003
business trusts, estates, partnerships, limited liability 3004
partnerships, limited liability companies, associations, joint 3005
ventures, clubs, societies, for-profit corporations, S 3006
corporations, qualified subchapter S subsidiaries, qualified 3007
subchapter S trusts, trusts, entities that are disregarded for 3008
federal income tax purposes, and any other entities. 3009

(B) "Consolidated elected taxpayer" means a group of two 3010
or more persons treated as a single taxpayer for purposes of 3011
this chapter as the result of an election made under section 3012
5751.011 of the Revised Code. 3013

(C) "Combined taxpayer" means a group of two or more 3014
persons treated as a single taxpayer for purposes of this 3015
chapter under section 5751.012 of the Revised Code. 3016

(D) "Taxpayer" means any person, or any group of persons 3017
in the case of a consolidated elected taxpayer or combined 3018
taxpayer treated as one taxpayer, required to register or pay 3019
tax under this chapter. "Taxpayer" does not include excluded 3020
persons. 3021

(E) "Excluded person" means any of the following: 3022

(1) Any person with not more than one hundred fifty 3023
thousand dollars of taxable gross receipts during the calendar 3024
year. Division (E) (1) of this section does not apply to a person 3025
that is a member of a consolidated elected taxpayer; 3026

(2) A public utility that paid the excise tax imposed by 3027
section 5727.24 or 5727.30 of the Revised Code based on one or 3028
more measurement periods that include the entire tax period 3029

under this chapter, except that a public utility that is a 3030
combined company is a taxpayer with regard to the following 3031
gross receipts: 3032

(a) Taxable gross receipts directly attributed to a public 3033
utility activity, but not directly attributed to an activity 3034
that is subject to the excise tax imposed by section 5727.24 or 3035
5727.30 of the Revised Code; 3036

(b) Taxable gross receipts that cannot be directly 3037
attributed to any activity, multiplied by a fraction whose 3038
numerator is the taxable gross receipts described in division 3039
(E) (2) (a) of this section and whose denominator is the total 3040
taxable gross receipts that can be directly attributed to any 3041
activity; 3042

(c) Except for any differences resulting from the use of 3043
an accrual basis method of accounting for purposes of 3044
determining gross receipts under this chapter and the use of the 3045
cash basis method of accounting for purposes of determining 3046
gross receipts under section 5727.24 of the Revised Code, the 3047
gross receipts directly attributed to the activity of a natural 3048
gas company shall be determined in a manner consistent with 3049
division (D) of section 5727.03 of the Revised Code. 3050

As used in division (E) (2) of this section, "combined 3051
company" and "public utility" have the same meanings as in 3052
section 5727.01 of the Revised Code. 3053

(3) A financial institution, as defined in section 5726.01 3054
of the Revised Code, that paid the tax imposed by section 3055
5726.02 of the Revised Code based on one or more taxable years 3056
that include the entire tax period under this chapter; 3057

(4) A person directly or indirectly owned by one or more 3058

financial institutions, as defined in section 5726.01 of the Revised Code, that paid the tax imposed by section 5726.02 of the Revised Code based on one or more taxable years that include the entire tax period under this chapter.

For the purposes of division (E) (4) of this section, a person owns another person under the following circumstances:

(a) In the case of corporations issuing capital stock, one corporation owns another corporation if it owns fifty per cent or more of the other corporation's capital stock with current voting rights;

(b) In the case of a limited liability company, one person owns the company if that person's membership interest, as defined in section 1705.01 of the Revised Code, is fifty per cent or more of the combined membership interests of all persons owning such interests in the company;

(c) In the case of a partnership, trust, or other unincorporated business organization other than a limited liability company, one person owns the organization if, under the articles of organization or other instrument governing the affairs of the organization, that person has a beneficial interest in the organization's profits, surpluses, losses, or distributions of fifty per cent or more of the combined beneficial interests of all persons having such an interest in the organization.

(5) A domestic insurance company or foreign insurance company, as defined in section 5725.01 of the Revised Code, that paid the insurance company premiums tax imposed by section 5725.18 or Chapter 5729. of the Revised Code, or an unauthorized insurance company whose gross premiums are subject to tax under

section 3905.36 of the Revised Code based on one or more 3088
measurement periods that include the entire tax period under 3089
this chapter; 3090

(6) A person that solely facilitates or services one or 3091
more securitizations of phase-in-recovery property pursuant to a 3092
final financing order as those terms are defined in section 3093
4928.23 of the Revised Code. For purposes of this division, 3094
"securitization" means transferring one or more assets to one or 3095
more persons and then issuing securities backed by the right to 3096
receive payment from the asset or assets so transferred. 3097

(7) Except as otherwise provided in this division, a pre- 3098
income tax trust as defined in division (FF) (4) of section 3099
5747.01 of the Revised Code and any pass-through entity of which 3100
such pre-income tax trust owns or controls, directly, 3101
indirectly, or constructively through related interests, more 3102
than five per cent of the ownership or equity interests. If the 3103
pre-income tax trust has made a qualifying pre-income tax trust 3104
election under division (FF) (3) of section 5747.01 of the 3105
Revised Code, then the trust and the pass-through entities of 3106
which it owns or controls, directly, indirectly, or 3107
constructively through related interests, more than five per 3108
cent of the ownership or equity interests, shall not be excluded 3109
persons for purposes of the tax imposed under section 5751.02 of 3110
the Revised Code. 3111

(8) Nonprofit organizations or the state and its agencies, 3112
instrumentalities, or political subdivisions. 3113

(F) Except as otherwise provided in divisions (F) (2), (3), 3114
and (4) of this section, "gross receipts" means the total amount 3115
realized by a person, without deduction for the cost of goods 3116
sold or other expenses incurred, that contributes to the 3117

production of gross income of the person, including the fair 3118
market value of any property and any services received, and any 3119
debt transferred or forgiven as consideration. 3120

(1) The following are examples of gross receipts: 3121

(a) Amounts realized from the sale, exchange, or other 3122
disposition of the taxpayer's property to or with another; 3123

(b) Amounts realized from the taxpayer's performance of 3124
services for another; 3125

(c) Amounts realized from another's use or possession of 3126
the taxpayer's property or capital; 3127

(d) Any combination of the foregoing amounts. 3128

(2) "Gross receipts" excludes the following amounts: 3129

(a) Interest income except interest on credit sales; 3130

(b) Dividends and distributions from corporations, and 3131
distributive or proportionate shares of receipts and income from 3132
a pass-through entity as defined under section 5733.04 of the 3133
Revised Code; 3134

(c) Receipts from the sale, exchange, or other disposition 3135
of an asset described in section 1221 or 1231 of the Internal 3136
Revenue Code, without regard to the length of time the person 3137
held the asset. Notwithstanding section 1221 of the Internal 3138
Revenue Code, receipts from hedging transactions also are 3139
excluded to the extent the transactions are entered into 3140
primarily to protect a financial position, such as managing the 3141
risk of exposure to (i) foreign currency fluctuations that 3142
affect assets, liabilities, profits, losses, equity, or 3143
investments in foreign operations; (ii) interest rate 3144
fluctuations; or (iii) commodity price fluctuations. As used in 3145

division (F) (2) (c) of this section, "hedging transaction" has 3146
the same meaning as used in section 1221 of the Internal Revenue 3147
Code and also includes transactions accorded hedge accounting 3148
treatment under statement of financial accounting standards 3149
number 133 of the financial accounting standards board. For the 3150
purposes of division (F) (2) (c) of this section, the actual 3151
transfer of title of real or tangible personal property to 3152
another entity is not a hedging transaction. 3153

(d) Proceeds received attributable to the repayment, 3154
maturity, or redemption of the principal of a loan, bond, mutual 3155
fund, certificate of deposit, or marketable instrument; 3156

(e) The principal amount received under a repurchase 3157
agreement or on account of any transaction properly 3158
characterized as a loan to the person; 3159

(f) Contributions received by a trust, plan, or other 3160
arrangement, any of which is described in section 501(a) of the 3161
Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 3162
1, Subchapter (D) of the Internal Revenue Code applies; 3163

(g) Compensation, whether current or deferred, and whether 3164
in cash or in kind, received or to be received by an employee, 3165
former employee, or the employee's legal successor for services 3166
rendered to or for an employer, including reimbursements 3167
received by or for an individual for medical or education 3168
expenses, health insurance premiums, or employee expenses, or on 3169
account of a dependent care spending account, legal services 3170
plan, any cafeteria plan described in section 125 of the 3171
Internal Revenue Code, or any similar employee reimbursement; 3172

(h) Proceeds received from the issuance of the taxpayer's 3173
own stock, options, warrants, puts, or calls, or from the sale 3174

| | |
|--|------|
| of the taxpayer's treasury stock; | 3175 |
| (i) Proceeds received on the account of payments from | 3176 |
| insurance policies, except those proceeds received for the loss | 3177 |
| of business revenue; | 3178 |
| (j) Gifts or charitable contributions received; membership | 3179 |
| dues received by trade, professional, homeowners', or | 3180 |
| condominium associations; and payments received for educational | 3181 |
| courses, meetings, meals, or similar payments to a trade, | 3182 |
| professional, or other similar association; and fundraising | 3183 |
| receipts received by any person when any excess receipts are | 3184 |
| donated or used exclusively for charitable purposes; | 3185 |
| (k) Damages received as the result of litigation in excess | 3186 |
| of amounts that, if received without litigation, would be gross | 3187 |
| receipts; | 3188 |
| (l) Property, money, and other amounts received or | 3189 |
| acquired by an agent on behalf of another in excess of the | 3190 |
| agent's commission, fee, or other remuneration; | 3191 |
| (m) Tax refunds, other tax benefit recoveries, and | 3192 |
| reimbursements for the tax imposed under this chapter made by | 3193 |
| entities that are part of the same combined taxpayer or | 3194 |
| consolidated elected taxpayer group, and reimbursements made by | 3195 |
| entities that are not members of a combined taxpayer or | 3196 |
| consolidated elected taxpayer group that are required to be made | 3197 |
| for economic parity among multiple owners of an entity whose tax | 3198 |
| obligation under this chapter is required to be reported and | 3199 |
| paid entirely by one owner, pursuant to the requirements of | 3200 |
| sections 5751.011 and 5751.012 of the Revised Code; | 3201 |
| (n) Pension reversions; | 3202 |
| (o) Contributions to capital; | 3203 |

(p) Sales or use taxes collected as a vendor or an out-of- 3204
state seller on behalf of the taxing jurisdiction from a 3205
consumer or other taxes the taxpayer is required by law to 3206
collect directly from a purchaser and remit to a local, state, 3207
or federal tax authority; 3208

(q) In the case of receipts from the sale of cigarettes or 3209
tobacco products by a wholesale dealer, retail dealer, 3210
distributor, manufacturer, or seller, all as defined in section 3211
5743.01 of the Revised Code, an amount equal to the federal and 3212
state excise taxes paid by any person on or for such cigarettes 3213
or tobacco products under subtitle E of the Internal Revenue 3214
Code or Chapter 5743. of the Revised Code; 3215

(r) In the case of receipts from the sale, transfer, 3216
exchange, or other disposition of motor fuel as "motor fuel" is 3217
defined in section 5736.01 of the Revised Code, an amount equal 3218
to the value of the motor fuel, including federal and state 3219
motor fuel excise taxes and receipts from billing or invoicing 3220
the tax imposed under section 5736.02 of the Revised Code to 3221
another person; 3222

(s) In the case of receipts from the sale of beer or 3223
intoxicating liquor, as defined in section 4301.01 of the 3224
Revised Code, by a person holding a permit issued under Chapter 3225
4301. or 4303. of the Revised Code, an amount equal to federal 3226
and state excise taxes paid by any person on or for such beer or 3227
intoxicating liquor under subtitle E of the Internal Revenue 3228
Code or Chapter 4301. or 4305. of the Revised Code; 3229

(t) Receipts realized by a new motor vehicle dealer or 3230
used motor vehicle dealer, as defined in section 4517.01 of the 3231
Revised Code, from the sale or other transfer of a motor 3232
vehicle, as defined in that section, to another motor vehicle 3233

dealer for the purpose of resale by the transferee motor vehicle dealer, but only if the sale or other transfer was based upon the transferee's need to meet a specific customer's preference for a motor vehicle;

(u) Receipts from a financial institution described in division (E) (3) of this section for services provided to the financial institution in connection with the issuance, processing, servicing, and management of loans or credit accounts, if such financial institution and the recipient of such receipts have at least fifty per cent of their ownership interests owned or controlled, directly or constructively through related interests, by common owners;

(v) Receipts realized from administering anti-neoplastic drugs and other cancer chemotherapy, biologicals, therapeutic agents, and supportive drugs in a physician's office to patients with cancer;

(w) Funds received or used by a mortgage broker that is not a dealer in intangibles, other than fees or other consideration, pursuant to a table-funding mortgage loan or warehouse-lending mortgage loan. Terms used in division (F) (2) (w) of this section have the same meanings as in section 1322.01 of the Revised Code, except "mortgage broker" means a person assisting a buyer in obtaining a mortgage loan for a fee or other consideration paid by the buyer or a lender, or a person engaged in table-funding or warehouse-lending mortgage loans that are first lien mortgage loans.

(x) Property, money, and other amounts received by a professional employer organization, as defined in section 4125.01 of the Revised Code, from a client employer, as defined in that section, in excess of the administrative fee charged by

the professional employer organization to the client employer; 3264

(y) In the case of amounts retained as commissions by a 3265
permit holder under Chapter 3769. of the Revised Code, an amount 3266
equal to the amounts specified under that chapter that must be 3267
paid to or collected by the tax commissioner as a tax and the 3268
amounts specified under that chapter to be used as purse money; 3269

(z) Qualifying distribution center receipts. 3270

(i) For purposes of division (F) (2) (z) of this section: 3271

(I) "Qualifying distribution center receipts" means 3272
receipts of a supplier from qualified property that is delivered 3273
to a qualified distribution center, multiplied by a quantity 3274
that equals one minus the Ohio delivery percentage. If the 3275
qualified distribution center is a refining facility, "supplier" 3276
includes all dealers, brokers, processors, sellers, vendors, 3277
cosigners, and distributors of qualified property. 3278

(II) "Qualified property" means tangible personal property 3279
delivered to a qualified distribution center that is shipped to 3280
that qualified distribution center solely for further shipping 3281
by the qualified distribution center to another location in this 3282
state or elsewhere or, in the case of gold, silver, platinum, or 3283
palladium delivered to a refining facility solely for refining 3284
to a grade and fineness acceptable for delivery to a registered 3285
commodities exchange. "Further shipping" includes storing and 3286
repackaging property into smaller or larger bundles, so long as 3287
the property is not subject to further manufacturing or 3288
processing. "Refining" is limited to extracting impurities from 3289
gold, silver, platinum, or palladium through smelting or some 3290
other process at a refining facility. 3291

(III) "Qualified distribution center" means a warehouse, a 3292

facility similar to a warehouse, or a refining facility in this 3293
state that, for the qualifying year, is operated by a person 3294
that is not part of a combined taxpayer group and that has a 3295
qualifying certificate. All warehouses or facilities similar to 3296
warehouses that are operated by persons in the same taxpayer 3297
group and that are located within one mile of each other shall 3298
be treated as one qualified distribution center. All refining 3299
facilities that are operated by persons in the same taxpayer 3300
group and that are located in the same or adjacent counties may 3301
be treated as one qualified distribution center. 3302

(IV) "Qualifying year" means the calendar year to which 3303
the qualifying certificate applies. 3304

(V) "Qualifying period" means the period of the first day 3305
of July of the second year preceding the qualifying year through 3306
the thirtieth day of June of the year preceding the qualifying 3307
year. 3308

(VI) "Qualifying certificate" means the certificate issued 3309
by the tax commissioner after the operator of a distribution 3310
center files an annual application with the commissioner. The 3311
application and annual fee shall be filed and paid for each 3312
qualified distribution center on or before the first day of 3313
September before the qualifying year or within forty-five days 3314
after the distribution center opens, whichever is later. 3315

The applicant must substantiate to the commissioner's 3316
satisfaction that, for the qualifying period, all persons 3317
operating the distribution center have more than fifty per cent 3318
of the cost of the qualified property shipped to a location such 3319
that it would be situated outside this state under the provisions 3320
of division (E) of section 5751.033 of the Revised Code. The 3321
applicant must also substantiate that the distribution center 3322

cumulatively had costs from its suppliers equal to or exceeding 3323
five hundred million dollars during the qualifying period. (For 3324
purposes of division (F) (2) (z) (i) (VI) of this section, 3325
"supplier" excludes any person that is part of the consolidated 3326
elected taxpayer group, if applicable, of the operator of the 3327
qualified distribution center.) The commissioner may require the 3328
applicant to have an independent certified public accountant 3329
certify that the calculation of the minimum thresholds required 3330
for a qualified distribution center by the operator of a 3331
distribution center has been made in accordance with generally 3332
accepted accounting principles. The commissioner shall issue or 3333
deny the issuance of a certificate within sixty days after the 3334
receipt of the application. A denial is subject to appeal under 3335
section 5717.02 of the Revised Code. If the operator files a 3336
timely appeal under section 5717.02 of the Revised Code, the 3337
operator shall be granted a qualifying certificate effective for 3338
the remainder of the qualifying year or until the appeal is 3339
finalized, whichever is earlier. If the operator does not 3340
prevail in the appeal, the operator shall pay the ineligible 3341
operator's supplier tax liability. 3342

(VII) "Ohio delivery percentage" means the proportion of 3343
the total property delivered to a destination inside Ohio from 3344
the qualified distribution center during the qualifying period 3345
compared with total deliveries from such distribution center 3346
everywhere during the qualifying period. 3347

(VIII) "Refining facility" means one or more buildings 3348
located in a county in the Appalachian region of this state as 3349
defined by section 107.21 of the Revised Code and utilized for 3350
refining or smelting gold, silver, platinum, or palladium to a 3351
grade and fineness acceptable for delivery to a registered 3352
commodities exchange. 3353

(IX) "Registered commodities exchange" means a board of 3354
trade, such as New York mercantile exchange, inc. or commodity 3355
exchange, inc., designated as a contract market by the commodity 3356
futures trading commission under the "Commodity Exchange Act," 7 3357
U.S.C. 1 et seq., as amended. 3358

(X) "Ineligible operator's supplier tax liability" means 3359
an amount equal to the tax liability of all suppliers of a 3360
distribution center had the distribution center not been issued 3361
a qualifying certificate for the qualifying year. Ineligible 3362
operator's supplier tax liability shall not include interest or 3363
penalties. The tax commissioner shall determine an ineligible 3364
operator's supplier tax liability based on information that the 3365
commissioner may request from the operator of the distribution 3366
center. An operator shall provide a list of all suppliers of the 3367
distribution center and the corresponding costs of qualified 3368
property for the qualifying year at issue within sixty days of a 3369
request by the commissioner under this division. 3370

(ii) (I) If the distribution center is new and was not open 3371
for the entire qualifying period, the operator of the 3372
distribution center may request that the commissioner grant a 3373
qualifying certificate. If the certificate is granted and it is 3374
later determined that more than fifty per cent of the qualified 3375
property during that year was not shipped to a location such 3376
that it would be situated outside of this state under the 3377
provisions of division (E) of section 5751.033 of the Revised 3378
Code or if it is later determined that the person that operates 3379
the distribution center had average monthly costs from its 3380
suppliers of less than forty million dollars during that year, 3381
then the operator of the distribution center shall pay the 3382
ineligible operator's supplier tax liability. (For purposes of 3383
division (F) (2) (z) (ii) of this section, "supplier" excludes any 3384

person that is part of the consolidated elected taxpayer group, 3385
if applicable, of the operator of the qualified distribution 3386
center.) 3387

(II) The commissioner may grant a qualifying certificate 3388
to a distribution center that does not qualify as a qualified 3389
distribution center for an entire qualifying period if the 3390
operator of the distribution center demonstrates that the 3391
business operations of the distribution center have changed or 3392
will change such that the distribution center will qualify as a 3393
qualified distribution center within thirty-six months after the 3394
date the operator first applies for a certificate. If, at the 3395
end of that thirty-six-month period, the business operations of 3396
the distribution center have not changed such that the 3397
distribution center qualifies as a qualified distribution 3398
center, the operator of the distribution center shall pay the 3399
ineligible operator's supplier tax liability for each year that 3400
the distribution center received a certificate but did not 3401
qualify as a qualified distribution center. For each year the 3402
distribution center receives a certificate under division (F) (2) 3403
(z) (ii) (II) of this section, the distribution center shall pay 3404
all applicable fees required under division (F) (2) (z) of this 3405
section and shall submit an updated business plan showing the 3406
progress the distribution center made toward qualifying as a 3407
qualified distribution center during the preceding year. 3408

(III) An operator may appeal a determination under 3409
division (F) (2) (z) (ii) (I) or (II) of this section that the 3410
ineligible operator is liable for the operator's supplier tax 3411
liability as a result of not qualifying as a qualified 3412
distribution center, as provided in section 5717.02 of the 3413
Revised Code. 3414

(iii) When filing an application for a qualifying 3415
certificate under division (F) (2) (z) (i) (VI) of this section, the 3416
operator of a qualified distribution center also shall provide 3417
documentation, as the commissioner requires, for the 3418
commissioner to ascertain the Ohio delivery percentage. The 3419
commissioner, upon issuing the qualifying certificate, also 3420
shall certify the Ohio delivery percentage. The operator of the 3421
qualified distribution center may appeal the commissioner's 3422
certification of the Ohio delivery percentage in the same manner 3423
as an appeal is taken from the denial of a qualifying 3424
certificate under division (F) (2) (z) (i) (VI) of this section. 3425

(iv) (I) In the case where the distribution center is new 3426
and not open for the entire qualifying period, the operator 3427
shall make a good faith estimate of an Ohio delivery percentage 3428
for use by suppliers in their reports of taxable gross receipts 3429
for the remainder of the qualifying period. The operator of the 3430
facility shall disclose to the suppliers that such Ohio delivery 3431
percentage is an estimate and is subject to recalculation. By 3432
the due date of the next application for a qualifying 3433
certificate, the operator shall determine the actual Ohio 3434
delivery percentage for the estimated qualifying period and 3435
proceed as provided in division (F) (2) (z) (iii) of this section 3436
with respect to the calculation and recalculation of the Ohio 3437
delivery percentage. The supplier is required to file, within 3438
sixty days after receiving notice from the operator of the 3439
qualified distribution center, amended reports for the impacted 3440
calendar quarter or quarters or calendar year, whichever the 3441
case may be. Any additional tax liability or tax overpayment 3442
shall be subject to interest but shall not be subject to the 3443
imposition of any penalty so long as the amended returns are 3444
timely filed. 3445

(II) The operator of a distribution center that receives a 3446
qualifying certificate under division (F) (2) (z) (ii) (II) of this 3447
section shall make a good faith estimate of the Ohio delivery 3448
percentage that the operator estimates will apply to the 3449
distribution center at the end of the thirty-six-month period 3450
after the operator first applied for a qualifying certificate 3451
under that division. The result of the estimate shall be 3452
multiplied by a factor of one and seventy-five one-hundredths. 3453
The product of that calculation shall be the Ohio delivery 3454
percentage used by suppliers in their reports of taxable gross 3455
receipts for each qualifying year that the distribution center 3456
receives a qualifying certificate under division (F) (2) (z) (ii) 3457
(II) of this section, except that, if the product is less than 3458
five per cent, the Ohio delivery percentage used shall be five 3459
per cent and that, if the product exceeds forty-nine per cent, 3460
the Ohio delivery percentage used shall be forty-nine per cent. 3461

(v) Qualifying certificates and Ohio delivery percentages 3462
issued by the commissioner shall be open to public inspection 3463
and shall be timely published by the commissioner. A supplier 3464
relying in good faith on a certificate issued under this 3465
division shall not be subject to tax on the qualifying 3466
distribution center receipts under division (F) (2) (z) of this 3467
section. An operator receiving a qualifying certificate is 3468
liable for the ineligible operator's supplier tax liability for 3469
each year the operator received a certificate but did not 3470
qualify as a qualified distribution center. 3471

(vi) The annual fee for a qualifying certificate shall be 3472
one hundred thousand dollars for each qualified distribution 3473
center. If a qualifying certificate is not issued, the annual 3474
fee is subject to refund after the exhaustion of all appeals 3475
provided for in division (F) (2) (z) (i) (VI) of this section. The 3476

first one hundred thousand dollars of the annual application 3477
fees collected each calendar year shall be credited to the 3478
revenue enhancement fund. The remainder of the annual 3479
application fees collected shall be distributed in the same 3480
manner required under section 5751.20 of the Revised Code. 3481

(vii) The tax commissioner may require that adequate 3482
security be posted by the operator of the distribution center on 3483
appeal when the commissioner disagrees that the applicant has 3484
met the minimum thresholds for a qualified distribution center 3485
as set forth in division (F)(2)(z) of this section. 3486

(aa) Receipts of an employer from payroll deductions 3487
relating to the reimbursement of the employer for advancing 3488
moneys to an unrelated third party on an employee's behalf; 3489

(bb) Cash discounts allowed and taken; 3490

(cc) Returns and allowances; 3491

(dd) Bad debts from receipts on the basis of which the tax 3492
imposed by this chapter was paid in a prior quarterly tax 3493
payment period. For the purpose of this division, "bad debts" 3494
means any debts that have become worthless or uncollectible 3495
between the preceding and current quarterly tax payment periods, 3496
have been uncollected for at least six months, and that may be 3497
claimed as a deduction under section 166 of the Internal Revenue 3498
Code and the regulations adopted under that section, or that 3499
could be claimed as such if the taxpayer kept its accounts on 3500
the accrual basis. "Bad debts" does not include repossessed 3501
property, uncollectible amounts on property that remains in the 3502
possession of the taxpayer until the full purchase price is 3503
paid, or expenses in attempting to collect any account 3504
receivable or for any portion of the debt recovered; 3505

(ee) Any amount realized from the sale of an account 3506
receivable to the extent the receipts from the underlying 3507
transaction giving rise to the account receivable were included 3508
in the gross receipts of the taxpayer; 3509

(ff) Any receipts directly attributed to a transfer 3510
agreement or to the enterprise transferred under that agreement 3511
under section 4313.02 of the Revised Code. 3512

(gg) (i) As used in this division: 3513

(I) "Qualified uranium receipts" means receipts from the 3514
sale, exchange, lease, loan, production, processing, or other 3515
disposition of uranium within a uranium enrichment zone 3516
certified by the tax commissioner under division (F) (2) (gg) (ii) 3517
of this section. "Qualified uranium receipts" does not include 3518
any receipts with a situs in this state outside a uranium 3519
enrichment zone certified by the tax commissioner under division 3520
(F) (2) (gg) (ii) of this section. 3521

(II) "Uranium enrichment zone" means all real property 3522
that is part of a uranium enrichment facility licensed by the 3523
United States nuclear regulatory commission and that was or is 3524
owned or controlled by the United States department of energy or 3525
its successor. 3526

(ii) Any person that owns, leases, or operates real or 3527
tangible personal property constituting or located within a 3528
uranium enrichment zone may apply to the tax commissioner to 3529
have the uranium enrichment zone certified for the purpose of 3530
excluding qualified uranium receipts under division (F) (2) (gg) 3531
of this section. The application shall include such information 3532
that the tax commissioner prescribes. Within sixty days after 3533
receiving the application, the tax commissioner shall certify 3534

the zone for that purpose if the commissioner determines that 3535
the property qualifies as a uranium enrichment zone as defined 3536
in division (F) (2) (gg) of this section, or, if the tax 3537
commissioner determines that the property does not qualify, the 3538
commissioner shall deny the application or request additional 3539
information from the applicant. If the tax commissioner denies 3540
an application, the commissioner shall state the reasons for the 3541
denial. The applicant may appeal the denial of an application to 3542
the board of tax appeals pursuant to section 5717.02 of the 3543
Revised Code. If the applicant files a timely appeal, the tax 3544
commissioner shall conditionally certify the applicant's 3545
property. The conditional certification shall expire when all of 3546
the applicant's appeals are exhausted. Until final resolution of 3547
the appeal, the applicant shall retain the applicant's records 3548
in accordance with section 5751.12 of the Revised Code, 3549
notwithstanding any time limit on the preservation of records 3550
under that section. 3551

(hh) In the case of amounts collected by a licensed casino 3552
operator from casino gaming, amounts in excess of the casino 3553
operator's gross casino revenue. In this division, "casino 3554
operator" and "casino gaming" have the meanings defined in 3555
section 3772.01 of the Revised Code, and "gross casino revenue" 3556
has the meaning defined in section 5753.01 of the Revised Code. 3557

(ii) Receipts realized from the sale of agricultural 3558
commodities by an agricultural commodity handler, both as 3559
defined in section 926.01 of the Revised Code, that is licensed 3560
by the director of agriculture to handle agricultural 3561
commodities in this state. 3562

(jj) Qualifying integrated supply chain receipts. 3563

As used in division (F) (2) (jj) of this section: 3564

(i) "Qualifying integrated supply chain receipts" means 3565
receipts of a qualified integrated supply chain vendor from the 3566
sale of qualified property delivered to, or integrated supply 3567
chain services provided to, another qualified integrated supply 3568
chain vendor or to a retailer that is a member of the integrated 3569
supply chain. "Qualifying integrated supply chain receipts" does 3570
not include receipts of a person that is not a qualified 3571
integrated supply chain vendor from the sale of raw materials to 3572
a member of an integrated supply chain, or receipts of a member 3573
of an integrated supply chain from the sale of qualified 3574
property or integrated supply chain services to a person that is 3575
not a member of the integrated supply chain. 3576

(ii) "Qualified property" means any of the following: 3577

(I) Component parts used to hold, contain, package, or 3578
dispense qualified products, excluding equipment; 3579

(II) Work-in-process inventory that will become, comprise, 3580
or form a component part of a qualified product capable of being 3581
sold at retail, excluding equipment, machinery, furniture, and 3582
fixtures; 3583

(III) Finished goods inventory that is a qualified product 3584
capable of being sold at retail in the inventory's present form. 3585

(iii) "Qualified integrated supply chain vendor" means a 3586
person that is a member of an integrated supply chain and that 3587
provides integrated supply chain services within a qualified 3588
integrated supply chain district to a retailer that is a member 3589
of the integrated supply chain or to another qualified 3590
integrated supply chain vendor that is located within the same 3591
such district as the person but does not share a common owner 3592
with that person. 3593

(iv) "Qualified product" means a personal care, health, or beauty product or an aromatic product, including a candle. 3594
"Qualified product" does not include a drug that may be 3595
dispensed only pursuant to a prescription, durable medical 3596
equipment, mobility enhancing equipment, or a prosthetic device, 3597
as those terms are defined in section 5739.01 of the Revised 3598
Code. 3599
3600

(v) "Integrated supply chain" means two or more qualified 3601
integrated supply chain vendors certified on the most recent 3602
list certified to the tax commissioner under this division that 3603
systematically collaborate and coordinate business operations 3604
with a retailer on the flow of tangible personal property from 3605
material sourcing through manufacturing, assembly, packaging, 3606
and delivery to the retailer to improve long-term financial 3607
performance of each vendor and the supply chain that includes 3608
the retailer. 3609

For the purpose of the certification required under this 3610
division, the reporting person for each retailer, on or before 3611
the first day of October of each year, shall certify to the tax 3612
commissioner a list of the qualified integrated supply chain 3613
vendors providing or receiving integrated supply chain services 3614
within a qualified integrated supply chain district for the 3615
ensuing calendar year. On or before the following first day of 3616
November, the commissioner shall issue a certificate to the 3617
retailer and to each vendor certified to the commissioner on 3618
that list. The certificate shall include the names of the 3619
retailer and of the qualified integrated supply chain vendors. 3620

The retailer shall notify the commissioner of any changes 3621
to the list, including additions to or subtractions from the 3622
list or changes in the name or legal entity of vendors certified 3623

on the list, within sixty days after the date the retailer 3624
becomes aware of the change. Within thirty days after receiving 3625
that notification, the commissioner shall issue a revised 3626
certificate to the retailer and to each vendor certified on the 3627
list. The revised certificate shall include the effective date 3628
of the change. 3629

Each recipient of a certificate issued pursuant to this 3630
division shall maintain a copy of the certificate for four years 3631
from the date the certificate was received. 3632

(vi) "Integrated supply chain services" means procuring 3633
raw materials or manufacturing, processing, refining, 3634
assembling, packaging, or repackaging tangible personal property 3635
that will become finished goods inventory capable of being sold 3636
at retail by a retailer that is a member of an integrated supply 3637
chain. 3638

(vii) "Retailer" means a person primarily engaged in 3639
making retail sales and any member of that person's consolidated 3640
elected taxpayer group or combined taxpayer group, whether or 3641
not that member is primarily engaged in making retail sales. 3642

(viii) "Qualified integrated supply chain district" means 3643
the parcel or parcels of land from which a retailer's integrated 3644
supply chain that existed on September 29, 2015, provides or 3645
receives integrated supply chain services, and to which all of 3646
the following apply: 3647

(I) The parcel or parcels are located wholly in a county 3648
having a population of greater than one hundred sixty-five 3649
thousand but less than one hundred seventy thousand based on the 3650
2010 federal decennial census. 3651

(II) The parcel or parcels are located wholly in the 3652

corporate limits of a municipal corporation with a population 3653
greater than seven thousand five hundred and less than eight 3654
thousand based on the 2010 federal decennial census that is 3655
partly located in the county described in division (F) (2) (jj) 3656
(viii) (I) of this section, as those corporate limits existed on 3657
September 29, 2015. 3658

(III) The aggregate acreage of the parcel or parcels 3659
equals or exceeds one hundred acres. 3660

(kk) In the case of a railroad company described in 3661
division (D) (9) of section 5727.01 of the Revised Code that 3662
purchases dyed diesel fuel directly from a supplier as defined 3663
by section 5736.01 of the Revised Code, an amount equal to the 3664
product of the number of gallons of dyed diesel fuel purchased 3665
directly from such a supplier multiplied by the average 3666
wholesale price for a gallon of diesel fuel as determined under 3667
section 5736.02 of the Revised Code for the period during which 3668
the fuel was purchased multiplied by a fraction, the numerator 3669
of which equals the rate of tax levied by section 5736.02 of the 3670
Revised Code less the rate of tax computed in section 5751.03 of the 3671
Revised Code, and the denominator of which equals the rate 3672
of tax computed in section 5751.03 of the Revised Code. 3673

(ll) Receipts realized by an out-of-state disaster 3674
business from disaster work conducted in this state during a 3675
disaster response period pursuant to a qualifying solicitation 3676
received by the business. Terms used in ~~this~~ division (F) (2) (ll) 3677
of this section have the same meanings as in section 5703.94 of 3678
the Revised Code. 3679

(mm) In the case of amounts collected by a sports wagering 3680
operator from sports wagering, amounts in excess of the 3681
operator's sports wagering receipts. In this division, "sports 3682

wagering operator" and "sports wagering receipts" have the same 3683
meanings as in section 5753.01 of the Revised Code. 3684

(nn) Any receipts for which the tax imposed by this 3685
chapter is prohibited by the constitution or laws of the United 3686
States or the constitution of this state. 3687

(3) In the case of a taxpayer when acting as a real estate 3688
broker, "gross receipts" includes only the portion of any fee 3689
for the service of a real estate broker, or service of a real 3690
estate salesperson associated with that broker, that is retained 3691
by the broker and not paid to an associated real estate 3692
salesperson or another real estate broker. For the purposes of 3693
this division, "real estate broker" and "real estate 3694
salesperson" have the same meanings as in section 4735.01 of the 3695
Revised Code. 3696

(4) A taxpayer's method of accounting for gross receipts 3697
for a tax period shall be the same as the taxpayer's method of 3698
accounting for federal income tax purposes for the taxpayer's 3699
federal taxable year that includes the tax period. If a 3700
taxpayer's method of accounting for federal income tax purposes 3701
changes, its method of accounting for gross receipts under this 3702
chapter shall be changed accordingly. 3703

(G) "Taxable gross receipts" means gross receipts situated 3704
to this state under section 5751.033 of the Revised Code. 3705

(H) A person has "substantial nexus with this state" if 3706
any of the following applies. The person: 3707

(1) Owns or uses a part or all of its capital in this 3708
state; 3709

(2) Holds a certificate of compliance with the laws of 3710
this state authorizing the person to do business in this state; 3711

| | |
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| (3) Has bright-line presence in this state; | 3712 |
| (4) Otherwise has nexus with this state to an extent that the person can be required to remit the tax imposed under this chapter under the Constitution of the United States. | 3713 3714 3715 |
| (I) A person has "bright-line presence" in this state for a reporting period and for the remaining portion of the calendar year if any of the following applies. The person: | 3716 3717 3718 |
| (1) Has at any time during the calendar year property in this state with an aggregate value of at least fifty thousand dollars. For the purpose of division (I) (1) of this section, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge. | 3719 3720 3721 3722 3723 |
| (2) Has during the calendar year payroll in this state of at least fifty thousand dollars. Payroll in this state includes all of the following: | 3724 3725 3726 |
| (a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code; | 3727 3728 |
| (b) Any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state; and | 3729 3730 3731 |
| (c) Any amount the person pays for services performed in this state on its behalf by another. | 3732 3733 |
| (3) Has during the calendar year taxable gross receipts of at least five hundred thousand dollars. | 3734 3735 |
| (4) Has at any time during the calendar year within this state at least twenty-five per cent of the person's total property, total payroll, or total gross receipts. | 3736 3737 3738 |

(5) Is domiciled in this state as an individual or for 3739
corporate, commercial, or other business purposes. 3740

(J) "Tangible personal property" has the same meaning as 3741
in section 5739.01 of the Revised Code. 3742

(K) "Internal Revenue Code" means the Internal Revenue 3743
Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term 3744
used in this chapter that is not otherwise defined has the same 3745
meaning as when used in a comparable context in the laws of the 3746
United States relating to federal income taxes unless a 3747
different meaning is clearly required. Any reference in this 3748
chapter to the Internal Revenue Code includes other laws of the 3749
United States relating to federal income taxes. 3750

(L) "Calendar quarter" means a three-month period ending 3751
on the thirty-first day of March, the thirtieth day of June, the 3752
thirtieth day of September, or the thirty-first day of December. 3753

(M) "Tax period" means the calendar quarter or calendar 3754
year on the basis of which a taxpayer is required to pay the tax 3755
imposed under this chapter. 3756

(N) "Calendar year taxpayer" means a taxpayer for which 3757
the tax period is a calendar year. 3758

(O) "Calendar quarter taxpayer" means a taxpayer for which 3759
the tax period is a calendar quarter. 3760

(P) "Agent" means a person authorized by another person to 3761
act on its behalf to undertake a transaction for the other, 3762
including any of the following: 3763

(1) A person receiving a fee to sell financial 3764
instruments; 3765

(2) A person retaining only a commission from a 3766

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| transaction with the other proceeds from the transaction being | 3767 |
| remitted to another person; | 3768 |
| (3) A person issuing licenses and permits under section | 3769 |
| 1533.13 of the Revised Code; | 3770 |
| (4) A lottery sales agent holding a valid license issued | 3771 |
| under section 3770.05 of the Revised Code; | 3772 |
| (5) A person acting as an agent of the division of liquor | 3773 |
| control under section 4301.17 of the Revised Code. | 3774 |
| (Q) "Received" includes amounts accrued under the accrual | 3775 |
| method of accounting. | 3776 |
| (R) "Reporting person" means a person in a consolidated | 3777 |
| elected taxpayer or combined taxpayer group that is designated | 3778 |
| by that group to legally bind the group for all filings and tax | 3779 |
| liabilities and to receive all legal notices with respect to | 3780 |
| matters under this chapter, or, for the purposes of section | 3781 |
| 5751.04 of the Revised Code, a separate taxpayer that is not a | 3782 |
| member of such a group. | 3783 |
| Sec. 5753.01. As used in Chapter 5753. of the Revised Code | 3784 |
| and for no other purpose under Title LVII of the Revised Code: | 3785 |
| (A) "Casino facility" has the same meaning as in section | 3786 |
| 3772.01 of the Revised Code. | 3787 |
| (B) "Casino gaming" has the same meaning as in section | 3788 |
| 3772.01 of the Revised Code. | 3789 |
| (C) "Casino operator" has the same meaning as in section | 3790 |
| 3772.01 of the Revised Code. | 3791 |
| (D) "Gross casino revenue" means the total amount of money | 3792 |
| exchanged for the purchase of chips, tokens, tickets, electronic | 3793 |

cards, or similar objects by casino patrons, less winnings paid 3794
to wagerers. "Gross casino revenue" does not include the 3795
issuance to casino patrons or wagering by casino patrons of any 3796
promotional gaming credit as defined in section 3772.01 of the 3797
Revised Code. When issuance of the promotional gaming credit 3798
requires money exchanged as a match from the patron, the 3799
excludible portion of the promotional gaming credit does not 3800
include the portion of the wager purchased by the patron. 3801

(E) "Person" has the same meaning as in section 3772.01 of 3802
the Revised Code. 3803

(F) "Slot machine" has the same meaning as in section 3804
3772.01 of the Revised Code. 3805

(G) "Sports wagering facility" has the same meaning as the 3806
term "legal gaming facility" in section 3775.01 of the Revised 3807
Code. 3808

(H) "Sports wagering operator" has the same meaning as in 3809
section 3775.01 of the Revised Code. 3810

(I) "Sports wagering receipts" means the total amount of 3811
cash and cash equivalents received by a sports wagering operator 3812
from sports wagering, less the total of the following: 3813

(1) All cash and cash equivalents paid as winnings to 3814
sports wagering patrons; 3815

(2) The actual costs incurred by a sports wagering 3816
operator for any personal property, noncash awards, or services 3817
distributed to patrons as a result of sports wagering; 3818

(3) The dollar amount of all voided wagers; 3819

(4) Uncollectible amounts due to the sports wagering 3820
operator from patrons as a result of sports wagering operations, 3821

provided that the amount has become worthless or uncollectible 3822
during the current tax period, has been uncollected for at least 3823
six months, and may be claimed as a deduction pursuant to 3824
section 166 of the Internal Revenue Code, and regulations 3825
adopted pursuant thereto, or that could be claimed as such a 3826
deduction if the vendor kept accounts on an accrual basis. 3827

(J) "Table game" has the same meaning as in section 3828
3772.01 of the Revised Code. 3829

~~(H)~~ (K) "Taxpayer" means a casino operator subject to the 3830
tax levied under section 5753.02 of the Revised Code or a sports 3831
wagering operator subject to the tax levied under section 3832
5753.021 of the Revised Code. 3833

(L) "Tax period" means one twenty-four-hour period with 3834
regard to which a ~~casino operator taxpayer~~ is required to pay 3835
the tax levied by ~~this chapter~~ section 5753.02 or 5753.021 of 3836
the Revised Code. 3837

Sec. 5753.021. For the purposes of funding the needs of 3838
this state and of defraying the costs of administering the tax 3839
levied by this section, a tax is hereby levied on the sports 3840
wagering receipts of a sports wagering operator at the rate of 3841
six and twenty-five one-hundredths per cent of the sports 3842
wagering receipts received by the operator from the operation of 3843
sports wagering in this state. 3844

All money collected from the tax levied by this section 3845
shall be credited to the general revenue fund. The tax is in 3846
addition to any other taxes or fees imposed under the Revised 3847
Code. 3848

Sec. 5753.03. (A) For the purpose of receiving and 3849
distributing, and accounting for, revenue received from the tax 3850

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| levied by section 5753.02 of the Revised Code, the following | 3851 |
| funds are created in the state treasury: | 3852 |
| (1) The casino tax revenue fund; | 3853 |
| (2) The gross casino revenue county fund; | 3854 |
| (3) The gross casino revenue county student fund; | 3855 |
| (4) The gross casino revenue host city fund; | 3856 |
| (5) The Ohio state racing commission fund; | 3857 |
| (6) The Ohio law enforcement training fund; | 3858 |
| (7) The problem casino gambling and addictions fund; | 3859 |
| (8) The casino control commission fund; | 3860 |
| (9) The casino tax administration fund; | 3861 |
| (10) The peace officer training academy fund; | 3862 |
| (11) The criminal justice services casino tax revenue | 3863 |
| fund. | 3864 |
| (B) All moneys collected from the tax levied under this | 3865 |
| chapter <u>section 5753.02 of the Revised Code</u> shall be deposited | 3866 |
| into the casino tax revenue fund. | 3867 |
| (C) From the casino tax revenue fund the director of | 3868 |
| budget and management shall transfer as needed to the tax refund | 3869 |
| fund amounts equal to the refunds certified by the tax | 3870 |
| commissioner under section 5753.06 of the Revised Code <u>and</u> | 3871 |
| <u>attributable to the tax levied under section 5753.02 of the</u> | 3872 |
| <u>Revised Code.</u> | 3873 |
| (D) After making any transfers required by division (C) of | 3874 |
| this section, but not later than the fifteenth day of the month | 3875 |
| following the end of each calendar quarter, the director of | 3876 |

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| budget and management shall transfer amounts to each fund as follows: | 3877 |
| | 3878 |
| (1) Fifty-one per cent to the gross casino revenue county fund to make payments as required by Section 6(C)(3)(a) of Article XV, Ohio Constitution; | 3879 |
| | 3880 |
| | 3881 |
| (2) Thirty-four per cent to the gross casino revenue county student fund to make payments as required by Section 6(C)(3)(b) of Article XV, Ohio Constitution and as provided in section 5753.11 of the Revised Code; | 3882 |
| | 3883 |
| | 3884 |
| | 3885 |
| (3) Five per cent to the gross casino revenue host city fund for the benefit of the cities in which casino facilities are located; | 3886 |
| | 3887 |
| | 3888 |
| (4) Three per cent to the Ohio state racing commission fund to support the efforts and activities of the Ohio state racing commission to promote horse racing in this state at which the pari-mutuel system of wagering is conducted; | 3889 |
| | 3890 |
| | 3891 |
| | 3892 |
| (5) Two per cent to the Ohio law enforcement training fund to support law enforcement functions in the state; | 3893 |
| | 3894 |
| (6) Two per cent to the problem casino gambling and addictions fund to support efforts of the department of mental health and addiction services to alleviate problem gambling and substance abuse and related research in the state under section 5119.47 of the Revised Code; | 3895 |
| | 3896 |
| | 3897 |
| | 3898 |
| | 3899 |
| (7) Three per cent to the casino control commission fund to support the operations of the Ohio casino control commission and to defray the cost of administering the tax levied under section 5753.02 of the Revised Code. | 3900 |
| | 3901 |
| | 3902 |
| | 3903 |
| Payments under divisions (D)(1) and (3) of this section | 3904 |

shall be made by the end of the month following the end of the 3905
quarterly period. The tax commissioner shall make the data 3906
available to the director of budget and management for this 3907
purpose. 3908

Money in the Ohio state racing commission fund shall be 3909
distributed at the discretion of the Ohio state racing 3910
commission for the purpose stated in division (D) (4) of this 3911
section by the end of the month following the end of the 3912
quarterly period. The commission may retain up to five per cent 3913
of the amount transferred to the fund under division (D) (4) of 3914
this section for operating expenses necessary for the 3915
administration of the fund. 3916

Payments from the gross casino revenue county student fund 3917
as required under section 5753.11 of the Revised Code shall be 3918
made by the last day of January and by the last day of August of 3919
each year, beginning in 2013. The tax commissioner shall make 3920
the data available to the director of budget and management for 3921
this purpose. 3922

Of the money credited to the Ohio law enforcement training 3923
fund, the director of budget and management shall distribute 3924
eighty-five per cent of the money to the police officer training 3925
academy fund for the purpose of supporting the law enforcement 3926
training efforts of the Ohio peace officer training academy and 3927
fifteen per cent of the money to the criminal justice services 3928
casino tax revenue fund for the purpose of supporting the law 3929
enforcement training efforts of the division of criminal justice 3930
services. 3931

(E) (1) The tax commissioner shall serve as an agent of the 3932
counties of this state only for the purposes of this division 3933
and solely to make payments directly to municipal corporations 3934

and school districts, as applicable, on the counties' behalf. 3935

(2) On or before the last day of the month following the 3936
end of each calendar quarter, the tax commissioner shall provide 3937
for payment from the funds referenced in divisions (D) (1) and 3938
(3) of this section to each county and municipal corporation as 3939
prescribed in those divisions. 3940

(3) On or before the last day of January and the last day 3941
of August each year, the commissioner shall provide for payments 3942
from the fund referenced in division (D) (2) of this section to 3943
each school district as prescribed in that division. 3944

(F) The director of budget and management shall transfer 3945
one per cent of the money credited to the casino control 3946
commission fund to the casino tax administration fund. The tax 3947
commissioner shall use the casino tax administration fund to 3948
defray the costs incurred in administering the tax levied ~~by~~ 3949
~~this chapter~~ under section 5753.02 of the Revised Code. 3950

(G) All investment earnings of the gross casino revenue 3951
county student fund shall be credited to the fund. 3952

Sec. 5753.04. (A) Daily each day banks are open for 3953
business, not later than noon, ~~a casino operator~~ each taxpayer 3954
shall file a return electronically with the tax commissioner. 3955
The return shall be in the form required by the tax 3956
commissioner, and shall reflect the relevant tax period. The 3957
return shall include, but is not limited to, the amount of the 3958
~~casino operator's~~ taxpayer's gross casino revenue or sports 3959
wagering receipts for the tax period and the amount of tax due 3960
under section 5753.02 or 5753.021 of the Revised Code for the 3961
tax period. The ~~casino operator~~ taxpayer shall remit 3962
electronically with the return the tax due. 3963

(B) If a sports wagering operator's sports wagering receipts for a tax period are less than zero because the winnings paid by the operator to wagerers exceeds the operator's total gross receipts from the operation of sports wagering for that tax period, the tax commissioner shall allow the operator to carry forward the deficit to subsequent tax periods until the operator's sports wagering receipts are greater than zero. 3964
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(C) If ~~the~~ a casino operator or sports wagering operator ceases to be a taxpayer at any time, the ~~casino~~ operator shall indicate the last date for which the ~~casino~~ operator was liable for the tax. The return shall include a space for this purpose. 3971
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Sec. 5753.05. (A) (1) A ~~casino operator~~ taxpayer who fails to file a return or to remit the tax due as required by section 5753.04 of the Revised Code shall pay a penalty not to exceed the greater of five hundred dollars or ten per cent of the tax due. 3975
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(2) If the tax commissioner finds additional tax to be due, the tax commissioner may impose an additional penalty of up to fifteen per cent of the additional tax found to be due. A delinquent payment of tax made as the result of a notice or an audit is subject to the additional penalty imposed by this division. 3980
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(3) If a ~~casino operator~~ taxpayer fails to file a return electronically or to remit the tax electronically, the tax commissioner may impose an additional penalty of fifty dollars or ten per cent of the tax due as shown on the return, whichever is greater. 3986
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(B) If the tax due under section 5753.02 or 5753.021 of the Revised Code is not timely paid, the ~~casino operator~~ 3991
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taxpayer shall pay interest at the rate per annum prescribed in 3993
section 5703.47 of the Revised Code beginning on the day the tax 3994
was due through the day the tax is paid or an assessment is 3995
issued, whichever occurs first. 3996

(C) The tax commissioner shall collect any penalty or 3997
interest as if it were the tax levied by section 5753.02 or 3998
5753.021 of the Revised Code, as applicable. Penalties and 3999
interest shall be treated as if they were revenue arising from 4000
the applicable tax ~~levied by section 5753.02 of the Revised~~ 4001
~~Code.~~ 4002

(D) The tax commissioner may abate all or a portion of any 4003
penalty imposed under this section and may adopt rules governing 4004
abatements. 4005

(E) If a casino operator or sports wagering operator fails 4006
to file a return or remit the tax due as required by section 4007
5753.04 of the Revised Code within a period of one year after 4008
the due date for filing the return or remitting the tax, the 4009
Ohio casino control commission may suspend the ~~casino operator's~~ 4010
license. 4011

Sec. 5753.06. (A) A ~~casino operator~~ taxpayer may apply to 4012
the tax commissioner for refund of the amount of taxes under 4013
section 5753.02 or 5753.021 of the Revised Code that were 4014
overpaid, paid illegally or erroneously, or paid on an illegal 4015
or erroneous assessment. The application shall be on a form 4016
prescribed by the tax commissioner. The ~~casino operator~~ taxpayer 4017
shall provide the amount of the requested refund along with the 4018
claimed reasons for, and documentation to support, the issuance 4019
of a refund. The ~~casino operator~~ taxpayer shall file the 4020
application with the tax commissioner within four years after 4021
the date the payment was made, unless the applicant has waived 4022

the time limitation under division (D) of section 5753.07 of the Revised Code. In the latter event, the four-year limitation is extended for the same period of time as the waiver.

(B) Upon the filing of a refund application, the tax commissioner shall determine the amount of refund to which the applicant is entitled. If the amount is not less than that claimed, the tax commissioner shall certify the amount to the director of budget and management and treasurer of state for payment from the tax refund fund. If the amount is less than that claimed, the tax commissioner shall proceed under section 5703.70 of the Revised Code.

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

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

Sec. 5753.061. As used in this section, "debt to the state" means unpaid taxes that are due the state, unpaid workers' compensation premiums that are due, unpaid unemployment compensation contributions that are due, unpaid unemployment compensation payments in lieu of contributions that are due, unpaid fees payable to the state or to the clerk of courts under section 4505.06 of the Revised Code, incorrect medical assistance payments, or any unpaid charge, penalty, or interest

arising from any of the foregoing. A debt to the state is not a 4053
"debt to the state" as used in this section unless the liability 4054
underlying the debt to the state has become incontestable 4055
because the time for appealing, reconsidering, reassessing, or 4056
otherwise questioning the liability has expired or the liability 4057
has been finally determined to be valid. 4058

If a ~~casino operator taxpayer~~ who is entitled to a refund 4059
under section 5753.06 of the Revised Code owes a debt to the 4060
state, the amount refundable may be applied in satisfaction of 4061
the debt to the state. If the amount refundable is less than the 4062
amount of the debt to the state, the amount refundable may be 4063
applied in partial satisfaction of the debt. If the amount 4064
refundable is greater than the amount of the debt, the amount 4065
refundable remaining after satisfaction of the debt shall be 4066
refunded to the ~~casino operator taxpayer~~. 4067

Sec. 5753.07. (A) (1) The tax commissioner may issue an 4068
assessment, based on any information in the tax commissioner's 4069
possession, against a ~~casino operator taxpayer~~ who fails to pay 4070
the tax levied under section 5753.02 or 5753.021 of the Revised 4071
Code or to file a return under section 5753.04 of the Revised 4072
Code. The tax commissioner shall give the ~~casino operator~~ 4073
taxpayer written notice of the assessment under section 5703.37 4074
of the Revised Code. With the notice, the tax commissioner shall 4075
include instructions on how to petition for reassessment and on 4076
how to request a hearing with respect to the petition. 4077

(2) Unless the ~~casino operator taxpayer~~, within sixty days 4078
after service of the notice of assessment, files with the tax 4079
commissioner, either personally or by certified mail, a written 4080
petition signed by the ~~casino operator taxpayer~~, or by the 4081
~~casino operator's taxpayer's~~ authorized agent who has knowledge 4082

of the facts, the assessment becomes final, and the amount of 4083
the assessment is due and payable from the ~~casino operator~~ 4084
taxpayer to the treasurer of state. The petition shall indicate 4085
the ~~casino operator's taxpayer's~~ objections to the assessment. 4086
Additional objections may be raised in writing if they are 4087
received by the tax commissioner before the date shown on the 4088
final determination. 4089

(3) If a petition for reassessment has been properly 4090
filed, the tax commissioner shall proceed under section 5703.60 4091
of the Revised Code. 4092

(4) After an assessment becomes final, if any portion of 4093
the assessment, including penalties and accrued interest, 4094
remains unpaid, the tax commissioner may file a certified copy 4095
of the entry making the assessment final in the office of the 4096
clerk of the court of common pleas of Franklin county or in the 4097
office of the clerk of the court of common pleas of the county 4098
in which the ~~casino operator taxpayer~~ resides, the ~~casino~~ 4099
~~operator's taxpayer's~~ casino facility or sports wagering 4100
facility is located, or the ~~casino operator's taxpayer's~~ 4101
principal place of business in this state is located. 4102
Immediately upon the filing of the entry, the clerk shall enter 4103
a judgment for the state against the taxpayer assessed in the 4104
amount shown on the entry. The judgment may be filed by the 4105
clerk in a loose-leaf book entitled, "special judgments for the 4106
gross casino revenue tax and sports wagering receipts tax." The 4107
judgment has the same effect as other judgments. Execution shall 4108
issue upon the judgment at the request of the tax commissioner, 4109
and all laws applicable to sales on execution apply to sales 4110
made under the judgment. 4111

(5) If the assessment is not paid in its entirety within 4112

sixty days after the day the assessment was issued, the portion 4113
of the assessment consisting of tax due shall bear interest at 4114
the rate per annum prescribed by section 5703.47 of the Revised 4115
Code from the day the tax commissioner issued the assessment 4116
until the assessment is paid or until it is certified to the 4117
attorney general for collection under section 131.02 of the 4118
Revised Code, whichever comes first. If the unpaid portion of 4119
the assessment is certified to the attorney general for 4120
collection, the entire unpaid portion of the assessment shall 4121
bear interest at the rate per annum prescribed by section 4122
5703.47 of the Revised Code from the date of certification until 4123
the date it is paid in its entirety. Interest shall be paid in 4124
the same manner as the tax levied under section 5753.02 or 4125
5753.021 of the Revised Code, as applicable, and may be 4126
collected by the issuance of an assessment under this section. 4127

(B) If the tax commissioner believes that collection of 4128
the tax levied under section 5753.02 or 5753.021 of the Revised 4129
Code will be jeopardized unless proceedings to collect or secure 4130
collection of the tax are instituted without delay, the 4131
commissioner may issue a jeopardy assessment against the ~~casino-~~ 4132
~~operator who taxpayer that~~ is liable for the tax. Immediately 4133
upon the issuance of a jeopardy assessment, the tax commissioner 4134
shall file an entry with the clerk of the court of common pleas 4135
in the manner prescribed by division (A) (4) of this section, and 4136
the clerk shall proceed as directed in that division. Notice of 4137
the jeopardy assessment shall be served on the ~~casino operator-~~ 4138
~~taxpayer~~ or the ~~casino operator's taxpayer's~~ authorized agent 4139
under section 5703.37 of the Revised Code within five days after 4140
the filing of the entry with the clerk. The total amount 4141
assessed is immediately due and payable, unless the ~~casino-~~ 4142
~~operator taxpayer~~ assessed files a petition for reassessment 4143

under division (A) (2) of this section and provides security in a 4144
form satisfactory to the tax commissioner that is in an amount 4145
sufficient to satisfy the unpaid balance of the assessment. If a 4146
petition for reassessment has been filed, and if satisfactory 4147
security has been provided, the tax commissioner shall proceed 4148
under division (A) (3) of this section. Full or partial payment 4149
of the assessment does not prejudice the tax commissioner's 4150
consideration of the petition for reassessment. 4151

(C) The tax commissioner shall immediately forward to the 4152
treasurer of state all amounts the tax commissioner receives 4153
under this section, and the amounts forwarded shall be treated 4154
as if they were revenue arising from the tax levied under 4155
section 5753.02 or 5753.021 of the Revised Code, as applicable. 4156

(D) Except as otherwise provided in this division, no 4157
assessment shall be issued against a ~~casino operator taxpayer~~ 4158
for the tax levied under section 5753.02 or 5753.021 of the 4159
Revised Code more than four years after the due date for filing 4160
the return for the tax period for which the tax was reported, or 4161
more than four years after the return for the tax period was 4162
filed, whichever is later. This division does not bar an 4163
assessment against a ~~casino operator taxpayer~~ who fails to file 4164
a return as required by section 5753.04 of the Revised Code or 4165
who files a fraudulent return, or when the ~~casino operator~~ 4166
~~taxpayer~~ and the tax commissioner waive in writing the time 4167
limitation. 4168

(E) If the tax commissioner possesses information that 4169
indicates that the amount of tax a ~~casino operator taxpayer~~ is 4170
liable to pay under section 5753.02 or 5753.021 of the Revised 4171
Code exceeds the amount the ~~casino operator taxpayer~~ paid, the 4172
tax commissioner may audit a sample of the ~~casino operator's~~ 4173

taxpayer's gross casino revenue or sports wagering receipts, as 4174
applicable, over a representative period of time to ascertain 4175
the amount of tax due, and may issue an assessment based on the 4176
audit. The tax commissioner shall make a good faith effort to 4177
reach agreement with the ~~casino operator~~ taxpayer in selecting a 4178
representative sample. The tax commissioner may apply a sampling 4179
method only if the tax commissioner has prescribed the method by 4180
rule. 4181

(F) If the whereabouts of a ~~casino operator~~ taxpayer who 4182
is liable for the tax levied under section 5753.02 or 5753.021 4183
of the Revised Code are unknown to the tax commissioner, the tax 4184
commissioner shall proceed under section 5703.37 of the Revised 4185
Code. 4186

~~(G) If a casino operator fails to pay the tax levied under~~ 4187
~~section 5753.02 of the Revised Code within a period of one year~~ 4188
~~after the due date for remitting the tax, the Ohio casino-~~ 4189
~~control commission may suspend the casino operator's license.~~ 4190

Sec. 5753.08. If a ~~casino operator~~ taxpayer who is liable 4191
for the tax levied under section 5753.02 or 5753.021 of the 4192
Revised Code sells ~~the a~~ casino facility or sports wagering 4193
facility, disposes of ~~the a~~ casino facility or sports wagering 4194
facility in any manner other than in the regular course of 4195
business, or quits the casino gaming or sports wagering 4196
business, any tax owed by that person becomes immediately due 4197
and payable, and the person shall pay the tax due, including any 4198
applicable penalties and interest. The person's successor shall 4199
withhold a sufficient amount of the purchase money to cover the 4200
amounts due and unpaid until the predecessor produces a receipt 4201
from the tax commissioner showing that the amounts due have been 4202
paid or a certificate indicating that no taxes are due. If the 4203

successor fails to withhold purchase money, the successor is 4204
personally liable, up to the purchase money amount, for amounts 4205
that were unpaid during the operation of the business by the 4206
predecessor. 4207

Sec. 5753.10. The tax commissioner may prescribe 4208
requirements for the keeping of records and pertinent documents, 4209
for the filing of copies of federal income tax returns and 4210
determinations, and for computations reconciling federal income 4211
tax returns with the return required by section 5753.04 of the 4212
Revised Code. The tax commissioner may require a ~~casino operator~~ 4213
taxpayer, by rule or by notice served on the ~~casino operator~~ 4214
taxpayer, to keep records and other documents that the tax 4215
commissioner considers necessary to show the extent to which the 4216
~~casino operator taxpayer~~ is subject to this chapter. The records 4217
and other documents shall be open to inspection by the tax 4218
commissioner during business hours, and shall be preserved for a 4219
period of four years unless the tax commissioner, in writing, 4220
consents to their destruction within that period, or by order 4221
served on the ~~casino operator taxpayer~~ requires that they be 4222
kept longer. If the records are normally kept electronically by 4223
the ~~casino operator taxpayer~~, the ~~casino operator taxpayer~~ shall 4224
provide the records to the tax commissioner electronically at 4225
the tax commissioner's request. 4226

Any information required by the tax commissioner under 4227
this section is confidential under section 5703.21 of the 4228
Revised Code. 4229

Section 2. That existing sections 109.572, 718.031, 4230
2915.01, 5703.21, 5747.02, 5747.063, 5747.064, 5747.08, 5747.20, 4231
5751.01, 5753.01, 5753.03, 5753.04, 5753.05, 5753.06, 5753.061, 4232
5753.07, 5753.08, and 5753.10 of the Revised Code are hereby 4233

repealed. 4234

Section 3. Section 109.572 of the Revised Code is 4235
presented in this act as a composite of the section as amended 4236
by Am. Sub. H.B. 49, Sub. H.B. 199, Sub. H.B. 213, Am. Sub. S.B. 4237
51, Sub. S.B. 229, Am. Sub. S.B. 255, and Sub. S.B. 263, all of 4238
the 132nd General Assembly. The General Assembly, applying the 4239
principle stated in division (B) of section 1.52 of the Revised 4240
Code that amendments are to be harmonized if reasonably capable 4241
of simultaneous operation, finds that the composite is the 4242
resulting version of the section in effect prior to the 4243
effective date of the section as presented in this act. 4244