

As Introduced

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

S. B. No. 342

Senators Blessing, Smith



A BILL

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

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

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

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

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

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

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

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

5751.01 of the Revised Code. 49

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

year. 348

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(B) As used in this section: 573

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

pre-1982 joint vocational taxes shall be zero. 643

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ten-mill limitation. 1088

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5739.09 of the Revised Code. 1357

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

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

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

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

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

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

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

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

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

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

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

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

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

The lake facilities authority shall provide for the 1478

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

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

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

1496

	For the Excise Tax
	Against the Excise Tax

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

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

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

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

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

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

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

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

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

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

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

Sec. 1509.01. As used in this chapter: 1565

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(N) As used in this section: 2212

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

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

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

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

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

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

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

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

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

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

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

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

(3) Based on an actuarial study and as determined 2274
necessary by the board, adopt rules in accordance with Chapter 2275
119. of the Revised Code to adjust the rate of the tax levied 2276
under division ~~(A) (9)~~ (A) (10) of section 5749.02 of the Revised 2277
Code and the balance of the reclamation forfeiture fund that 2278
pertains to that rate; 2279

(4) Evaluate any rules, procedures, and methods for 2280
estimating the cost of reclamation for purposes of determining 2281
the amount of performance security that is required under 2282
section 1513.08 of the Revised Code; the collection of forfeited 2283
performance security; payments to the reclamation forfeiture 2284
fund; reclamation of sites for which operators have forfeited 2285
the performance security; and the compliance of operators with 2286
their reclamation plans; 2287

(5) Provide a forum for discussion of issues related to 2288
the reclamation forfeiture fund and the performance security 2289
that is required under section 1513.08 of the Revised Code; 2290

(6) Submit a report biennially to the governor that 2291
describes the financial status of the reclamation forfeiture 2292
fund and the adequacy of the amount of money in the fund to 2293
accomplish the purposes of the fund and that may discuss any 2294
matter related to the performance security that is required 2295
under section 1513.08 of the Revised Code; 2296

(7) Make recommendations to the governor, if necessary, of 2297
alternative methods of providing money for or using money in the 2298
reclamation forfeiture fund and issues related to the 2299
reclamation of land or water resources that have been adversely 2300
affected by past coal mining for which the performance security 2301
was forfeited; 2302

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

comply with the provisions of this chapter. 2360

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

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

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

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

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

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

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

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

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

section has occurred, the governor shall fill the vacancy with a 2420
person residing within the eastern gateway community college 2421
district. 2422

(D) The board of trustees of the eastern gateway community 2423
college district shall continue to comply with division (G) of 2424
section 3354.09 of the Revised Code regarding tuition for 2425
students who are residents of Ohio but not residents of the 2426
district, and for students who are nonresidents of Ohio. The 2427
tuition rate shall be based on the student's county of residence 2428
and shall apply to all eastern gateway community college 2429
district classes in all district locations. Except as provided 2430
in division (F) (3) of this section, students who are residents 2431
of Columbiana, Mahoning, or Trumbull county shall continue to be 2432
charged tuition at the same rate as Ohio residents who are not 2433
residents of the district. 2434

(E) (1) Except as provided in divisions (E) (2) and (3) of 2435
this section, each member of the board of trustees shall have 2436
full voting rights on all matters that come before the board. 2437

(2) The three trustees representing Jefferson county shall 2438
have sole authority to vote on the following matters: 2439

(a) The Jefferson county tax levy; 2440

(b) The expenditure of revenue from that tax levy; 2441

(c) Levy-subsidized tuition rates. 2442

(3) The voting restrictions under division (E) (2) of this 2443
section apply until the electors of the Columbiana, Mahoning, 2444
and Trumbull county taxing subdistrict approve a tax levy under 2445
division (F) (3) of this section that is equivalent to the tax 2446
levy approved by the electors of Jefferson county for the 2447
support of the former community college district of Jefferson 2448

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

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

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

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

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

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

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

appropriate taxing subdistrict defined in this section; 2478

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) Tax levies; 2614

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

(c) Levy-subsidized tuition rates. 2616

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

state or ownership in the home was transferred on or after 2746
January 1, 2000, and all of the following apply: 2747

(a) The home is affixed to a permanent foundation as 2748
defined in division (C) (5) of section 3781.06 of the Revised 2749
Code. 2750

(b) The home is located on land that is owned by the owner 2751
of the home. 2752

(c) The certificate of title has been inactivated by the 2753
clerk of the court of common pleas that issued it, pursuant to 2754
division (H) of section 4505.11 of the Revised Code. 2755

(2) The manufactured or mobile home acquired situs in the 2756
state or ownership in the home was transferred before January 1, 2757
2000, and all of the following apply: 2758

(a) The home is affixed to a permanent foundation as 2759
defined in division (C) (5) of section 3781.06 of the Revised 2760
Code. 2761

(b) The home is located on land that is owned by the owner 2762
of the home. 2763

(c) The owner of the home has elected to have the home 2764
taxed as real property and, pursuant to section 4505.11 of the 2765
Revised Code, has surrendered the certificate of title to the 2766
auditor of the county containing the taxing district in which 2767
the home has its situs, together with proof that all taxes have 2768
been paid. 2769

(d) The county auditor has placed the home on the real 2770
property tax list and delivered the certificate of title to the 2771
clerk of the court of common pleas that issued it and the clerk 2772
has inactivated the certificate. 2773

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

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

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

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

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

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

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

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

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

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

2824

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

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

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

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

2832

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

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

The first calendar year means any period between the first day of January and the thirty-first day of December of the first year. 2833
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(2) On a home in which ownership was transferred or that first acquired situs in this state on or after January 1, 2000: 2836
2837

(a) By multiplying the assessable value of the home by the effective tax rate, as defined in section 323.08 of the Revised Code, for residential real property of the taxing district in which the home has its situs, and deducting from the product thus obtained the reductions required ~~or authorized~~ under ~~section 319.302,~~ division (B) of section 323.152~~7~~, or section 4503.065 of the Revised Code. 2838
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(b) The assessable value of the home shall be thirty-five per cent of its true value as determined under division (L) of this section. 2845
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(3) On or before the fifteenth day of January each year, 2848

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

further information, the owner may contact the county auditor's office at _____ (insert the address and telephone number of the county auditor's office)." 2970
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(E) (1) A manufactured or mobile home is not subject to this section when any of the following applies: 2973
2974

(a) It is taxable as personal property pursuant to section 5709.01 of the Revised Code. Any manufactured or mobile home that is used as a residence shall be subject to this section and shall not be taxable as personal property pursuant to section 5709.01 of the Revised Code. 2975
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(b) It bears a license plate issued by any state other than this state unless the home is in this state in excess of an accumulative period of thirty days in any calendar year. 2980
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(c) The annual tax has been paid on the home in this state for the current year. 2983
2984

(d) The tax commissioner has determined, pursuant to section 5715.27 of the Revised Code, that the property is exempt from taxation, or would be exempt from taxation under Chapter 5709. of the Revised Code if it were classified as real property. 2985
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(2) A travel trailer or park trailer, as these terms are defined in section 4501.01 of the Revised Code, is not subject to this section if it is unused or unoccupied and stored at the owner's normal place of residence or at a recognized storage facility. 2990
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(3) A travel trailer or park trailer, as these terms are defined in section 4501.01 of the Revised Code, is subject to this section and shall be taxed as a manufactured or mobile home if it has a situs longer than thirty days in one location and is 2995
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connected to existing utilities, unless either of the following
applies: 2999
3000

(a) The situs is in a state facility or a camping or park
area as defined in division (C), (Q), (S), or (V) of section
3729.01 of the Revised Code. 3001
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3003

(b) The situs is in a camping or park area that is a tract
of land that has been limited to recreational use by deed or
zoning restrictions and subdivided for sale of five or more
individual lots for the express or implied purpose of occupancy
by either self-contained recreational vehicles as defined in
division (T) of section 3729.01 of the Revised Code or by
dependent recreational vehicles as defined in division (D) of
section 3729.01 of the Revised Code. 3004
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3011

(F) Except as provided in division (D) (3) of this section,
the manufactured home tax is due and payable as follows: 3012
3013

(1) When a manufactured or mobile home has a situs in this
state, as provided in this section, on the first day of January,
one-half of the amount of the tax is due and payable on or
before the first day of March and the balance is due and payable
on or before the thirty-first day of July. At the option of the
owner of the home, the tax for the entire year may be paid in
full on the first day of March. 3014
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(2) When a manufactured or mobile home first acquires a
situs in this state after the first day of January, no tax is
due and payable for that year. 3021
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3023

(G) (1) (a) Except as otherwise provided in division (G) (1)
(b) of this section, if one-half of the current taxes charged
under this section against a manufactured or mobile home,
together with the full amount of any delinquent taxes, are not 3024
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paid on or before the first day of March in that year, or on or 3028
before the last day for such payment as extended pursuant to 3029
section 4503.063 of the Revised Code, a penalty of ten per cent 3030
shall be charged against the unpaid balance of such half of the 3031
current taxes. If the total amount of all such taxes is not paid 3032
on or before the thirty-first day of July, next thereafter, or 3033
on or before the last day for payment as extended pursuant to 3034
section 4503.063 of the Revised Code, a like penalty shall be 3035
charged on the balance of the total amount of the unpaid current 3036
taxes. 3037

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

equipment are included in the purchase price. 3180

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) "Delinquent taxes" means: 3286

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

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

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

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

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

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

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

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

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

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

(ii) The percentage from the appropriate schedule in 3384

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

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

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

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

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

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

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

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

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

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

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

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

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

The reduction is in lieu of any reduction under section 3442

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2015. 4117

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

levies. 4263

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

withdrew the complaint before the complaint was heard by the board. 4527
4528

(6) The legislative authority of a subdivision, the mayor of a municipal corporation, or a third party complainant shall not file an original complaint with respect to property the subdivision or complainant does not own or lease unless both of the following conditions are met: 4529
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(a) If the complaint is based on a determination described in division (A) (1) (d) or (e) of this section, the property was (i) sold in an arm's length transaction, as described in section 5713.03 of the Revised Code, before, but not after, the tax lien date for the tax year for which the complaint is to be filed, and (ii) the sale price exceeds the true value of the property appearing on the tax list for that tax year by both ten per cent and the amount of the filing threshold determined under division (J) of this section; 4534
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(b) If the complaint is filed by a legislative authority or mayor, the legislative authority or, in the case of a mayor, the legislative authority of the municipal corporation, first adopts a resolution authorizing the filing of the original complaint at a public meeting of the legislative authority. 4543
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4545
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(7) A resolution adopted under division (A) (6) (b) of this section shall include all of the following information: 4548
4549

(a) Identification of the parcel or parcels that are the subject of the original complaint by street address, if available from online records of the county auditor, and by permanent parcel number; 4550
4551
4552
4553

(b) The name of at least one of the record owners of the parcel or parcels; 4554
4555

(c) The basis for the complaint under divisions (A) (1) (a) 4556
to ~~(f)~~(e) of this section relative to each parcel identified in 4557
the resolution; 4558

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

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

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

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

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

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

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

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

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

under this division. 4647

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 5739.01. As used in this chapter: 4819

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

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

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

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

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

(3) All transactions by which: 4836

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

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

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

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

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

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

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

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

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

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

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

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

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

- (m) Recreation and sports club service is or is to be provided; 4883
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- (n) Satellite broadcasting service is or is to be provided; 4885
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- (o) Personal care service is or is to be provided to an individual. As used in this division, "personal care service" includes skin care, the application of cosmetics, manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician or licensed chiropractor, or the cutting, coloring, or styling of an individual's hair. 4887
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- (p) The transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102; 4895
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- (q) Motor vehicle towing service is or is to be provided. As used in this division, "motor vehicle towing service" means the towing or conveyance of a wrecked, disabled, or illegally parked motor vehicle. 4902
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- (r) Snow removal service is or is to be provided. As used in this division, "snow removal service" means the removal of snow by any mechanized means, but does not include the providing of such service by a person that has less than five thousand dollars in sales of such service during the calendar year. 4906
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- (s) Electronic publishing service is or is to be provided 4911

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

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

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

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

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

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

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

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

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

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

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

(10) All transactions in which "guaranteed auto 4970

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

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

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

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

regardless of whether continued payment is required. 5001

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

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

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

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

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

furnished to transient guests through use of the platform. 5030

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(v) Installation charges; 5128

(vi) Credit for any trade-in. 5129

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(N) "Transient guests" means persons occupying a room or 5241
rooms for sleeping accommodations for less than thirty 5242
consecutive days. 5243

(O) "Making retail sales" means the effecting of 5244
transactions wherein one party is obligated to pay the price and 5245
the other party is obligated to provide a service or to transfer 5246
title to or possession of the item sold. "Making retail sales" 5247
does not include the preliminary acts of promoting or soliciting 5248
the retail sales, other than the distribution of printed matter 5249
which displays or describes and prices the item offered for 5250
sale, nor does it include delivery of a predetermined quantity 5251
of tangible personal property or transportation of property or 5252
personnel to or from a place where a service is performed. 5253

(P) "Used directly in the rendition of a public utility 5254
service" means that property that is to be incorporated into and 5255
will become a part of the consumer's production, transmission, 5256
transportation, or distribution system and that retains its 5257
classification as tangible personal property after such 5258
incorporation; fuel or power used in the production, 5259
transmission, transportation, or distribution system; and 5260
tangible personal property used in the repair and maintenance of 5261
the production, transmission, transportation, or distribution 5262
system, including only such motor vehicles as are specially 5263
designed and equipped for such use. Tangible personal property 5264
and services used primarily in providing highway transportation 5265

for hire are not used directly in the rendition of a public 5266
utility service. In this definition, "public utility" includes a 5267
citizen of the United States holding, and required to hold, a 5268
certificate of public convenience and necessity issued under 49 5269
U.S.C. 41102. 5270

(Q) "Refining" means removing or separating a desirable 5271
product from raw or contaminated materials by distillation or 5272
physical, mechanical, or chemical processes. 5273

(R) "Assembly" and "assembling" mean attaching or fitting 5274
together parts to form a product, but do not include packaging a 5275
product. 5276

(S) "Manufacturing operation" means a process in which 5277
materials are changed, converted, or transformed into a 5278
different state or form from which they previously existed and 5279
includes refining materials, assembling parts, and preparing raw 5280
materials and parts by mixing, measuring, blending, or otherwise 5281
committing such materials or parts to the manufacturing process. 5282
"Manufacturing operation" does not include packaging. 5283

(T) "Fiscal officer" means, with respect to a regional 5284
transit authority, the secretary-treasurer thereof, and with 5285
respect to a county that is a transit authority, the fiscal 5286
officer of the county transit board if one is appointed pursuant 5287
to section 306.03 of the Revised Code or the county auditor if 5288
the board of county commissioners operates the county transit 5289
system. 5290

(U) "Transit authority" means a regional transit authority 5291
created pursuant to section 306.31 of the Revised Code or a 5292
county in which a county transit system is created pursuant to 5293
section 306.01 of the Revised Code. For the purposes of this 5294

chapter, a transit authority must extend to at least the entire 5295
area of a single county. A transit authority that includes 5296
territory in more than one county must include all the area of 5297
the most populous county that is a part of such transit 5298
authority. County population shall be measured by the most 5299
recent census taken by the United States census bureau. 5300

(V) "Legislative authority" means, with respect to a 5301
regional transit authority, the board of trustees thereof, and 5302
with respect to a county that is a transit authority, the board 5303
of county commissioners. 5304

(W) "Territory of the transit authority" means all of the 5305
area included within the territorial boundaries of a transit 5306
authority as they from time to time exist. Such territorial 5307
boundaries must at all times include all the area of a single 5308
county or all the area of the most populous county that is a 5309
part of such transit authority. County population shall be 5310
measured by the most recent census taken by the United States 5311
census bureau. 5312

(X) "Providing a service" means providing or furnishing 5313
anything described in division (B) (3) of this section for 5314
consideration. 5315

(Y) (1) (a) "Automatic data processing" means processing of 5316
others' data, including keypunching or similar data entry 5317
services together with verification thereof, or providing access 5318
to computer equipment for the purpose of processing data. 5319

(b) "Computer services" means providing services 5320
consisting of specifying computer hardware configurations and 5321
evaluating technical processing characteristics, computer 5322
programming, and training of computer programmers and operators, 5323

provided in conjunction with and to support the sale, lease, or 5324
operation of taxable computer equipment or systems. 5325

(c) "Electronic information services" means providing 5326
access to computer equipment by means of telecommunications 5327
equipment for the purpose of either of the following: 5328

(i) Examining or acquiring data stored in or accessible to 5329
the computer equipment; 5330

(ii) Placing data into the computer equipment to be 5331
retrieved by designated recipients with access to the computer 5332
equipment. 5333

"Electronic information services" does not include 5334
electronic publishing. 5335

(d) "Automatic data processing, computer services, or 5336
electronic information services" shall not include personal or 5337
professional services. 5338

(2) As used in divisions (B) (3) (e) and (Y) (1) of this 5339
section, "personal and professional services" means all services 5340
other than automatic data processing, computer services, or 5341
electronic information services, including but not limited to: 5342

(a) Accounting and legal services such as advice on tax 5343
matters, asset management, budgetary matters, quality control, 5344
information security, and auditing and any other situation where 5345
the service provider receives data or information and studies, 5346
alters, analyzes, interprets, or adjusts such material; 5347

(b) Analyzing business policies and procedures; 5348

(c) Identifying management information needs; 5349

(d) Feasibility studies, including economic and technical 5350

analysis of existing or potential computer hardware or software needs and alternatives; 5351
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(e) Designing policies, procedures, and custom software for collecting business information, and determining how data should be summarized, sequenced, formatted, processed, controlled, and reported so that it will be meaningful to management; 5353
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(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled; 5358
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(g) Testing of business procedures; 5361

(h) Training personnel in business procedure applications; 5362

(i) Providing credit information to users of such information by a consumer reporting agency, as defined in the "Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or as hereafter amended, including but not limited to gathering, organizing, analyzing, recording, and furnishing such information by any oral, written, graphic, or electronic medium; 5363
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(j) Providing debt collection services by any oral, written, graphic, or electronic means; 5370
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(k) Providing digital advertising services; 5372

(l) Providing services to electronically file any federal, state, or local individual income tax return, report, or other related document or schedule with a federal, state, or local government entity or to electronically remit a payment of any such individual income tax to such an entity. For the purpose of this division, "individual income tax" does not include federal, 5373
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state, or local taxes withheld by an employer from an employee's compensation. 5379
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The services listed in divisions (Y) (2) (a) to (1) of this section are not automatic data processing or computer services. 5381
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(Z) "Highway transportation for hire" means the transportation of personal property belonging to others for consideration by any of the following: 5383
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(1) The holder of a permit or certificate issued by this state or the United States authorizing the holder to engage in transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare; 5386
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(2) A person who engages in the transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare but who could not have engaged in such transportation on December 11, 1985, unless the person was the holder of a permit or certificate of the types described in division (Z) (1) of this section; 5391
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(3) A person who leases a motor vehicle to and operates it for a person described by division (Z) (1) or (2) of this section. 5398
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(AA) (1) "Telecommunications service" means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. "Telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, 5401
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conveyance, or routing without regard to whether the service is 5408
referred to as voice-over internet protocol service or is 5409
classified by the federal communications commission as enhanced 5410
or value-added. "Telecommunications service" does not include 5411
any of the following: 5412

(a) Data processing and information services that allow 5413
data to be generated, acquired, stored, processed, or retrieved 5414
and delivered by an electronic transmission to a consumer where 5415
the consumer's primary purpose for the underlying transaction is 5416
the processed data or information; 5417

(b) Installation or maintenance of wiring or equipment on 5418
a customer's premises; 5419

(c) Tangible personal property; 5420

(d) Advertising, including directory advertising; 5421

(e) Billing and collection services provided to third 5422
parties; 5423

(f) Internet access service; 5424

(g) Radio and television audio and video programming 5425
services, regardless of the medium, including the furnishing of 5426
transmission, conveyance, and routing of such services by the 5427
programming service provider. Radio and television audio and 5428
video programming services include, but are not limited to, 5429
cable service, as defined in 47 U.S.C. 522(6), and audio and 5430
video programming services delivered by commercial mobile radio 5431
service providers, as defined in 47 C.F.R. 20.3; 5432

(h) Ancillary service; 5433

(i) Digital products delivered electronically, including 5434
software, music, video, reading materials, or ring tones. 5435

(2) "Ancillary service" means a service that is associated 5436
with or incidental to the provision of telecommunications 5437
service, including conference bridging service, detailed 5438
telecommunications billing service, directory assistance, 5439
vertical service, and voice mail service. As used in this 5440
division: 5441

(a) "Conference bridging service" means an ancillary 5442
service that links two or more participants of an audio or video 5443
conference call, including providing a telephone number. 5444
"Conference bridging service" does not include 5445
telecommunications services used to reach the conference bridge. 5446

(b) "Detailed telecommunications billing service" means an 5447
ancillary service of separately stating information pertaining 5448
to individual calls on a customer's billing statement. 5449

(c) "Directory assistance" means an ancillary service of 5450
providing telephone number or address information. 5451

(d) "Vertical service" means an ancillary service that is 5452
offered in connection with one or more telecommunications 5453
services, which offers advanced calling features that allow 5454
customers to identify callers and manage multiple calls and call 5455
connections, including conference bridging service. 5456

(e) "Voice mail service" means an ancillary service that 5457
enables the customer to store, send, or receive recorded 5458
messages. "Voice mail service" does not include any vertical 5459
services that the customer may be required to have in order to 5460
utilize the voice mail service. 5461

(3) "900 service" means an inbound toll telecommunications 5462
service purchased by a subscriber that allows the subscriber's 5463
customers to call in to the subscriber's prerecorded 5464

announcement or live service, and which is typically marketed 5465
under the name "900 service" and any subsequent numbers 5466
designated by the federal communications commission. "900 5467
service" does not include the charge for collection services 5468
provided by the seller of the telecommunications service to the 5469
subscriber, or services or products sold by the subscriber to 5470
the subscriber's customer. 5471

(4) "Prepaid calling service" means the right to access 5472
exclusively telecommunications services, which must be paid for 5473
in advance and which enables the origination of calls using an 5474
access number or authorization code, whether manually or 5475
electronically dialed, and that is sold in predetermined units 5476
or dollars of which the number declines with use in a known 5477
amount. 5478

(5) "Prepaid wireless calling service" means a 5479
telecommunications service that provides the right to utilize 5480
mobile telecommunications service as well as other non- 5481
telecommunications services, including the download of digital 5482
products delivered electronically, and content and ancillary 5483
services, that must be paid for in advance and that is sold in 5484
predetermined units or dollars of which the number declines with 5485
use in a known amount. 5486

(6) "Value-added non-voice data service" means a 5487
telecommunications service in which computer processing 5488
applications are used to act on the form, content, code, or 5489
protocol of the information or data primarily for a purpose 5490
other than transmission, conveyance, or routing. 5491

(7) "Coin-operated telephone service" means a 5492
telecommunications service paid for by inserting money into a 5493
telephone accepting direct deposits of money to operate. 5494

(8) "Customer" has the same meaning as in section 5739.034 5495
of the Revised Code. 5496

(BB) "Laundry and dry cleaning services" means removing 5497
soil or dirt from towels, linens, articles of clothing, or other 5498
fabric items that belong to others and supplying towels, linens, 5499
articles of clothing, or other fabric items. "Laundry and dry 5500
cleaning services" does not include the provision of self- 5501
service facilities for use by consumers to remove soil or dirt 5502
from towels, linens, articles of clothing, or other fabric 5503
items. 5504

(CC) "Magazines distributed as controlled circulation 5505
publications" means magazines containing at least twenty-four 5506
pages, at least twenty-five per cent editorial content, issued 5507
at regular intervals four or more times a year, and circulated 5508
without charge to the recipient, provided that such magazines 5509
are not owned or controlled by individuals or business concerns 5510
which conduct such publications as an auxiliary to, and 5511
essentially for the advancement of the main business or calling 5512
of, those who own or control them. 5513

(DD) "Landscaping and lawn care service" means the 5514
services of planting, seeding, sodding, removing, cutting, 5515
trimming, pruning, mulching, aerating, applying chemicals, 5516
watering, fertilizing, and providing similar services to 5517
establish, promote, or control the growth of trees, shrubs, 5518
flowers, grass, ground cover, and other flora, or otherwise 5519
maintaining a lawn or landscape grown or maintained by the owner 5520
for ornamentation or other nonagricultural purpose. However, 5521
"landscaping and lawn care service" does not include the 5522
providing of such services by a person who has less than five 5523
thousand dollars in sales of such services during the calendar 5524

year. 5525

(EE) "Private investigation and security service" means 5526
the performance of any activity for which the provider of such 5527
service is required to be licensed pursuant to Chapter 4749. of 5528
the Revised Code, or would be required to be so licensed in 5529
performing such services in this state, and also includes the 5530
services of conducting polygraph examinations and of monitoring 5531
or overseeing the activities on or in, or the condition of, the 5532
consumer's home, business, or other facility by means of 5533
electronic or similar monitoring devices. "Private investigation 5534
and security service" does not include special duty services 5535
provided by off-duty police officers, deputy sheriffs, and other 5536
peace officers regularly employed by the state or a political 5537
subdivision. 5538

(FF) "Information services" means providing conversation, 5539
giving consultation or advice, playing or making a voice or 5540
other recording, making or keeping a record of the number of 5541
callers, and any other service provided to a consumer by means 5542
of a nine hundred telephone call, except when the nine hundred 5543
telephone call is the means by which the consumer makes a 5544
contribution to a recognized charity. 5545

(GG) "Research and development" means designing, creating, 5546
or formulating new or enhanced products, equipment, or 5547
manufacturing processes, and also means conducting scientific or 5548
technological inquiry and experimentation in the physical 5549
sciences with the goal of increasing scientific knowledge which 5550
may reveal the bases for new or enhanced products, equipment, or 5551
manufacturing processes. 5552

(HH) "Qualified research and development equipment" means 5553
either of the following: 5554

(1) Capitalized tangible personal property, and leased 5555
personal property that would be capitalized if purchased, used 5556
by a person primarily to perform research and development; 5557

(2) Any tangible personal property used by a megaproject 5558
operator primarily to perform research and development at the 5559
site of a megaproject that satisfies the criteria described in 5560
division (A) (11) (a) (ii) of section 122.17 of the Revised Code 5561
during the period that the megaproject operator has an agreement 5562
for such megaproject with the tax credit authority under 5563
division (D) of that section that remains in effect and has not 5564
expired or been terminated. 5565

"Qualified research and development equipment" does not 5566
include tangible personal property primarily used in testing, as 5567
defined in division (A) (4) of section 5739.011 of the Revised 5568
Code, or used for recording or storing test results, unless such 5569
property is primarily used by the consumer in testing the 5570
product, equipment, or manufacturing process being created, 5571
designed, or formulated by the consumer in the research and 5572
development activity or in recording or storing such test 5573
results. 5574

(II) "Building maintenance and janitorial service" means 5575
cleaning the interior or exterior of a building and any tangible 5576
personal property located therein or thereon, including any 5577
services incidental to such cleaning for which no separate 5578
charge is made. However, "building maintenance and janitorial 5579
service" does not include the providing of such service by a 5580
person who has less than five thousand dollars in sales of such 5581
service during the calendar year. As used in this division, 5582
"cleaning" does not include sanitation services necessary for an 5583
establishment described in 21 U.S.C. 608 to comply with rules 5584

and regulations adopted pursuant to that section. 5585

(JJ) "Exterminating service" means eradicating or 5586
attempting to eradicate vermin infestations from a building or 5587
structure, or the area surrounding a building or structure, and 5588
includes activities to inspect, detect, or prevent vermin 5589
infestation of a building or structure. 5590

(KK) "Physical fitness facility service" means all 5591
transactions by which a membership is granted, maintained, or 5592
renewed, including initiation fees, membership dues, renewal 5593
fees, monthly minimum fees, and other similar fees and dues, by 5594
a physical fitness facility such as an athletic club, health 5595
spa, or gymnasium, which entitles the member to use the facility 5596
for physical exercise. 5597

(LL) "Recreation and sports club service" means all 5598
transactions by which a membership is granted, maintained, or 5599
renewed, including initiation fees, membership dues, renewal 5600
fees, monthly minimum fees, and other similar fees and dues, by 5601
a recreation and sports club, which entitles the member to use 5602
the facilities of the organization. "Recreation and sports club" 5603
means an organization that has ownership of, or controls or 5604
leases on a continuing, long-term basis, the facilities used by 5605
its members and includes an aviation club, gun or shooting club, 5606
yacht club, card club, swimming club, tennis club, golf club, 5607
country club, riding club, amateur sports club, or similar 5608
organization. 5609

(MM) "Livestock" means farm animals commonly raised for 5610
food, food production, or other agricultural purposes, 5611
including, but not limited to, cattle, sheep, goats, swine, 5612
poultry, and captive deer. "Livestock" does not include 5613
invertebrates, amphibians, reptiles, domestic pets, animals for 5614

use in laboratories or for exhibition, or other animals not 5615
commonly raised for food or food production. 5616

(NN) "Livestock structure" means a building or structure 5617
used exclusively for the housing, raising, feeding, or 5618
sheltering of livestock, and includes feed storage or handling 5619
structures and structures for livestock waste handling. 5620

(OO) "Horticulture" means the growing, cultivation, and 5621
production of flowers, fruits, herbs, vegetables, sod, 5622
mushrooms, and nursery stock. As used in this division, "nursery 5623
stock" has the same meaning as in section 927.51 of the Revised 5624
Code. 5625

(PP) "Horticulture structure" means a building or 5626
structure used exclusively for the commercial growing, raising, 5627
or overwintering of horticultural products, and includes the 5628
area used for stocking, storing, and packing horticultural 5629
products when done in conjunction with the production of those 5630
products. 5631

(QQ) "Newspaper" means an unbound publication bearing a 5632
title or name that is regularly published, at least as 5633
frequently as biweekly, and distributed from a fixed place of 5634
business to the public in a specific geographic area, and that 5635
contains a substantial amount of news matter of international, 5636
national, or local events of interest to the general public. 5637

(RR) (1) "Feminine hygiene products" means tampons, panty 5638
liners, menstrual cups, sanitary napkins, and other similar 5639
tangible personal property designed for feminine hygiene in 5640
connection with the human menstrual cycle, but does not include 5641
grooming and hygiene products. 5642

(2) "Grooming and hygiene products" means soaps and 5643

cleaning solutions, shampoo, toothpaste, mouthwash, 5644
antiperspirants, and sun tan lotions and screens, regardless of 5645
whether any of these products are over-the-counter drugs. 5646

(3) "Over-the-counter drugs" means a drug that contains a 5647
label that identifies the product as a drug as required by 21 5648
C.F.R. 201.66, which label includes a drug facts panel or a 5649
statement of the active ingredients with a list of those 5650
ingredients contained in the compound, substance, or 5651
preparation. 5652

(SS) (1) "Lease" or "rental" means any transfer of the 5653
possession or control of tangible personal property for a fixed 5654
or indefinite term, for consideration. "Lease" or "rental" 5655
includes future options to purchase or extend, and agreements 5656
described in 26 U.S.C. 7701(h) (1) covering motor vehicles and 5657
trailers where the amount of consideration may be increased or 5658
decreased by reference to the amount realized upon the sale or 5659
disposition of the property. "Lease" or "rental" does not 5660
include: 5661

(a) A transfer of possession or control of tangible 5662
personal property under a security agreement or a deferred 5663
payment plan that requires the transfer of title upon completion 5664
of the required payments; 5665

(b) A transfer of possession or control of tangible 5666
personal property under an agreement that requires the transfer 5667
of title upon completion of required payments and payment of an 5668
option price that does not exceed the greater of one hundred 5669
dollars or one per cent of the total required payments; 5670

(c) Providing tangible personal property along with an 5671
operator for a fixed or indefinite period of time, if the 5672

operator is necessary for the property to perform as designed. 5673
For purposes of this division, the operator must do more than 5674
maintain, inspect, or set up the tangible personal property. 5675

(2) "Lease" and "rental," as defined in division (SS) of 5676
this section, shall not apply to leases or rentals that exist 5677
before June 26, 2003. 5678

(3) "Lease" and "rental" have the same meaning as in 5679
division (SS) (1) of this section regardless of whether a 5680
transaction is characterized as a lease or rental under 5681
generally accepted accounting principles, the Internal Revenue 5682
Code, Title XIII of the Revised Code, or other federal, state, 5683
or local laws. 5684

(TT) "Mobile telecommunications service" has the same 5685
meaning as in the "Mobile Telecommunications Sourcing Act," Pub. 5686
L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as 5687
amended, and, on and after August 1, 2003, includes related fees 5688
and ancillary services, including universal service fees, 5689
detailed billing service, directory assistance, service 5690
initiation, voice mail service, and vertical services, such as 5691
caller ID and three-way calling. 5692

(UU) "Certified service provider" has the same meaning as 5693
in section 5740.01 of the Revised Code. 5694

(VV) "Satellite broadcasting service" means the 5695
distribution or broadcasting of programming or services by 5696
satellite directly to the subscriber's receiving equipment 5697
without the use of ground receiving or distribution equipment, 5698
except the subscriber's receiving equipment or equipment used in 5699
the uplink process to the satellite, and includes all service 5700
and rental charges, premium channels or other special services, 5701

installation and repair service charges, and any other charges 5702
having any connection with the provision of the satellite 5703
broadcasting service. 5704

(WW) "Tangible personal property" means personal property 5705
that can be seen, weighed, measured, felt, or touched, or that 5706
is in any other manner perceptible to the senses. For purposes 5707
of this chapter and Chapter 5741. of the Revised Code, "tangible 5708
personal property" includes motor vehicles, electricity, water, 5709
gas, steam, and prewritten computer software. 5710

(XX) "Municipal gas utility" means a municipal corporation 5711
that owns or operates a system for the distribution of natural 5712
gas. 5713

(YY) "Computer" means an electronic device that accepts 5714
information in digital or similar form and manipulates it for a 5715
result based on a sequence of instructions. 5716

(ZZ) "Computer software" means a set of coded instructions 5717
designed to cause a computer or automatic data processing 5718
equipment to perform a task. 5719

(AAA) "Delivered electronically" means delivery of 5720
computer software from the seller to the purchaser by means 5721
other than tangible storage media. 5722

(BBB) "Prewritten computer software" means computer 5723
software, including prewritten upgrades, that is not designed 5724
and developed by the author or other creator to the 5725
specifications of a specific purchaser. The combining of two or 5726
more prewritten computer software programs or prewritten 5727
portions thereof does not cause the combination to be other than 5728
prewritten computer software. "Prewritten computer software" 5729
includes software designed and developed by the author or other 5730

creator to the specifications of a specific purchaser when it is 5731
sold to a person other than the purchaser. If a person modifies 5732
or enhances computer software of which the person is not the 5733
author or creator, the person shall be deemed to be the author 5734
or creator only of such person's modifications or enhancements. 5735
Prewritten computer software or a prewritten portion thereof 5736
that is modified or enhanced to any degree, where such 5737
modification or enhancement is designed and developed to the 5738
specifications of a specific purchaser, remains prewritten 5739
computer software; provided, however, that where there is a 5740
reasonable, separately stated charge or an invoice or other 5741
statement of the price given to the purchaser for the 5742
modification or enhancement, the modification or enhancement 5743
shall not constitute prewritten computer software. 5744

(CCC) (1) "Food" means substances, whether in liquid, 5745
concentrated, solid, frozen, dried, or dehydrated form, that are 5746
sold for ingestion or chewing by humans and are consumed for 5747
their taste or nutritional value. "Food" does not include 5748
alcoholic beverages, dietary supplements, soft drinks, or 5749
tobacco. 5750

(2) As used in division (CCC) (1) of this section: 5751

(a) "Dietary supplements" means any product, other than 5752
tobacco, that is intended to supplement the diet and that is 5753
intended for ingestion in tablet, capsule, powder, softgel, 5754
gelcap, or liquid form, or, if not intended for ingestion in 5755
such a form, is not represented as conventional food for use as 5756
a sole item of a meal or of the diet; that is required to be 5757
labeled as a dietary supplement, identifiable by the "supplement 5758
facts" box found on the label, as required by 21 C.F.R. 101.36; 5759
and that contains one or more of the following dietary 5760

ingredients:	5761
(i) A vitamin;	5762
(ii) A mineral;	5763
(iii) An herb or other botanical;	5764
(iv) An amino acid;	5765
(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake;	5766 5767
(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (CCC) (2) (a) (i) to (v) of this section.	5768 5769 5770
(b) "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or that contains greater than fifty per cent vegetable or fruit juice by volume.	5771 5772 5773 5774 5775
(c) <u>"Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one per cent or more of alcohol by volume.</u>	5776 5777 5778
(d) <u>"Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.</u>	5779 5780
(DDD) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food, dietary supplements, or alcoholic beverages that is recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, and supplements to them; is intended for use in the diagnosis, cure, mitigation, treatment,	5781 5782 5783 5784 5785 5786 5787

or prevention of disease; or is intended to affect the structure 5788
or any function of the body. 5789

(EEE) "Prescription" means an order, formula, or recipe 5790
issued in any form of oral, written, electronic, or other means 5791
of transmission by a duly licensed practitioner authorized by 5792
the laws of this state to issue a prescription. 5793

(FFF) "Durable medical equipment" means equipment, 5794
including repair and replacement parts for such equipment, that 5795
can withstand repeated use, is primarily and customarily used to 5796
serve a medical purpose, generally is not useful to a person in 5797
the absence of illness or injury, and is not worn in or on the 5798
body. "Durable medical equipment" does not include mobility 5799
enhancing equipment. 5800

(GGG) "Mobility enhancing equipment" means equipment, 5801
including repair and replacement parts for such equipment, that 5802
is primarily and customarily used to provide or increase the 5803
ability to move from one place to another and is appropriate for 5804
use either in a home or a motor vehicle, that is not generally 5805
used by persons with normal mobility, and that does not include 5806
any motor vehicle or equipment on a motor vehicle normally 5807
provided by a motor vehicle manufacturer. "Mobility enhancing 5808
equipment" does not include durable medical equipment. 5809

(HHH) "Prosthetic device" means a replacement, corrective, 5810
or supportive device, including repair and replacement parts for 5811
the device, worn on or in the human body to artificially replace 5812
a missing portion of the body, prevent or correct physical 5813
deformity or malfunction, or support a weak or deformed portion 5814
of the body. As used in this division, before July 1, 2019, 5815
"prosthetic device" does not include corrective eyeglasses, 5816
contact lenses, or dental prosthesis. On or after July 1, 2019, 5817

"prosthetic device" does not include dental prosthesis but does include corrective eyeglasses or contact lenses. 5818
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(III) (1) "Fractional aircraft ownership program" means a program in which persons within an affiliated group sell and manage fractional ownership program aircraft, provided that at least one hundred airworthy aircraft are operated in the program and the program meets all of the following criteria: 5820
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(a) Management services are provided by at least one program manager within an affiliated group on behalf of the fractional owners. 5825
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(b) Each program aircraft is owned or possessed by at least one fractional owner. 5828
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(c) Each fractional owner owns or possesses at least a one-sixteenth interest in at least one fixed-wing program aircraft. 5830
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(d) A dry-lease aircraft interchange arrangement is in effect among all of the fractional owners. 5833
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(e) Multi-year program agreements are in effect regarding the fractional ownership, management services, and dry-lease aircraft interchange arrangement aspects of the program. 5835
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(2) As used in division (III) (1) of this section: 5838

(a) "Affiliated group" has the same meaning as in division (B) (3) (e) of this section. 5839
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(b) "Fractional owner" means a person that owns or possesses at least a one-sixteenth interest in a program aircraft and has entered into the agreements described in division (III) (1) (e) of this section. 5841
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(c) "Fractional ownership program aircraft" or "program aircraft" means a turbojet aircraft that is owned or possessed by a fractional owner and that has been included in a dry-lease aircraft interchange arrangement and agreement under divisions (III) (1) (d) and (e) of this section, or an aircraft a program manager owns or possesses primarily for use in a fractional aircraft ownership program.

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

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

(JJJ) "Electronic publishing" means providing access to one or more of the following primarily for business customers, including the federal government or a state government or a political subdivision thereof, to conduct research: news; business, financial, legal, consumer, or credit materials;

editorials, columns, reader commentary, or features; photos or 5875
images; archival or research material; legal notices, identity 5876
verification, or public records; scientific, educational, 5877
instructional, technical, professional, trade, or other literary 5878
materials; or other similar information which has been gathered 5879
and made available by the provider to the consumer in an 5880
electronic format. Providing electronic publishing includes the 5881
functions necessary for the acquisition, formatting, editing, 5882
storage, and dissemination of data or information that is the 5883
subject of a sale. 5884

(KKK) "Medicaid health insuring corporation" means a 5885
health insuring corporation that holds a certificate of 5886
authority under Chapter 1751. of the Revised Code and is under 5887
contract with the department of medicaid pursuant to section 5888
5167.10 of the Revised Code. 5889

(LLL) "Managed care premium" means any premium, 5890
capitation, or other payment a medicaid health insuring 5891
corporation receives for providing or arranging for the 5892
provision of health care services to its members or enrollees 5893
residing in this state. 5894

(MMM) "Captive deer" means deer and other cervidae that 5895
have been legally acquired, or their offspring, that are 5896
privately owned for agricultural or farming purposes. 5897

(NNN) "Gift card" means a document, card, certificate, or 5898
other record, whether tangible or intangible, that may be 5899
redeemed by a consumer for a dollar value when making a purchase 5900
of tangible personal property or services. 5901

(OOO) "Specified digital product" means an electronically 5902
transferred digital audiovisual work, digital audio work, or 5903

digital book.	5904
As used in division (000) of this section:	5905
(1) "Digital audiovisual work" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.	5906 5907 5908
(2) "Digital audio work" means a work that results from the fixation of a series of musical, spoken, or other sounds, including digitized sound files that are downloaded onto a device and that may be used to alert the customer with respect to a communication.	5909 5910 5911 5912 5913
(3) "Digital book" means a work that is generally recognized in the ordinary and usual sense as a book.	5914 5915
(4) "Electronically transferred" means obtained by the purchaser by means other than tangible storage media.	5916 5917
(PPP) "Digital advertising services" means providing access, by means of telecommunications equipment, to computer equipment that is used to enter, upload, download, review, manipulate, store, add, or delete data for the purpose of electronically displaying, delivering, placing, or transferring promotional advertisements to potential customers about products or services or about industry or business brands.	5918 5919 5920 5921 5922 5923 5924
(QQQ) "Peer-to-peer car sharing program" has the same meaning as in section 4516.01 of the Revised Code.	5925 5926
(RRR) "Megaproject" and "megaproject operator" have the same meanings as in section 122.17 of the Revised Code.	5927 5928
(SSS) (1) "Diaper" means an absorbent garment worn by humans who are incapable of, or have difficulty, controlling their bladder or bowel movements.	5929 5930 5931

(2) "Children's diaper" means a diaper marketed to be worn by children. 5932
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(3) "Adult diaper" means a diaper other than a children's diaper. 5934
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~~(TTT) "Sales tax holiday" means three or more dates on which sales of all eligible tangible personal property are exempt from the taxes levied under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code.~~ 5936
"Short-term rental platform" means a business platform that uses any online-enabled application, software, web site, or system to connect owners of short-term rental properties to transient guests to enable the lodging of guests for consideration. 5937
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~~(UUU) "Eligible tangible personal property" means any item of tangible personal property that meets both of the following requirements:~~ 5945
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~~(1) The price of the item does not exceed five hundred dollars;~~ 5948
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~~(2) The item is not a watercraft or outboard motor required to be titled pursuant to Chapter 1548. of the Revised Code, a motor vehicle, an alcoholic beverage, tobacco, a vapor product as defined in section 5743.01 of the Revised Code, or an item that contains marijuana as defined in section 3796.01 of the Revised Code.~~ 5950
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~~(VVV) "Alcoholic beverages" means beverages that are suitable for human consumption and contain one half of one percent or more of alcohol by volume.~~ 5956
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~~(WWW) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.~~ "Short-term 5959
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rental property" means an establishment kept, used, maintained, 5961
advertised, or held out to the public to be a place where 5962
sleeping accommodations are offered to guests, in which four or 5963
fewer rooms are used for the accommodation of such guests, 5964
whether the rooms are in one or several structures. 5965

Sec. 5739.02. For the purpose of providing revenue with 5966
which to meet the needs of the state, for the use of the general 5967
revenue fund of the state, for the purpose of securing a 5968
thorough and efficient system of common schools throughout the 5969
state, for the purpose of affording revenues, in addition to 5970
those from general property taxes, permitted under 5971
constitutional limitations, and from other sources, for the 5972
support of local governmental functions, and for the purpose of 5973
reimbursing the state for the expense of administering this 5974
chapter, an excise tax is hereby levied on each retail sale made 5975
in this state. 5976

(A) (1) The tax shall be collected as provided in section 5977
5739.025 of the Revised Code. The rate of the tax shall be five 5978
and three-fourths per cent. The tax applies and is collectible 5979
when the sale is made, regardless of the time when the price is 5980
paid or delivered. 5981

(2) In the case of the lease or rental, with a fixed term 5982
of more than thirty days or an indefinite term with a minimum 5983
period of more than thirty days, of any motor vehicles designed 5984
by the manufacturer to carry a load of not more than one ton, 5985
watercraft, outboard motor, or aircraft, or of any tangible 5986
personal property, other than motor vehicles designed by the 5987
manufacturer to carry a load of more than one ton, to be used by 5988
the lessee or renter primarily for business purposes, the tax 5989
shall be collected by the vendor at the time the lease or rental 5990

is consummated and shall be calculated by the vendor on the 5991
basis of the total amount to be paid by the lessee or renter 5992
under the lease agreement. If the total amount of the 5993
consideration for the lease or rental includes amounts that are 5994
not calculated at the time the lease or rental is executed, the 5995
tax shall be calculated and collected by the vendor at the time 5996
such amounts are billed to the lessee or renter. In the case of 5997
an open-end lease or rental, the tax shall be calculated by the 5998
vendor on the basis of the total amount to be paid during the 5999
initial fixed term of the lease or rental, and for each 6000
subsequent renewal period as it comes due. As used in this 6001
division, "motor vehicle" has the same meaning as in section 6002
4501.01 of the Revised Code, and "watercraft" includes an 6003
outdrive unit attached to the watercraft. 6004

A lease with a renewal clause and a termination penalty or 6005
similar provision that applies if the renewal clause is not 6006
exercised is presumed to be a sham transaction. In such a case, 6007
the tax shall be calculated and paid on the basis of the entire 6008
length of the lease period, including any renewal periods, until 6009
the termination penalty or similar provision no longer applies. 6010
The taxpayer shall bear the burden, by a preponderance of the 6011
evidence, that the transaction or series of transactions is not 6012
a sham transaction. 6013

(3) Except as provided in division (A) (2) of this section, 6014
in the case of a sale, the price of which consists in whole or 6015
in part of the lease or rental of tangible personal property, 6016
the tax shall be measured by the installments of that lease or 6017
rental. 6018

(4) In the case of a sale of a physical fitness facility 6019
service or recreation and sports club service, the price of 6020

which consists in whole or in part of a membership for the 6021
receipt of the benefit of the service, the tax applicable to the 6022
sale shall be measured by the installments thereof. 6023

(B) The tax does not apply to the following: 6024

(1) Sales to the state or any of its political 6025
subdivisions, or to any other state or its political 6026
subdivisions if the laws of that state exempt from taxation 6027
sales made to this state and its political subdivisions 6028
including either of the following: 6029

(a) Sales or rentals of tangible personal property by 6030
construction contractors or subcontractors to provide temporary 6031
traffic control or temporary structures, including material and 6032
equipment used to comply with the Ohio manual of uniform traffic 6033
control devices adopted pursuant to section 4511.09 of the 6034
Revised Code, whereby the state or any of its political 6035
subdivisions take title to, or permanent or temporary possession 6036
of, such tangible personal property for use by the state or any 6037
of its political subdivisions, including for use by the general 6038
public thereof; 6039

(b) Sales of services by construction contractors or 6040
subcontractors to provide temporary traffic control or 6041
structures, including labor used to comply with the Ohio manual 6042
of uniform traffic control devices adopted pursuant to section 6043
4511.09 of the Revised Code, whereby the state or any of its 6044
political subdivisions, including the general public thereof, 6045
receive the benefit of such services. 6046

As used in divisions (B) (1) (a) and (b) of this section, 6047
"temporary structures" include temporary roads, bridges, drains, 6048
and pavement. 6049

(2) Sales of food for human consumption off the premises	6050
where sold;	6051
(3) Sales of food sold to students only in a cafeteria,	6052
dormitory, fraternity, or sorority maintained in a private,	6053
public, or parochial school, college, or university;	6054
(4) Sales of newspapers and sales or transfers of	6055
magazines distributed as controlled circulation publications;	6056
(5) The furnishing, preparing, or serving of meals without	6057
charge by an employer to an employee provided the employer	6058
records the meals as part compensation for services performed or	6059
work done;	6060
(6) (a) Sales of motor fuel upon receipt, use,	6061
distribution, or sale of which in this state a tax is imposed by	6062
the law of this state, but this exemption shall not apply to the	6063
sale of motor fuel on which a refund of the tax is allowable	6064
under division (A) of section 5735.14 of the Revised Code; and	6065
the tax commissioner may deduct the amount of tax levied by this	6066
section applicable to the price of motor fuel when granting a	6067
refund of motor fuel tax pursuant to division (A) of section	6068
5735.14 of the Revised Code and shall cause the amount deducted	6069
to be paid into the general revenue fund of this state;	6070
(b) Sales of motor fuel other than that described in	6071
division (B) (6) (a) of this section and used for powering a	6072
refrigeration unit on a vehicle other than one used primarily to	6073
provide comfort to the operator or occupants of the vehicle.	6074
(7) Sales of natural gas by a natural gas company or	6075
municipal gas utility, of water by a water-works company, or of	6076
steam by a heating company, if in each case the thing sold is	6077
delivered to consumers through pipes or conduits, and all sales	6078

of communications services by a telegraph company, all terms as 6079
defined in section 5727.01 of the Revised Code, and sales of 6080
electricity delivered through wires; 6081

(8) Casual sales by a person, or auctioneer employed 6082
directly by the person to conduct such sales, except as to such 6083
sales of motor vehicles, watercraft or outboard motors required 6084
to be titled under section 1548.06 of the Revised Code, 6085
watercraft documented with the United States coast guard, 6086
snowmobiles, and all-purpose vehicles as defined in section 6087
4519.01 of the Revised Code; 6088

(9) (a) Sales of services or tangible personal property, 6089
other than motor vehicles, mobile homes, and manufactured homes, 6090
by churches, organizations exempt from taxation under section 6091
501(c) (3) of the Internal Revenue Code of 1986, or nonprofit 6092
organizations operated exclusively for charitable purposes as 6093
defined in division (B) (12) of this section, provided that the 6094
number of days on which such tangible personal property or 6095
services, other than items never subject to the tax, are sold 6096
does not exceed six in any calendar year, except as otherwise 6097
provided in division (B) (9) (b) of this section. If the number of 6098
days on which such sales are made exceeds six in any calendar 6099
year, the church or organization shall be considered to be 6100
engaged in business and all subsequent sales by it shall be 6101
subject to the tax. In counting the number of days, all sales by 6102
groups within a church or within an organization shall be 6103
considered to be sales of that church or organization. 6104

(b) The limitation on the number of days on which tax- 6105
exempt sales may be made by a church or organization under 6106
division (B) (9) (a) of this section does not apply to sales made 6107
by student clubs and other groups of students of a primary or 6108

secondary school, or a parent-teacher association, booster 6109
group, or similar organization that raises money to support or 6110
fund curricular or extracurricular activities of a primary or 6111
secondary school. 6112

(c) Divisions (B) (9) (a) and (b) of this section do not 6113
apply to sales by a noncommercial educational radio or 6114
television broadcasting station. 6115

(10) Sales not within the taxing power of this state under 6116
the Constitution or laws of the United States or the 6117
Constitution of this state including either of the following: 6118

(a) Sales or rentals of tangible personal property by 6119
construction contractors or subcontractors to provide temporary 6120
traffic control or temporary structures, including material and 6121
equipment used to comply with the Ohio manual of uniform traffic 6122
control devices adopted pursuant to section 4511.09 of the 6123
Revised Code, whereby the United States takes title to, or 6124
permanent or temporary possession of, such tangible personal 6125
property for use by the United States including for use by the 6126
general public thereof; 6127

(b) Sales of services by construction contractors or 6128
subcontractors to provide temporary traffic control or 6129
structures, including labor used to comply with the Ohio manual 6130
of uniform traffic control devices adopted pursuant to section 6131
4511.09 of the Revised Code, whereby the United States, 6132
including the general public thereof, receives the benefit of 6133
such services. 6134

As used in divisions (B) (10) (a) and (b) of this section, 6135
"temporary structures" include temporary roads, bridges, drains, 6136
and pavement. 6137

(11) Except for transactions that are sales under division 6138
(B) (3) (p) of section 5739.01 of the Revised Code, the 6139
transportation of persons or property, unless the transportation 6140
is by a private investigation and security service; 6141

(12) Sales of tangible personal property or services to 6142
churches, to organizations exempt from taxation under section 6143
501(c) (3) of the Internal Revenue Code of 1986, and to any other 6144
nonprofit organizations operated exclusively for charitable 6145
purposes in this state, no part of the net income of which 6146
inures to the benefit of any private shareholder or individual, 6147
and no substantial part of the activities of which consists of 6148
carrying on propaganda or otherwise attempting to influence 6149
legislation; sales to offices administering one or more homes 6150
for the aged or one or more hospital facilities exempt under 6151
section 140.08 of the Revised Code; and sales to organizations 6152
described in division (D) of section 5709.12 of the Revised 6153
Code. 6154

"Charitable purposes" means the relief of poverty; the 6155
improvement of health through the alleviation of illness, 6156
disease, or injury; the operation of an organization exclusively 6157
for the provision of professional, laundry, printing, and 6158
purchasing services to hospitals or charitable institutions; the 6159
operation of a home for the aged, as defined in section 5701.13 6160
of the Revised Code; the operation of a radio or television 6161
broadcasting station that is licensed by the federal 6162
communications commission as a noncommercial educational radio 6163
or television station; the operation of a nonprofit animal 6164
adoption service or a county humane society; the promotion of 6165
education by an institution of learning that maintains a faculty 6166
of qualified instructors, teaches regular continuous courses of 6167
study, and confers a recognized diploma upon completion of a 6168

specific curriculum; the operation of a parent-teacher 6169
association, booster group, or similar organization primarily 6170
engaged in the promotion and support of the curricular or 6171
extracurricular activities of a primary or secondary school; the 6172
operation of a community or area center in which presentations 6173
in music, dramatics, the arts, and related fields are made in 6174
order to foster public interest and education therein; the 6175
production of performances in music, dramatics, and the arts; or 6176
the promotion of education by an organization engaged in 6177
carrying on research in, or the dissemination of, scientific and 6178
technological knowledge and information primarily for the 6179
public. 6180

Nothing in this division shall be deemed to exempt sales 6181
to any organization for use in the operation or carrying on of a 6182
trade or business, or sales to a home for the aged for use in 6183
the operation of independent living facilities as defined in 6184
division (A) of section 5709.12 of the Revised Code. 6185

(13) Building and construction materials and services sold 6186
to construction contractors for incorporation into a structure 6187
or improvement to real property under a construction contract 6188
with this state or a political subdivision of this state, or 6189
with the United States government or any of its agencies; 6190
building and construction materials and services sold to 6191
construction contractors for incorporation into a structure or 6192
improvement to real property that are accepted for ownership by 6193
this state or any of its political subdivisions, or by the 6194
United States government or any of its agencies at the time of 6195
completion of the structures or improvements; building and 6196
construction materials sold to construction contractors for 6197
incorporation into a horticulture structure or livestock 6198
structure for a person engaged in the business of horticulture 6199

or producing livestock; building materials and services sold to 6200
a construction contractor for incorporation into a house of 6201
public worship or religious education, or a building used 6202
exclusively for charitable purposes under a construction 6203
contract with an organization whose purpose is as described in 6204
division (B) (12) of this section; building materials and 6205
services sold to a construction contractor for incorporation 6206
into a building under a construction contract with an 6207
organization exempt from taxation under section 501(c) (3) of the 6208
Internal Revenue Code of 1986 when the building is to be used 6209
exclusively for the organization's exempt purposes; building and 6210
construction materials sold for incorporation into the original 6211
construction of a sports facility under section 307.696 of the 6212
Revised Code; building and construction materials and services 6213
sold to a construction contractor for incorporation into real 6214
property outside this state if such materials and services, when 6215
sold to a construction contractor in the state in which the real 6216
property is located for incorporation into real property in that 6217
state, would be exempt from a tax on sales levied by that state; 6218
building and construction materials for incorporation into a 6219
transportation facility pursuant to a public-private agreement 6220
entered into under sections 5501.70 to 5501.83 of the Revised 6221
Code; until one calendar year after the construction of a 6222
convention center that qualifies for property tax exemption 6223
under section 5709.084 of the Revised Code is completed, 6224
building and construction materials and services sold to a 6225
construction contractor for incorporation into the real property 6226
comprising that convention center; and building and construction 6227
materials sold for incorporation into a structure or improvement 6228
to real property that is used primarily as, or primarily in 6229
support of, a manufacturing facility or research and development 6230
facility and that is to be owned by a megaproject operator upon 6231

completion and located at the site of a megaproject that 6232
satisfies the criteria described in division (A) (11) (a) (ii) of 6233
section 122.17 of the Revised Code, provided that the sale 6234
occurs during the period that the megaproject operator has an 6235
agreement for such megaproject with the tax credit authority 6236
under division (D) of section 122.17 of the Revised Code that 6237
remains in effect and has not expired or been terminated. 6238

(14) Sales of ships or vessels or rail rolling stock used 6239
or to be used principally in interstate or foreign commerce, and 6240
repairs, alterations, fuel, and lubricants for such ships or 6241
vessels or rail rolling stock; 6242

(15) Sales to persons primarily engaged in any of the 6243
activities mentioned in division (B) (42) (a), (g), or (h) of this 6244
section, to persons engaged in making retail sales, or to 6245
persons who purchase for sale from a manufacturer tangible 6246
personal property that was produced by the manufacturer in 6247
accordance with specific designs provided by the purchaser, of 6248
packages, including material, labels, and parts for packages, 6249
and of machinery, equipment, and material for use primarily in 6250
packaging tangible personal property produced for sale, 6251
including any machinery, equipment, and supplies used to make 6252
labels or packages, to prepare packages or products for 6253
labeling, or to label packages or products, by or on the order 6254
of the person doing the packaging, or sold at retail. "Packages" 6255
includes bags, baskets, cartons, crates, boxes, cans, bottles, 6256
bindings, wrappings, and other similar devices and containers, 6257
but does not include motor vehicles or bulk tanks, trailers, or 6258
similar devices attached to motor vehicles. "Packaging" means 6259
placing in a package. Division (B) (15) of this section does not 6260
apply to persons engaged in highway transportation for hire. 6261

(16) Sales of food to persons using supplemental nutrition 6262
assistance program benefits to purchase the food. As used in 6263
this division, "food" has the same meaning as in 7 U.S.C. 2012 6264
and federal regulations adopted pursuant to the Food and 6265
Nutrition Act of 2008. 6266

(17) Sales to persons engaged in farming, agriculture, 6267
horticulture, or floriculture, of tangible personal property for 6268
use or consumption primarily in the production by farming, 6269
agriculture, horticulture, or floriculture of other tangible 6270
personal property for use or consumption primarily in the 6271
production of tangible personal property for sale by farming, 6272
agriculture, horticulture, or floriculture; or material and 6273
parts for incorporation into any such tangible personal property 6274
for use or consumption in production; and of tangible personal 6275
property for such use or consumption in the conditioning or 6276
holding of products produced by and for such use, consumption, 6277
or sale by persons engaged in farming, agriculture, 6278
horticulture, or floriculture, except where such property is 6279
incorporated into real property; 6280

(18) Sales of drugs for a human being that may be 6281
dispensed only pursuant to a prescription; insulin as recognized 6282
in the official United States pharmacopoeia; urine and blood 6283
testing materials when used by diabetics or persons with 6284
hypoglycemia to test for glucose or acetone; hypodermic syringes 6285
and needles when used by diabetics for insulin injections; 6286
epoetin alfa when purchased for use in the treatment of persons 6287
with medical disease; hospital beds when purchased by hospitals, 6288
nursing homes, or other medical facilities; and medical oxygen 6289
and medical oxygen-dispensing equipment when purchased by 6290
hospitals, nursing homes, or other medical facilities; 6291

(19) Sales of prosthetic devices, durable medical	6292
equipment for home use, or mobility enhancing equipment, when	6293
made pursuant to a prescription and when such devices or	6294
equipment are for use by a human being.	6295
(20) Sales of emergency and fire protection vehicles and	6296
equipment to nonprofit organizations for use solely in providing	6297
fire protection and emergency services, including trauma care	6298
and emergency medical services, for political subdivisions of	6299
the state;	6300
(21) Sales of tangible personal property manufactured in	6301
this state, if sold by the manufacturer in this state to a	6302
retailer for use in the retail business of the retailer outside	6303
of this state and if possession is taken from the manufacturer	6304
by the purchaser within this state for the sole purpose of	6305
immediately removing the same from this state in a vehicle owned	6306
by the purchaser;	6307
(22) Sales of services provided by the state or any of its	6308
political subdivisions, agencies, instrumentalities,	6309
institutions, or authorities, or by governmental entities of the	6310
state or any of its political subdivisions, agencies,	6311
instrumentalities, institutions, or authorities;	6312
(23) Sales of motor vehicles to nonresidents of this state	6313
under the circumstances described in division (B) of section	6314
5739.029 of the Revised Code;	6315
(24) Sales to persons engaged in the preparation of eggs	6316
for sale of tangible personal property used or consumed directly	6317
in such preparation, including such tangible personal property	6318
used for cleaning, sanitizing, preserving, grading, sorting, and	6319
classifying by size; packages, including material and parts for	6320

packages, and machinery, equipment, and material for use in 6321
packaging eggs for sale; and handling and transportation 6322
equipment and parts therefor, except motor vehicles licensed to 6323
operate on public highways, used in intraplant or interplant 6324
transfers or shipment of eggs in the process of preparation for 6325
sale, when the plant or plants within or between which such 6326
transfers or shipments occur are operated by the same person. 6327
"Packages" includes containers, cases, baskets, flats, fillers, 6328
filler flats, cartons, closure materials, labels, and labeling 6329
materials, and "packaging" means placing therein. 6330

(25) (a) Sales of water to a consumer for residential use; 6331

(b) Sales of water by a nonprofit corporation engaged 6332
exclusively in the treatment, distribution, and sale of water to 6333
consumers, if such water is delivered to consumers through pipes 6334
or tubing. 6335

(26) Fees charged for inspection or reinspection of motor 6336
vehicles under section 3704.14 of the Revised Code; 6337

(27) Sales to persons licensed to conduct a food service 6338
operation pursuant to section 3717.43 of the Revised Code, of 6339
tangible personal property primarily used directly for the 6340
following: 6341

(a) To prepare food for human consumption for sale; 6342

(b) To preserve food that has been or will be prepared for 6343
human consumption for sale by the food service operator, not 6344
including tangible personal property used to display food for 6345
selection by the consumer; 6346

(c) To clean tangible personal property used to prepare or 6347
serve food for human consumption for sale. 6348

(28) Sales of animals by nonprofit animal adoption	6349
services or county humane societies;	6350
(29) Sales of services to a corporation described in	6351
division (A) of section 5709.72 of the Revised Code, and sales	6352
of tangible personal property that qualifies for exemption from	6353
taxation under section 5709.72 of the Revised Code;	6354
(30) Sales and installation of agricultural land tile, as	6355
defined in division (B) (5) (a) of section 5739.01 of the Revised	6356
Code;	6357
(31) Sales and erection or installation of portable grain	6358
bins, as defined in division (B) (5) (b) of section 5739.01 of the	6359
Revised Code;	6360
(32) The sale, lease, repair, and maintenance of, parts	6361
for, or items attached to or incorporated in, motor vehicles	6362
that are primarily used for transporting tangible personal	6363
property belonging to others by a person engaged in highway	6364
transportation for hire, except for packages and packaging used	6365
for the transportation of tangible personal property;	6366
(33) Sales to the state headquarters of any veterans'	6367
organization in this state that is either incorporated and	6368
issued a charter by the congress of the United States or is	6369
recognized by the United States veterans administration, for use	6370
by the headquarters;	6371
(34) Sales to a telecommunications service vendor, mobile	6372
telecommunications service vendor, or satellite broadcasting	6373
service vendor of tangible personal property and services used	6374
directly and primarily in transmitting, receiving, switching, or	6375
recording any interactive, one- or two-way electromagnetic	6376
communications, including voice, image, data, and information,	6377

through the use of any medium, including, but not limited to, 6378
poles, wires, cables, switching equipment, computers, and record 6379
storage devices and media, and component parts for the tangible 6380
personal property. The exemption provided in this division shall 6381
be in lieu of all other exemptions under division (B) (42) (a) or 6382
(n) of this section to which the vendor may otherwise be 6383
entitled, based upon the use of the thing purchased in providing 6384
the telecommunications, mobile telecommunications, or satellite 6385
broadcasting service. 6386

(35) (a) Sales where the purpose of the consumer is to use 6387
or consume the things transferred in making retail sales and 6388
consisting of newspaper inserts, catalogues, coupons, flyers, 6389
gift certificates, or other advertising material that prices and 6390
describes tangible personal property offered for retail sale. 6391

(b) Sales to direct marketing vendors of preliminary 6392
materials such as photographs, artwork, and typesetting that 6393
will be used in printing advertising material; and of printed 6394
matter that offers free merchandise or chances to win sweepstake 6395
prizes and that is mailed to potential customers with 6396
advertising material described in division (B) (35) (a) of this 6397
section; 6398

(c) Sales of equipment such as telephones, computers, 6399
facsimile machines, and similar tangible personal property 6400
primarily used to accept orders for direct marketing retail 6401
sales. 6402

(d) Sales of automatic food vending machines that preserve 6403
food with a shelf life of forty-five days or less by 6404
refrigeration and dispense it to the consumer. 6405

For purposes of division (B) (35) of this section, "direct 6406

marketing" means the method of selling where consumers order 6407
tangible personal property by United States mail, delivery 6408
service, or telecommunication and the vendor delivers or ships 6409
the tangible personal property sold to the consumer from a 6410
warehouse, catalogue distribution center, or similar fulfillment 6411
facility by means of the United States mail, delivery service, 6412
or common carrier. 6413

(36) Sales to a person engaged in the business of 6414
horticulture or producing livestock of materials to be 6415
incorporated into a horticulture structure or livestock 6416
structure; 6417

(37) Sales of personal computers, computer monitors, 6418
computer keyboards, modems, and other peripheral computer 6419
equipment to an individual who is licensed or certified to teach 6420
in an elementary or a secondary school in this state for use by 6421
that individual in preparation for teaching elementary or 6422
secondary school students; 6423

(38) Sales of tangible personal property that is not 6424
required to be registered or licensed under the laws of this 6425
state to a citizen of a foreign nation that is not a citizen of 6426
the United States, provided the property is delivered to a 6427
person in this state that is not a related member of the 6428
purchaser, is physically present in this state for the sole 6429
purpose of temporary storage and package consolidation, and is 6430
subsequently delivered to the purchaser at a delivery address in 6431
a foreign nation. As used in division (B)(38) of this section, 6432
"related member" has the same meaning as in section 5733.042 of 6433
the Revised Code, and "temporary storage" means the storage of 6434
tangible personal property for a period of not more than sixty 6435
days. 6436

(39) Sales of used manufactured homes and used mobile 6437
homes, as defined in section 5739.0210 of the Revised Code, made 6438
on or after January 1, 2000; 6439

(40) Sales of tangible personal property and services to a 6440
provider of electricity used or consumed directly and primarily 6441
in generating, transmitting, or distributing electricity for use 6442
by others, including property that is or is to be incorporated 6443
into and will become a part of the consumer's production, 6444
transmission, or distribution system and that retains its 6445
classification as tangible personal property after 6446
incorporation; fuel or power used in the production, 6447
transmission, or distribution of electricity; energy conversion 6448
equipment as defined in section 5727.01 of the Revised Code; and 6449
tangible personal property and services used in the repair and 6450
maintenance of the production, transmission, or distribution 6451
system, including only those motor vehicles as are specially 6452
designed and equipped for such use. The exemption provided in 6453
this division shall be in lieu of all other exemptions in 6454
division (B) (42) (a) or (n) of this section to which a provider 6455
of electricity may otherwise be entitled based on the use of the 6456
tangible personal property or service purchased in generating, 6457
transmitting, or distributing electricity. 6458

(41) Sales to a person providing services under division 6459
(B) (3) (p) of section 5739.01 of the Revised Code of tangible 6460
personal property and services used directly and primarily in 6461
providing taxable services under that section. 6462

(42) Sales where the purpose of the purchaser is to do any 6463
of the following: 6464

(a) To incorporate the thing transferred as a material or 6465
a part into tangible personal property to be produced for sale 6466

by manufacturing, assembling, processing, or refining; or to use 6467
or consume the thing transferred directly in producing tangible 6468
personal property for sale by mining, including, without 6469
limitation, the extraction from the earth of all substances that 6470
are classed geologically as minerals, or directly in the 6471
rendition of a public utility service, except that the sales tax 6472
levied by this section shall be collected upon all meals, 6473
drinks, and food for human consumption sold when transporting 6474
persons. This paragraph does not exempt from "retail sale" or 6475
"sales at retail" the sale of tangible personal property that is 6476
to be incorporated into a structure or improvement to real 6477
property. 6478

(b) To hold the thing transferred as security for the 6479
performance of an obligation of the vendor; 6480

(c) To resell, hold, use, or consume the thing transferred 6481
as evidence of a contract of insurance; 6482

(d) To use or consume the thing directly in commercial 6483
fishing; 6484

(e) To incorporate the thing transferred as a material or 6485
a part into, or to use or consume the thing transferred directly 6486
in the production of, magazines distributed as controlled 6487
circulation publications; 6488

(f) To use or consume the thing transferred in the 6489
production and preparation in suitable condition for market and 6490
sale of printed, imprinted, overprinted, lithographic, 6491
multilithic, blueprinted, photostatic, or other productions or 6492
reproductions of written or graphic matter; 6493

(g) To use the thing transferred, as described in section 6494
5739.011 of the Revised Code, primarily in a manufacturing 6495

operation to produce tangible personal property for sale; 6496

(h) To use the benefit of a warranty, maintenance or 6497
service contract, or similar agreement, as described in division 6498
(B) (7) of section 5739.01 of the Revised Code, to repair or 6499
maintain tangible personal property, if all of the property that 6500
is the subject of the warranty, contract, or agreement would not 6501
be subject to the tax imposed by this section; 6502

(i) To use the thing transferred as qualified research and 6503
development equipment; 6504

(j) To use or consume the thing transferred primarily in 6505
storing, transporting, mailing, or otherwise handling purchased 6506
sales inventory in a warehouse, distribution center, or similar 6507
facility when the inventory is primarily distributed outside 6508
this state to retail stores of the person who owns or controls 6509
the warehouse, distribution center, or similar facility, to 6510
retail stores of an affiliated group of which that person is a 6511
member, or by means of direct marketing. This division does not 6512
apply to motor vehicles registered for operation on the public 6513
highways. As used in this division, "affiliated group" has the 6514
same meaning as in division (B) (3) (e) of section 5739.01 of the 6515
Revised Code and "direct marketing" has the same meaning as in 6516
division (B) (35) of this section. 6517

(k) To use or consume the thing transferred to fulfill a 6518
contractual obligation incurred by a warrantor pursuant to a 6519
warranty provided as a part of the price of the tangible 6520
personal property sold or by a vendor of a warranty, maintenance 6521
or service contract, or similar agreement the provision of which 6522
is defined as a sale under division (B) (7) of section 5739.01 of 6523
the Revised Code; 6524

- (l) To use or consume the thing transferred in the 6525
production of a newspaper for distribution to the public; 6526
- (m) To use tangible personal property to perform a service 6527
listed in division (B) (3) of section 5739.01 of the Revised 6528
Code, if the property is or is to be permanently transferred to 6529
the consumer of the service as an integral part of the 6530
performance of the service; 6531
- (n) To use or consume the thing transferred primarily in 6532
producing tangible personal property for sale by farming, 6533
agriculture, horticulture, or floriculture. Persons engaged in 6534
rendering farming, agriculture, horticulture, or floriculture 6535
services for others are deemed engaged primarily in farming, 6536
agriculture, horticulture, or floriculture. This paragraph does 6537
not exempt from "retail sale" or "sales at retail" the sale of 6538
tangible personal property that is to be incorporated into a 6539
structure or improvement to real property. 6540
- (o) To use or consume the thing transferred in acquiring, 6541
formatting, editing, storing, and disseminating data or 6542
information by electronic publishing; 6543
- (p) To provide the thing transferred to the owner or 6544
lessee of a motor vehicle that is being repaired or serviced, if 6545
the thing transferred is a rented motor vehicle and the 6546
purchaser is reimbursed for the cost of the rented motor vehicle 6547
by a manufacturer, warrantor, or provider of a maintenance, 6548
service, or other similar contract or agreement, with respect to 6549
the motor vehicle that is being repaired or serviced; 6550
- (q) To use or consume the thing transferred directly in 6551
production of crude oil and natural gas for sale. Persons 6552
engaged in rendering production services for others are deemed 6553

engaged in production. 6554

As used in division (B) (42) (q) of this section, 6555
"production" means operations and tangible personal property 6556
directly used to expose and evaluate an underground reservoir 6557
that may contain hydrocarbon resources, prepare the wellbore for 6558
production, and lift and control all substances yielded by the 6559
reservoir to the surface of the earth. 6560

(i) For the purposes of division (B) (42) (q) of this 6561
section, the "thing transferred" includes, but is not limited 6562
to, any of the following: 6563

(I) Services provided in the construction of permanent 6564
access roads, services provided in the construction of the well 6565
site, and services provided in the construction of temporary 6566
impoundments; 6567

(II) Equipment and rigging used for the specific purpose 6568
of creating with integrity a wellbore pathway to underground 6569
reservoirs; 6570

(III) Drilling and workover services used to work within a 6571
subsurface wellbore, and tangible personal property directly 6572
used in providing such services; 6573

(IV) Casing, tubulars, and float and centralizing 6574
equipment; 6575

(V) Trailers to which production equipment is attached; 6576

(VI) Well completion services, including cementing of 6577
casing, and tangible personal property directly used in 6578
providing such services; 6579

(VII) Wireline evaluation, mud logging, and perforation 6580
services, and tangible personal property directly used in 6581

providing such services;	6582
(VIII) Reservoir stimulation, hydraulic fracturing, and acidizing services, and tangible personal property directly used in providing such services, including all material pumped downhole;	6583 6584 6585 6586
(IX) Pressure pumping equipment;	6587
(X) Artificial lift systems equipment;	6588
(XI) Wellhead equipment and well site equipment used to separate, stabilize, and control hydrocarbon phases and produced water;	6589 6590 6591
(XII) Tangible personal property directly used to control production equipment.	6592 6593
(ii) For the purposes of division (B) (42) (q) of this section, the "thing transferred" does not include any of the following:	6594 6595 6596
(I) Tangible personal property used primarily in the exploration and production of any mineral resource regulated under Chapter 1509. of the Revised Code other than oil or gas;	6597 6598 6599
(II) Tangible personal property used primarily in storing, holding, or delivering solutions or chemicals used in well stimulation as defined in section 1509.01 of the Revised Code;	6600 6601 6602
(III) Tangible personal property used primarily in preparing, installing, or reclaiming foundations for drilling or pumping equipment or well stimulation material tanks;	6603 6604 6605
(IV) Tangible personal property used primarily in transporting, delivering, or removing equipment to or from the well site or storing such equipment before its use at the well	6606 6607 6608

site;	6609
(V) Tangible personal property used primarily in gathering operations occurring off the well site, including gathering pipelines transporting hydrocarbon gas or liquids away from a crude oil or natural gas production facility;	6610 6611 6612 6613
(VI) Tangible personal property that is to be incorporated into a structure or improvement to real property;	6614 6615
(VII) Well site fencing, lighting, or security systems;	6616
(VIII) Communication devices or services;	6617
(IX) Office supplies;	6618
(X) Trailers used as offices or lodging;	6619
(XI) Motor vehicles of any kind;	6620
(XII) Tangible personal property used primarily for the storage of drilling byproducts and fuel not used for production;	6621 6622
(XIII) Tangible personal property used primarily as a safety device;	6623 6624
(XIV) Data collection or monitoring devices;	6625
(XV) Access ladders, stairs, or platforms attached to storage tanks.	6626 6627
The enumeration of tangible personal property in division (B) (42) (q) (ii) of this section is not intended to be exhaustive, and any tangible personal property not so enumerated shall not necessarily be construed to be a "thing transferred" for the purposes of division (B) (42) (q) of this section.	6628 6629 6630 6631 6632
The commissioner shall adopt and promulgate rules under sections 119.01 to 119.13 of the Revised Code that the	6633 6634

commissioner deems necessary to administer division (B) (42) (q) 6635
of this section. 6636

As used in division (B) (42) of this section, "thing" 6637
includes all transactions included in divisions (B) (3) (a), (b), 6638
and (e) of section 5739.01 of the Revised Code. 6639

(43) Sales conducted through a coin operated device that 6640
activates vacuum equipment or equipment that dispenses water, 6641
whether or not in combination with soap or other cleaning agents 6642
or wax, to the consumer for the consumer's use on the premises 6643
in washing, cleaning, or waxing a motor vehicle, provided no 6644
other personal property or personal service is provided as part 6645
of the transaction. 6646

(44) Sales of replacement and modification parts for 6647
engines, airframes, instruments, and interiors in, and paint 6648
for, aircraft used primarily in a fractional aircraft ownership 6649
program, and sales of services for the repair, modification, and 6650
maintenance of such aircraft, and machinery, equipment, and 6651
supplies primarily used to provide those services. 6652

(45) Sales of telecommunications service that is used 6653
directly and primarily to perform the functions of a call 6654
center. As used in this division, "call center" means any 6655
physical location where telephone calls are placed or received 6656
in high volume for the purpose of making sales, marketing, 6657
customer service, technical support, or other specialized 6658
business activity, and that employs at least fifty individuals 6659
that engage in call center activities on a full-time basis, or 6660
sufficient individuals to fill fifty full-time equivalent 6661
positions. 6662

(46) Sales by a telecommunications service vendor of 900 6663

service to a subscriber. This division does not apply to 6664
information services. 6665

(47) Sales of value-added non-voice data service. This 6666
division does not apply to any similar service that is not 6667
otherwise a telecommunications service. 6668

(48) Sales of feminine hygiene products. 6669

(49) Sales of materials, parts, equipment, or engines used 6670
in the repair or maintenance of aircraft or avionics systems of 6671
such aircraft, and sales of repair, remodeling, replacement, or 6672
maintenance services in this state performed on aircraft or on 6673
an aircraft's avionics, engine, or component materials or parts. 6674
As used in division (B) (49) of this section, "aircraft" means 6675
aircraft of more than six thousand pounds maximum certified 6676
takeoff weight or used exclusively in general aviation. 6677

(50) Sales of full flight simulators that are used for 6678
pilot or flight-crew training, sales of repair or replacement 6679
parts or components, and sales of repair or maintenance services 6680
for such full flight simulators. "Full flight simulator" means a 6681
replica of a specific type, or make, model, and series of 6682
aircraft cockpit. It includes the assemblage of equipment and 6683
computer programs necessary to represent aircraft operations in 6684
ground and flight conditions, a visual system providing an out- 6685
of-the-cockpit view, and a system that provides cues at least 6686
equivalent to those of a three-degree-of-freedom motion system, 6687
and has the full range of capabilities of the systems installed 6688
in the device as described in appendices A and B of part 60 of 6689
chapter 1 of title 14 of the Code of Federal Regulations. 6690

(51) Any transfer or lease of tangible personal property 6691
between the state and JobsOhio in accordance with section 6692

4313.02 of the Revised Code.	6693
(52) (a) Sales to a qualifying corporation.	6694
(b) As used in division (B) (52) of this section:	6695
(i) "Qualifying corporation" means a nonprofit corporation	6696
organized in this state that leases from an eligible county	6697
land, buildings, structures, fixtures, and improvements to the	6698
land that are part of or used in a public recreational facility	6699
used by a major league professional athletic team or a class A	6700
to class AAA minor league affiliate of a major league	6701
professional athletic team for a significant portion of the	6702
team's home schedule, provided the following apply:	6703
(I) The facility is leased from the eligible county	6704
pursuant to a lease that requires substantially all of the	6705
revenue from the operation of the business or activity conducted	6706
by the nonprofit corporation at the facility in excess of	6707
operating costs, capital expenditures, and reserves to be paid	6708
to the eligible county at least once per calendar year.	6709
(II) Upon dissolution and liquidation of the nonprofit	6710
corporation, all of its net assets are distributable to the	6711
board of commissioners of the eligible county from which the	6712
corporation leases the facility.	6713
(ii) "Eligible county" has the same meaning as in section	6714
307.695 of the Revised Code.	6715
(53) Sales to or by a cable service provider, video	6716
service provider, or radio or television broadcast station	6717
regulated by the federal government of cable service or	6718
programming, video service or programming, audio service or	6719
programming, or electronically transferred digital audiovisual	6720
or audio work. As used in division (B) (53) of this section,	6721

"cable service" and "cable service provider" have the same 6722
meanings as in section 1332.01 of the Revised Code, and "video 6723
service," "video service provider," and "video programming" have 6724
the same meanings as in section 1332.21 of the Revised Code. 6725

(54) Sales of a digital audio work electronically 6726
transferred for delivery through use of a machine, such as a 6727
juke box, that does all of the following: 6728

(a) Accepts direct payments to operate; 6729

(b) Automatically plays a selected digital audio work for 6730
a single play upon receipt of a payment described in division 6731
(B) (54) (a) of this section; 6732

(c) Operates exclusively for the purpose of playing 6733
digital audio works in a commercial establishment. 6734

~~(55) (a) Sales of the following occurring on the first 6735
Friday of August and the following Saturday and Sunday of any 6736
year, except in 2024 or any subsequent year in which a sales tax- 6737
holiday is held pursuant to section 5739.41 of the Revised Code: 6738~~

~~(i) An item of clothing, the price of which is seventy- 6739
five dollars or less; 6740~~

~~(ii) An item of school supplies, the price of which is 6741
twenty dollars or less; 6742~~

~~(iii) An item of school instructional material, the price- 6743
of which is twenty dollars or less. 6744~~

~~(b) As used in division (B) (55) of this section: 6745~~

~~(i) "Clothing" means all human wearing apparel suitable- 6746
for general use. "Clothing" includes, but is not limited to, 6747
aprons, household and shop, athletic supporters, baby receiving- 6748~~

~~blankets; bathing suits and caps; beach capes and coats; belts and suspenders; boots; coats and jackets; costumes; diapers, children and adult, including disposable diapers; earmuffs; footlets; formal wear; garters and garter belts; girdles; gloves and mittens for general use; hats and caps; hosiery; insoles for shoes; lab coats; neckties; overshoes; pantyhose; rainwear; rubber pants; sandals; scarves; shoes and shoe laces; slippers; sneakers; socks and stockings; steel toed shoes; underwear; uniforms, athletic and nonathletic; and wedding apparel.~~ 6749
~~"Clothing" does not include items purchased for use in a trade or business; clothing accessories or equipment; protective equipment; sports or recreational equipment; belt buckles sold separately; costume masks sold separately; patches and emblems sold separately; sewing equipment and supplies including, but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and sewing materials that become part of "clothing" including, but not limited to, buttons, fabric, lace, thread, yarn, and zippers.~~ 6750
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~~(ii) "School supplies" means items commonly used by a student in a course of study. "School supplies" includes only the following items: binders; book bags; calculators; cellophane tape; blackboard chalk; compasses; composition books; crayons; erasers; folders, expandable, pocket, plastic, and manila; glue, paste, and paste sticks; highlighters; index cards; index card boxes; legal pads; lunch boxes; markers; notebooks; paper, loose leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper; pencil boxes and other school supply boxes; pencil sharpeners; pencils; pens; protractors; rulers; scissors; and writing tablets. "School supplies" does not include any item~~ 6768
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~~purchased for use in a trade or business.~~ 6780

~~(iii) "School instructional material" means written 6781
material commonly used by a student in a course of study as a 6782
reference and to learn the subject being taught. "School 6783
instructional material" includes only the following items: 6784
reference books, reference maps and globes, textbooks, and 6785
workbooks. "School instructional material" does not include any 6786
material purchased for use in a trade or business. (55) The fee 6787
imposed by section 3743.22 of the Revised Code, if it is 6788
separately stated on the invoice, bill of sale, or similar 6789
document given by the vendor to the consumer for a retail sale 6790
made in this state. 6791~~

(56) (a) Sales of adult diapers or incontinence underpads 6792
sold pursuant to a prescription, for the benefit of a medicaid 6793
recipient with a diagnosis of incontinence, and by a medicaid 6794
provider that maintains a valid provider agreement under section 6795
5164.30 of the Revised Code with the department of medicaid, 6796
provided that the medicaid program covers diapers or 6797
incontinence underpads as an incontinence garment. 6798

(b) As used in division (B) (56) (a) of this section, 6799
"incontinence underpad" means an absorbent product, not worn on 6800
the body, designed to protect furniture or other tangible 6801
personal property from soiling or damage due to human 6802
incontinence. 6803

(57) Sales of investment metal bullion and investment 6804
coins. "Investment metal bullion" means any bullion described in 6805
section 408(m) (3) (B) of the Internal Revenue Code, regardless of 6806
whether that bullion is in the physical possession of a trustee. 6807
"Investment coin" means any coin composed primarily of gold, 6808
silver, platinum, or palladium. 6809

(58) Sales of tangible personal property used primarily 6810
for any of the following purposes by a megaproject operator at 6811
the site of a megaproject that satisfies the criteria described 6812
in division (A) (11) (a) (ii) of section 122.17 of the Revised 6813
Code, provided that the sale occurs during the period that the 6814
megaproject operator has an agreement for such megaproject with 6815
the tax credit authority under division (D) of section 122.17 of 6816
the Revised Code that remains in effect and has not expired or 6817
been terminated: 6818

(a) To store, transmit, convey, distribute, recycle, 6819
circulate, or clean water, steam, or other gases used in or 6820
produced as a result of manufacturing activity, including items 6821
that support or aid in the operation of such property; 6822

(b) To clean or prepare inventory, at any stage of storage 6823
or production, or equipment used in a manufacturing activity, 6824
including chemicals, solvents, catalysts, soaps, and other items 6825
that support or aid in the operation of property; 6826

(c) To regulate, treat, filter, condition, improve, clean, 6827
maintain, or monitor environmental conditions within areas where 6828
manufacturing activities take place; 6829

(d) To handle, transport, or convey inventory during 6830
production or manufacturing. 6831

(59) Documentary services charges imposed pursuant to 6832
section 4517.261 or 4781.24 of the Revised Code. 6833

(60) Sales of children's diapers. 6834

(61) Sales of therapeutic or preventative creams and wipes 6835
marketed primarily for use on the skin of children. 6836

(62) Sales of a child restraint device or booster seat 6837

that meets the national highway traffic safety administration 6838
standard for child restraint systems under 49 C.F.R. 571.213. 6839

(63) Sales of cribs intended to provide sleeping 6840
accommodations for children that comply with the United States 6841
consumer product safety commission's safety standard for full- 6842
size baby cribs under 16 C.F.R. 1219 or the commission's safety 6843
standard for non-full-size baby cribs under 16 C.F.R. 1220. 6844

(64) Sales of strollers meant for transporting children 6845
from infancy to about thirty-six months of age that meet the 6846
United States consumer product safety commission safety standard 6847
for carriages and strollers under 16 C.F.R. 1227.2. 6848

~~(65) The fee imposed by section 3743.22 of the Revised 6849
Code, if it is separately stated on the invoice, bill of sale, 6850
or similar document given by the vendor to the consumer for a 6851
retail sale made in this state. 6852~~

~~(66) Sales of eligible tangible personal property 6853
occurring during the period of a sales tax holiday held pursuant 6854
to section 5739.41 of the Revised Code. 6855~~

(C) For the purpose of the proper administration of this 6856
chapter, and to prevent the evasion of the tax, it is presumed 6857
that all sales made in this state are subject to the tax until 6858
the contrary is established. 6859

(D) The tax collected by the vendor from the consumer 6860
under this chapter is not part of the price, but is a tax 6861
collection for the benefit of the state, and of counties levying 6862
an additional sales tax pursuant to section 5739.021 or 5739.026 6863
of the Revised Code and of transit authorities levying an 6864
additional sales tax pursuant to section 5739.023 of the Revised 6865
Code. Except for the discount authorized under section 5739.12 6866

of the Revised Code and the effects of any rounding pursuant to 6867
section 5703.055 of the Revised Code, no person other than the 6868
state or such a county or transit authority shall derive any 6869
benefit from the collection or payment of the tax levied by this 6870
section or section 5739.021, 5739.023, or 5739.026 of the 6871
Revised Code. 6872

Sec. 5739.03. (A) Except as provided in section 5739.05 or 6873
section 5739.051 of the Revised Code, the tax imposed by or 6874
pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of 6875
the Revised Code shall be paid by the consumer to the vendor, 6876
and each vendor shall collect from the consumer, as a trustee 6877
for the state of Ohio, the full and exact amount of the tax 6878
payable on each taxable sale, in the manner and at the times 6879
provided as follows: 6880

(1) If the price is, at or prior to the provision of the 6881
service or the delivery of possession of the thing sold to the 6882
consumer, paid in currency passed from hand to hand by the 6883
consumer or the consumer's agent to the vendor or the vendor's 6884
agent, the vendor or the vendor's agent shall collect the tax 6885
with and at the same time as the price; 6886

(2) If the price is otherwise paid or to be paid, the 6887
vendor or the vendor's agent shall, at or prior to the provision 6888
of the service or the delivery of possession of the thing sold 6889
to the consumer, charge the tax imposed by or pursuant to 6890
section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised 6891
Code to the account of the consumer, which amount shall be 6892
collected by the vendor from the consumer in addition to the 6893
price. Such sale shall be reported on and the amount of the tax 6894
applicable thereto shall be remitted with the return for the 6895
period in which the sale is made, and the amount of the tax 6896

shall become a legal charge in favor of the vendor and against 6897
the consumer. 6898

(B) (1) (a) If any sale is claimed to be exempt under 6899
division (E) of section 5739.01 of the Revised Code or under 6900
section 5739.02 of the Revised Code, with the exception of 6901
divisions (B) (1) to (11), (28), (48), ~~(55), or~~ (59), ~~or~~ (66) of 6902
section 5739.02 of the Revised Code, the consumer must provide 6903
to the vendor, and the vendor must obtain from the consumer, a 6904
certificate specifying the reason that the sale is not legally 6905
subject to the tax. The certificate shall be in such form, and 6906
shall be provided either in a hard copy form or electronic form, 6907
as the tax commissioner prescribes. 6908

(b) A vendor that obtains a fully completed exemption 6909
certificate from a consumer is relieved of liability for 6910
collecting and remitting tax on any sale covered by that 6911
certificate. If it is determined the exemption was improperly 6912
claimed, the consumer shall be liable for any tax due on that 6913
sale under section 5739.02, 5739.021, 5739.023, or 5739.026 or 6914
Chapter 5741. of the Revised Code. Relief under this division 6915
from liability does not apply to any of the following: 6916

(i) A vendor that fraudulently fails to collect tax; 6917

(ii) A vendor that solicits consumers to participate in 6918
the unlawful claim of an exemption; 6919

(iii) A vendor that accepts an exemption certificate from 6920
a consumer that claims an exemption based on who purchases or 6921
who sells property or a service, when the subject of the 6922
transaction sought to be covered by the exemption certificate is 6923
actually received by the consumer at a location operated by the 6924
vendor in this state, and this state has posted to its web site 6925

an exemption certificate form that clearly and affirmatively 6926
indicates that the claimed exemption is not available in this 6927
state; 6928

(iv) A vendor that accepts an exemption certificate from a 6929
consumer who claims a multiple points of use exemption under 6930
division (D) of section 5739.033 of the Revised Code, if the 6931
item purchased is tangible personal property, other than 6932
prewritten computer software. 6933

(2) The vendor shall maintain records, including exemption 6934
certificates, of all sales on which a consumer has claimed an 6935
exemption, and provide them to the tax commissioner on request. 6936

(3) The tax commissioner may establish an identification 6937
system whereby the commissioner issues an identification number 6938
to a consumer that is exempt from payment of the tax. The 6939
consumer must present the number to the vendor, if any sale is 6940
claimed to be exempt as provided in this section. 6941

(4) If no certificate is provided or obtained within 6942
ninety days after the date on which such sale is consummated, it 6943
shall be presumed that the tax applies. Failure to have so 6944
provided or obtained a certificate shall not preclude a vendor, 6945
within one hundred twenty days after the tax commissioner gives 6946
written notice of intent to levy an assessment, from either 6947
establishing that the sale is not subject to the tax, or 6948
obtaining, in good faith, a fully completed exemption 6949
certificate. 6950

(5) Certificates need not be obtained nor provided where 6951
the identity of the consumer is such that the transaction is 6952
never subject to the tax imposed or where the item of tangible 6953
personal property sold or the service provided is never subject 6954

to the tax imposed, regardless of use, or when the sale is in interstate commerce.

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

(C) As used in this division, "contractee" means a person who seeks to enter or enters into a contract or agreement with a contractor or vendor for the construction of real property or for the sale and installation onto real property of tangible personal property.

Any contractor or vendor may request from any contractee a certification of what portion of the property to be transferred under such contract or agreement is to be incorporated into the realty and what portion will retain its status as tangible personal property after installation is completed. The contractor or vendor shall request the certification by certified mail delivered to the contractee, return receipt requested. Upon receipt of such request and prior to entering into the contract or agreement, the contractee shall provide to the contractor or vendor a certification sufficiently detailed to enable the contractor or vendor to ascertain the resulting classification of all materials purchased or fabricated by the

contractor or vendor and transferred to the contractee. This 6985
requirement applies to a contractee regardless of whether the 6986
contractee holds a direct payment permit under section 5739.031 6987
of the Revised Code or provides to the contractor or vendor an 6988
exemption certificate as provided under this section. 6989

For the purposes of the taxes levied by this chapter and 6990
Chapter 5741. of the Revised Code, the contractor or vendor may 6991
in good faith rely on the contractee's certification. 6992
Notwithstanding division (B) of section 5739.01 of the Revised 6993
Code, if the tax commissioner determines that certain property 6994
certified by the contractee as tangible personal property 6995
pursuant to this division is, in fact, real property, the 6996
contractee shall be considered to be the consumer of all 6997
materials so incorporated into that real property and shall be 6998
liable for the applicable tax, and the contractor or vendor 6999
shall be excused from any liability on those materials. 7000

If a contractee fails to provide such certification upon 7001
the request of the contractor or vendor, the contractor or 7002
vendor shall comply with the provisions of this chapter and 7003
Chapter 5741. of the Revised Code without the certification. If 7004
the tax commissioner determines that such compliance has been 7005
performed in good faith and that certain property treated as 7006
tangible personal property by the contractor or vendor is, in 7007
fact, real property, the contractee shall be considered to be 7008
the consumer of all materials so incorporated into that real 7009
property and shall be liable for the applicable tax, and the 7010
construction contractor or vendor shall be excused from any 7011
liability on those materials. 7012

This division does not apply to any contract or agreement 7013
where the tax commissioner determines as a fact that a 7014

certification under this division was made solely on the 7015
decision or advice of the contractor or vendor. 7016

(D) Notwithstanding division (B) of section 5739.01 of the 7017
Revised Code, whenever the total rate of tax imposed under this 7018
chapter is increased after the date after a construction 7019
contract is entered into, the contractee shall reimburse the 7020
construction contractor for any additional tax paid on tangible 7021
property consumed or services received pursuant to the contract. 7022

(E) A vendor who files a petition for reassessment 7023
contesting the assessment of tax on sales for which the vendor 7024
obtained no valid exemption certificates and for which the 7025
vendor failed to establish that the sales were properly not 7026
subject to the tax during the one-hundred-twenty-day period 7027
allowed under division (B) of this section, may present to the 7028
tax commissioner additional evidence to prove that the sales 7029
were properly subject to a claim of exception or exemption. The 7030
vendor shall file such evidence within ninety days of the 7031
receipt by the vendor of the notice of assessment, except that, 7032
upon application and for reasonable cause, the period for 7033
submitting such evidence shall be extended thirty days. 7034

The commissioner shall consider such additional evidence 7035
in reaching the final determination on the assessment and 7036
petition for reassessment. 7037

(F) Whenever a vendor refunds the price, minus any 7038
separately stated delivery charge, of an item of tangible 7039
personal property on which the tax imposed under this chapter 7040
has been paid, the vendor shall also refund the amount of tax 7041
paid, minus the amount of tax attributable to the delivery 7042
charge. 7043

Sec. 5739.05. ~~(A)(1)~~ (A) The tax commissioner shall enforce 7044
and administer sections 5739.01 to 5739.31 of the Revised Code, 7045
which are hereby declared to be sections which the commissioner 7046
is required to administer within the meaning of sections 5703.17 7047
to 5703.37, 5703.39, 5703.41, and 5703.45 of the Revised Code. 7048
The commissioner may adopt and promulgate, in accordance with 7049
sections 119.01 to 119.13 of the Revised Code, such rules as the 7050
commissioner deems necessary to administer sections 5739.01 to 7051
5739.31 of the Revised Code. 7052

~~(2) On or before the first day of May of each year, the 7053
commissioner shall make available to vendors a notice explaining 7054
the three-day exemption period required under division (B) (55) 7055
of section 5739.02 of the Revised Code. 7056~~

(B) Upon application, the commissioner may authorize a 7057
vendor to pay on a predetermined basis the tax levied by or 7058
pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of 7059
the Revised Code upon sales of things produced or distributed or 7060
services provided by such vendor, and the commissioner may waive 7061
the collection of the tax from the consumer. The commissioner 7062
shall not grant such authority unless the commissioner finds 7063
that the granting of the authority would improve compliance and 7064
increase the efficiency of the administration of the tax. The 7065
person to whom such authority is granted shall post a notice, if 7066
required by the commissioner, at the location where the product 7067
is offered for sale that the tax is included in the selling 7068
price. The commissioner may adopt rules to administer this 7069
division. 7070

(C) Upon application, the commissioner may authorize a 7071
vendor to remit, on the basis of a prearranged agreement under 7072
this division, the tax levied by section 5739.02 or pursuant to 7073

section 5739.021, 5739.023, or 5739.026 of the Revised Code. The 7074
proportions and ratios in a prearranged agreement shall be 7075
determined either by a test check conducted by the commissioner 7076
under terms and conditions agreed to by the commissioner and the 7077
vendor or by any other method agreed upon by the vendor and the 7078
commissioner. If the parties are unable to agree to the terms 7079
and conditions of the test check or other method, the 7080
application shall be denied. 7081

If used, the test check shall determine the proportion 7082
that taxable retail sales bear to all of the vendor's retail 7083
sales and the ratio which the tax required to be collected under 7084
sections 5739.02, 5739.021, 5739.023, and 5739.026 of the 7085
Revised Code bears to the receipts from the vendor's taxable 7086
retail sales. 7087

The vendor's liability for remitting the tax shall be 7088
based solely upon the proportions and ratios established in the 7089
agreement until such time that the vendor or the commissioner 7090
believes that the nature of the vendor's business has so changed 7091
as to make the agreement no longer representative. The 7092
commissioner may give notice to the vendor at any time that the 7093
authorization is revoked or the vendor may notify the 7094
commissioner that the vendor no longer elects to report under 7095
the authorization. Such notice shall be delivered to the other 7096
party in the manner provided in section 5703.37 of the Revised 7097
Code. The revocation or cancellation is effective the last day 7098
of the month in which the vendor or the commissioner receives 7099
the notice. 7100

Sec. 5739.08. (A) A municipal corporation or township may 7101
levy an excise tax for any lawful purpose not to exceed three 7102
per cent on transactions by which lodging by a hotel or short- 7103

term rental property is or is to be furnished to transient 7104
guests in addition to the tax levied by section 5739.02 of the 7105
Revised Code. If a municipal corporation or township repeals a 7106
tax imposed under division (A) of this section, and a county in 7107
which the municipal corporation or township has territory has a 7108
tax imposed under division (M) of section 5739.09 of the Revised 7109
Code in effect, the municipal corporation or township may not 7110
reimpose its tax as long as that county tax remains in effect. A 7111
municipal corporation or township in which a tax is levied under 7112
division (B) (2) of section 351.021 of the Revised Code may not 7113
increase the rate of its tax levied under division (A) of this 7114
section to any rate that would cause the total taxes levied 7115
under both of those divisions to exceed three per cent on any 7116
lodging transaction within the municipal corporation or 7117
township. 7118

(B) The legislative authority of a municipal corporation 7119
or the board of trustees of a township that is not wholly or 7120
partly located in a county that has in effect a resolution 7121
levying an excise tax pursuant to division (A) of section 7122
5739.09 of the Revised Code may, by ordinance or resolution, 7123
levy an additional excise tax not to exceed three per cent on 7124
transactions by which lodging by a hotel or short-term rental 7125
property is or is to be furnished to transient guests. The 7126
legislative authority of the municipal corporation or the board 7127
of trustees of the township shall deposit at least fifty per 7128
cent of the revenue from the tax levied pursuant to this 7129
division into a separate fund, which shall be spent solely to 7130
make contributions to convention and visitors' bureaus operating 7131
within the county in which the municipal corporation or township 7132
is wholly or partly located, and the balance of that revenue 7133
shall be deposited in the general fund. The municipal 7134

corporation or township shall establish all regulations 7135
necessary to provide for the administration and allocation of 7136
the tax. The regulations may prescribe the time for payment of 7137
the tax, and may provide for the imposition of a penalty or 7138
interest, or both, for late payments, provided that the penalty 7139
does not exceed ten per cent of the amount of tax due, and the 7140
rate at which interest accrues does not exceed the rate per 7141
annum prescribed pursuant to section 5703.47 of the Revised 7142
Code. The levy of a tax under this division is in addition to 7143
any tax imposed on the same transaction by a municipal 7144
corporation or a township under division (A) of this section. 7145

(C) (1) As used in division (C) of this section, "cost" has 7146
the same meaning as in section 351.01 of the Revised Code, and 7147
"convention center" has the same meaning as in section 307.695 7148
of the Revised Code. 7149

(2) The legislative authority of the most populous 7150
municipal corporation located wholly or partly in a county in 7151
which the board of county commissioners has levied a tax under 7152
division (D) of section 5739.09 of the Revised Code may amend, 7153
on or before September 30, 2002, that municipal corporation's 7154
ordinance or resolution that levies an excise tax on 7155
transactions by which lodging by a hotel or short-term rental 7156
property is or is to be furnished to transient guests, to 7157
provide for all of the following: 7158

(a) That the rate of the tax shall be increased by not 7159
more than an additional one per cent on each transaction; 7160

(b) That all of the revenue from the increase in rate 7161
shall be pledged and contributed to a convention facilities 7162
authority established by the board of county commissioners under 7163
Chapter 351. of the Revised Code on or before May 15, 2002, and 7164

be used to pay costs of constructing, expanding, maintaining, 7165
operating, or promoting a convention center in the county, 7166
including paying bonds, or notes issued in anticipation of 7167
bonds, as provided by that chapter; 7168

(c) That the increase in rate shall not be subject to 7169
diminution by initiative or referendum or by law while any 7170
bonds, or notes in anticipation of bonds, issued by the 7171
authority under Chapter 351. of the Revised Code to which the 7172
revenue is pledged, remain outstanding in accordance with their 7173
terms, unless provision is made by law, by the board of county 7174
commissioners, or by the legislative authority, for an adequate 7175
substitute therefor that is satisfactory to the trustee if a 7176
trust agreement secures the bonds. 7177

(3) The legislative authority of a municipal corporation 7178
that, pursuant to division (C) (2) of this section, has amended 7179
its ordinance or resolution to increase the rate of the tax 7180
authorized by division (B) of this section may further amend the 7181
ordinance or resolution to provide that the revenue referred to 7182
in division (C) (2) (b) of this section shall be pledged and 7183
contributed both to a convention facilities authority to pay the 7184
costs of constructing, expanding, maintaining, or operating one 7185
or more convention centers in the county, including paying 7186
bonds, or notes issued in anticipation of bonds, as provided in 7187
Chapter 351. of the Revised Code, and to a convention and 7188
visitors' bureau to pay the costs of promoting one or more 7189
convention centers in the county. 7190

(D) As used in division (D) of this section, "eligible 7191
municipal corporation" means a municipal corporation that, on 7192
September 29, 2017, levied a tax under division (B) of this 7193
section at a rate of three per cent and that is located in a 7194

county that, on that date, levied a tax under division (A) of 7195
section 5739.09 of the Revised Code at a rate of three per cent 7196
and that has, according to the most recent federal decennial 7197
census, a population exceeding three hundred thousand but not 7198
greater than three hundred fifty thousand. 7199

The legislative authority of an eligible municipal 7200
corporation may amend, on or before December 31, 2017, that 7201
municipal corporation's ordinance or resolution that levies an 7202
excise tax on transactions by which lodging by a hotel or short- 7203
term rental property is or is to be furnished to transient 7204
guests, to provide for the following: 7205

(1) That the rate of the tax shall be increased by not 7206
more than an additional three per cent on each transaction; 7207

(2) That all of the revenue from the increase in rate 7208
shall be used by the municipal corporation for economic 7209
development and tourism-related purposes. 7210

(E) (1) As used in division (E) of this section, "cost" and 7211
"facility" have the same meanings as in section 351.01 of the 7212
Revised Code, except that "facility" does not include a "sports 7213
facility," as that term is defined in that section, other than a 7214
facility intended to house a major league soccer team. 7215

(2) The legislative authority of a municipal corporation 7216
that has a population exceeding three hundred thousand but less 7217
than three hundred fifty thousand and that has adopted a 7218
resolution or ordinance levying a tax authorized by division (A) 7219
of this section may amend the resolution or ordinance to provide 7220
that all or a portion of the revenue referred to in division (A) 7221
of this section may be pledged and contributed to a convention 7222
facilities authority or a port authority to pay the costs of 7223

acquiring, constructing, renovating, expanding, maintaining, or 7224
operating one or more facilities in the county, including paying 7225
bonds, or notes issued in anticipation of bonds, or paying the 7226
expenses of maintaining, operating, or promoting one or more 7227
facilities. 7228

(3) The legislative authority of any municipal corporation 7229
that, pursuant to division (C)(2) of this section, has amended a 7230
resolution or ordinance levying the tax authorized by division 7231
(D) of section 5739.09 of the Revised Code may further amend the 7232
resolution or ordinance to provide that all or a portion of the 7233
revenue referred to in division (C)(2)(b) of this section may be 7234
pledged and contributed to an issuing authority, as defined in 7235
section 5739.093 of the Revised Code, to pay the costs of 7236
acquiring, constructing, renovating, expanding, maintaining, or 7237
operating one or more facilities in the county, including paying 7238
bonds, or notes issued in anticipation of bonds, or paying the 7239
expenses of maintaining, operating, or promoting one or more 7240
facilities. 7241

Sec. 5739.09. (A) (1) A board of county commissioners may, 7242
by resolution adopted by a majority of the members of the board, 7243
levy an excise tax not to exceed three per cent on transactions 7244
by which lodging by a hotel or short-term rental property is or 7245
is to be furnished to transient guests. The board shall 7246
establish all regulations necessary to provide for the 7247
administration and allocation of the tax. The regulations may 7248
prescribe the time for payment of the tax, and may provide for 7249
the imposition of a penalty or interest, or both, for late 7250
payments, provided that the penalty does not exceed ten per cent 7251
of the amount of tax due, and the rate at which interest accrues 7252
does not exceed the rate per annum prescribed pursuant to 7253
section 5703.47 of the Revised Code. Except as otherwise 7254

provided in this section, the regulations shall provide, after 7255
deducting the real and actual costs of administering the tax, 7256
for the return to each municipal corporation or township that 7257
does not levy an excise tax on the transactions, a uniform 7258
percentage of the tax collected in the municipal corporation or 7259
in the unincorporated portion of the township from each 7260
transaction, not to exceed thirty-three and one-third per cent. 7261
Except as provided in this section, the remainder of the revenue 7262
arising from the tax shall be deposited in a separate fund and 7263
shall be spent either (a) to make contributions to the 7264
convention and visitors' bureau operating within the county, 7265
including a pledge and contribution of any portion of the 7266
remainder pursuant to an agreement authorized by section 307.678 7267
or 307.695 of the Revised Code or (b) to pay, if authorized in 7268
the regulations, for public safety services in a resort area 7269
designated under section 5739.101 of the Revised Code. 7270

(2) If the board of county commissioners of an eligible 7271
county as defined in section 307.678 or 307.695 of the Revised 7272
Code adopts a resolution amending a resolution levying a tax 7273
under division (A) of this section to provide that revenue from 7274
the tax shall be used by the board as described in either 7275
division (D) of section 307.678 or division (H) of section 7276
307.695 of the Revised Code, the remainder of the revenue shall 7277
be used as described in the resolution making that amendment. 7278

(3) Except as provided in division (B), (C), (D), (E), 7279
(F), (G), (H), (I), (J), (K), or (Q) of this section, on and 7280
after May 10, 1994, a board of county commissioners may not levy 7281
an excise tax pursuant to division (A) of this section in any 7282
municipal corporation or township located wholly or partly 7283
within the county that has in effect an ordinance or resolution 7284
levying an excise tax pursuant to division (B) of section 7285

5739.08 of the Revised Code. 7286

(4) The board of a county that has levied a tax under 7287
division (M) of this section may, by resolution adopted within 7288
ninety days after July 15, 1985, by a majority of the members of 7289
the board, amend the resolution levying a tax under division (A) 7290
of this section to provide for a portion of that tax to be 7291
pledged and contributed in accordance with an agreement entered 7292
into under section 307.695 of the Revised Code. A tax, any 7293
revenue from which is pledged pursuant to such an agreement, 7294
shall remain in effect at the rate at which it is imposed for 7295
the duration of the period for which the revenue from the tax 7296
has been so pledged. 7297

(5) The board of county commissioners of an eligible 7298
county as defined in section 307.695 of the Revised Code may, by 7299
resolution adopted by a majority of the members of the board, 7300
amend a resolution levying a tax under division (A) of this 7301
section to provide that the revenue from the tax shall be used 7302
by the board as described in division (H) of section 307.695 of 7303
the Revised Code, in which case the tax shall remain in effect 7304
at the rate at which it was imposed for the duration of any 7305
agreement entered into by the board under section 307.695 of the 7306
Revised Code, the duration during which any securities issued by 7307
the board under that section are outstanding, or the duration of 7308
the period during which the board owns a project as defined in 7309
section 307.695 of the Revised Code, whichever duration is 7310
longest. 7311

(6) The board of county commissioners of an eligible 7312
county as defined in section 307.678 of the Revised Code may, by 7313
resolution, amend a resolution levying a tax under division (A) 7314
of this section to provide that revenue from the tax, not to 7315

exceed five hundred thousand dollars each year, may be used as 7316
described in division (E) of section 307.678 of the Revised 7317
Code. 7318

(7) Notwithstanding division (A) of this section, the 7319
board of county commissioners of a county described in division 7320
(H) (1) of this section may, by resolution, amend a resolution 7321
levying a tax under division (A) of this section to provide that 7322
all or a portion of the revenue from the tax, including any 7323
revenue otherwise required to be returned to townships or 7324
municipal corporations under that division, may be used or 7325
pledged for the payment of debt service on securities issued to 7326
pay the costs of constructing, operating, and maintaining sports 7327
facilities described in division (H) (2) of this section. 7328

(8) The board of county commissioners of a county 7329
described in division (I) of this section may, by resolution, 7330
amend a resolution levying a tax under division (A) of this 7331
section to provide that all or a portion of the revenue from the 7332
tax may be used for the purposes described in section 307.679 of 7333
the Revised Code. 7334

(B) A board of county commissioners that levies an excise 7335
tax under division (A) of this section on June 30, 1997, at a 7336
rate of three per cent, and that has pledged revenue from the 7337
tax to an agreement entered into under section 307.695 of the 7338
Revised Code or, in the case of the board of county 7339
commissioners of an eligible county as defined in section 7340
307.695 of the Revised Code, has amended a resolution levying a 7341
tax under division (M) of this section to provide that proceeds 7342
from the tax shall be used by the board as described in division 7343
(H) of section 307.695 of the Revised Code, may, at any time by 7344
a resolution adopted by a majority of the members of the board, 7345

amend the resolution levying a tax under division (A) of this 7346
section to provide for an increase in the rate of that tax up to 7347
seven per cent on each transaction; to provide that revenue from 7348
the increase in the rate shall be used as described in division 7349
(H) of section 307.695 of the Revised Code or be spent solely to 7350
make contributions to the convention and visitors' bureau 7351
operating within the county to be used specifically for 7352
promotion, advertising, and marketing of the region in which the 7353
county is located; and to provide that the rate in excess of the 7354
three per cent levied under division (A) of this section shall 7355
remain in effect at the rate at which it is imposed for the 7356
duration of the period during which any agreement is in effect 7357
that was entered into under section 307.695 of the Revised Code 7358
by the board of county commissioners levying a tax under 7359
division (A) of this section, the duration of the period during 7360
which any securities issued by the board under division (I) of 7361
section 307.695 of the Revised Code are outstanding, or the 7362
duration of the period during which the board owns a project as 7363
defined in section 307.695 of the Revised Code, whichever 7364
duration is longest. The amendment also shall provide that no 7365
portion of that revenue need be returned to townships or 7366
municipal corporations as would otherwise be required under 7367
division (A) of this section. 7368

(C) (1) As used in division (C) of this section, "cost" and 7369
"facility" have the same meanings as in section 351.01 of the 7370
Revised Code, and "convention center" has the same meaning as in 7371
section 307.695 of the Revised Code. 7372

(2) A board of county commissioners that levies a tax 7373
under division (A) of this section on March 18, 1999, at a rate 7374
of three per cent may, by resolution adopted not later than 7375
forty-five days after March 18, 1999, amend the resolution 7376

levying the tax to provide for all of the following: 7377

(a) That the rate of the tax shall be increased by not 7378
more than an additional four per cent on each transaction; 7379

(b) That all of the revenue from the increase in the rate 7380
shall be pledged and contributed to a convention facilities 7381
authority established by the board of county commissioners under 7382
Chapter 351. of the Revised Code on or before November 15, 1998, 7383
and used to pay costs of constructing, maintaining, operating, 7384
and promoting a facility in the county, including paying bonds, 7385
or notes issued in anticipation of bonds, as provided by that 7386
chapter; 7387

(c) That no portion of the revenue arising from the 7388
increase in rate need be returned to municipal corporations or 7389
townships as otherwise required under division (A) of this 7390
section; 7391

(d) That the increase in rate shall not be subject to 7392
diminution by initiative or referendum or by law while any 7393
bonds, or notes in anticipation of bonds, issued by the 7394
authority under Chapter 351. of the Revised Code to which the 7395
revenue is pledged, remain outstanding in accordance with their 7396
terms, unless provision is made by law or by the board of county 7397
commissioners for an adequate substitute therefor that is 7398
satisfactory to the trustee if a trust agreement secures the 7399
bonds. 7400

(3) Division (C) of this section does not apply to the 7401
board of county commissioners of any county in which a 7402
convention center or facility exists or is being constructed on 7403
November 15, 1998, or of any county in which a convention 7404
facilities authority levies a tax pursuant to section 351.021 of 7405

the Revised Code on that date. 7406

(D) (1) As used in division (D) of this section, "cost" has 7407
the same meaning as in section 351.01 of the Revised Code, and 7408
"convention center" has the same meaning as in section 307.695 7409
of the Revised Code. 7410

(2) A board of county commissioners that levies a tax 7411
under division (A) of this section on June 30, 2002, at a rate 7412
of three per cent may, by resolution adopted not later than 7413
September 30, 2002, amend the resolution levying the tax to 7414
provide for all of the following: 7415

(a) That the rate of the tax shall be increased by not 7416
more than an additional three and one-half per cent on each 7417
transaction; 7418

(b) That all of the revenue from the increase in rate 7419
shall be pledged and contributed to a convention facilities 7420
authority established by the board of county commissioners under 7421
Chapter 351. of the Revised Code on or before May 15, 2002, and 7422
be used to pay costs of constructing, expanding, maintaining, 7423
operating, or promoting a convention center in the county, 7424
including paying bonds, or notes issued in anticipation of 7425
bonds, as provided by that chapter; 7426

(c) That no portion of the revenue arising from the 7427
increase in rate need be returned to municipal corporations or 7428
townships as otherwise required under division (A) of this 7429
section; 7430

(d) That the increase in rate shall not be subject to 7431
diminution by initiative or referendum or by law while any 7432
bonds, or notes in anticipation of bonds, issued by the 7433
authority under Chapter 351. of the Revised Code to which the 7434

revenue is pledged, remain outstanding in accordance with their 7435
terms, unless provision is made by law or by the board of county 7436
commissioners for an adequate substitute therefor that is 7437
satisfactory to the trustee if a trust agreement secures the 7438
bonds. 7439

(3) Any board of county commissioners that, pursuant to 7440
division (D)(2) of this section, has amended a resolution 7441
levying the tax authorized by division (A) of this section may 7442
further amend the resolution to provide that the revenue 7443
referred to in division (D)(2)(b) of this section shall be 7444
pledged and contributed both to a convention facilities 7445
authority to pay the costs of constructing, expanding, 7446
maintaining, or operating one or more convention centers in the 7447
county, including paying bonds, or notes issued in anticipation 7448
of bonds, as provided in Chapter 351. of the Revised Code, and 7449
to a convention and visitors' bureau to pay the costs of 7450
promoting one or more convention centers in the county. 7451

(E)(1) As used in division (E) of this section: 7452

(a) "Port authority" means a port authority created under 7453
Chapter 4582. of the Revised Code. 7454

(b) "Port authority military-use facility" means port 7455
authority facilities on which or adjacent to which is located an 7456
installation of the armed forces of the United States, a reserve 7457
component thereof, or the national guard and at least part of 7458
which is made available for use, for consideration, by the armed 7459
forces of the United States, a reserve component thereof, or the 7460
national guard. 7461

(2) For the purpose of contributing revenue to pay 7462
operating expenses of a port authority that operates a port 7463

authority military-use facility, the board of county 7464
commissioners of a county that created, participated in the 7465
creation of, or has joined such a port authority may do one or 7466
both of the following: 7467

(a) Amend a resolution previously adopted under division 7468
(A) of this section to designate some or all of the revenue from 7469
the tax levied under the resolution to be used for that purpose, 7470
notwithstanding that division; 7471

(b) Amend a resolution previously adopted under division 7472
(A) of this section to increase the rate of the tax by not more 7473
than an additional two per cent and use the revenue from the 7474
increase exclusively for that purpose. 7475

(3) If a board of county commissioners amends a resolution 7476
to increase the rate of a tax as authorized in division (E) (2) 7477
(b) of this section, the board also may amend the resolution to 7478
specify that the increase in rate of the tax does not apply to 7479
"hotels," as otherwise defined in section 5739.01 of the Revised 7480
Code, having fewer rooms used for the accommodation of guests 7481
than a number of rooms specified by the board. This limitation 7482
on the hotels to which the tax applies does not apply on and 7483
after the first day of the first month starting thirty or more 7484
days after the effective date of this amendment. 7485

(F) (1) A board of county commissioners of a county 7486
organized under a county charter adopted pursuant to Article X, 7487
Section 3, Ohio Constitution, and that levies an excise tax 7488
under division (A) of this section at a rate of three per cent 7489
and levies an additional excise tax under division (O) of this 7490
section at a rate of one and one-half per cent may, by 7491
resolution adopted not later than January 1, 2008, by a majority 7492
of the members of the board, amend the resolution levying a tax 7493

under division (A) of this section to provide for an increase in 7494
the rate of that tax by not more than an additional one per cent 7495
on transactions by which lodging by a hotel or short-term rental 7496
property is or is to be furnished to transient guests. 7497

Notwithstanding divisions (A) and (O) of this section, the 7498
resolution shall provide that all of the revenue from the 7499
increase in rate, after deducting the real and actual costs of 7500
administering the tax, shall be used to pay the costs of 7501
improving, expanding, equipping, financing, or operating a 7502
convention center by a convention and visitors' bureau in the 7503
county. 7504

(2) The increase in rate shall remain in effect for the 7505
period specified in the resolution, not to exceed ten years, and 7506
may be extended for an additional period of time not to exceed 7507
ten years thereafter by a resolution adopted by a majority of 7508
the members of the board. 7509

(3) The increase in rate shall be subject to the 7510
regulations adopted under division (A) of this section, except 7511
that the resolution may provide that no portion of the revenue 7512
from the increase in the rate shall be returned to townships or 7513
municipal corporations as would otherwise be required under that 7514
division. 7515

(G) (1) Division (G) of this section applies only to a 7516
county with a population greater than sixty-five thousand and 7517
less than seventy thousand according to the most recent federal 7518
decennial census and in which, on December 31, 2006, an excise 7519
tax is levied under division (A) of this section at a rate not 7520
less than and not greater than three per cent, and in which the 7521
most recent increase in the rate of that tax was enacted or took 7522
effect in November 1984. 7523

(2) The board of county commissioners of a county to which 7524
division (G) of this section applies, by resolution adopted by a 7525
majority of the members of the board, may increase the rate of 7526
the tax by not more than one per cent on transactions by which 7527
lodging by a hotel or short-term rental property is or is to be 7528
furnished to transient guests. The increase in rate shall be for 7529
the purpose of paying expenses deemed necessary by the 7530
convention and visitors' bureau operating in the county to 7531
promote travel and tourism. 7532

(3) The increase in rate shall remain in effect for the 7533
period specified in the resolution, not to exceed twenty years, 7534
provided that the increase in rate may not continue beyond the 7535
time when the purpose for which the increase is levied ceases to 7536
exist. If revenue from the increase in rate is pledged to the 7537
payment of debt charges on securities, the increase in rate is 7538
not subject to diminution by initiative or referendum or by law 7539
for so long as the securities are outstanding, unless provision 7540
is made by law or by the board of county commissioners for an 7541
adequate substitute for that revenue that is satisfactory to the 7542
trustee if a trust agreement secures payment of the debt 7543
charges. 7544

(4) The increase in rate shall be subject to the 7545
regulations adopted under division (A) of this section, except 7546
that the resolution may provide that no portion of the revenue 7547
from the increase in the rate shall be returned to townships or 7548
municipal corporations as would otherwise be required under 7549
division (A) of this section. 7550

(5) A resolution adopted under division (G) of this 7551
section is subject to referendum under sections 305.31 to 305.99 7552
of the Revised Code. 7553

(H) (1) Division (H) of this section applies only to a 7554
county satisfying all of the following: 7555

(a) The population of the county is greater than one 7556
hundred seventy-five thousand and less than two hundred twenty- 7557
five thousand according to the most recent federal decennial 7558
census. 7559

(b) An amusement park with an average yearly attendance in 7560
excess of two million guests is located in the county. 7561

(c) On December 31, 2014, an excise tax was levied in the 7562
county under division (A) of this section at a rate of three per 7563
cent. 7564

(2) The board of county commissioners of a county to which 7565
division (H) of this section applies, by resolution adopted by a 7566
majority of the members of the board, may increase the rate of 7567
the tax by not more than one per cent on transactions by which 7568
lodging by a hotel or short-term rental property is or is to be 7569
furnished to transient guests. The increase in rate shall be 7570
used to pay the costs of constructing and maintaining facilities 7571
owned by the county or by a port authority created under Chapter 7572
4582. of the Revised Code, and designed to host sporting events 7573
and expenses deemed necessary by the convention and visitors' 7574
bureau operating in the county to promote travel and tourism 7575
with reference to the sports facilities, and to pay or pledge to 7576
the payment of debt service on securities issued to pay the 7577
costs of constructing, operating, and maintaining the sports 7578
facilities. 7579

(3) The increase in rate shall remain in effect for the 7580
period specified in the resolution. If revenue from the increase 7581
in rate is pledged to the payment of debt charges on securities, 7582

the increase in rate is not subject to diminution by initiative 7583
or referendum or by law for so long as the securities are 7584
outstanding, unless provision is made by law or by the board of 7585
county commissioners for an adequate substitute for that revenue 7586
that is satisfactory to the trustee if a trust agreement secures 7587
payment of the debt charges. 7588

(4) The increase in rate shall be subject to the 7589
regulations adopted under division (A) of this section, except 7590
that the resolution may provide that no portion of the revenue 7591
from the increase in the rate shall be returned to townships or 7592
municipal corporations as would otherwise be required under 7593
division (A) of this section. 7594

(I) (1) The board of county commissioners of a county with 7595
a population greater than seventy-five thousand and less than 7596
seventy-eight thousand, by resolution adopted by a majority of 7597
the members of the board not later than October 15, 2015, may 7598
increase the rate of the tax by not more than one per cent on 7599
transactions by which lodging by a hotel or short-term rental 7600
property is or is to be furnished to transient guests. The 7601
increase in rate shall be for the purposes described in section 7602
307.679 of the Revised Code or for the promotion of travel and 7603
tourism in the county, including travel and tourism to sports 7604
facilities. 7605

(2) The increase in rate shall remain in effect for the 7606
period specified in the resolution and as necessary to fulfill 7607
the county's obligations under a cooperative agreement entered 7608
into under section 307.679 of the Revised Code. If the 7609
resolution is adopted by the board before September 29, 2015, 7610
but after that enactment becomes law, the increase in rate shall 7611
become effective beginning on September 29, 2015. If revenue 7612

from the increase in rate is pledged to the payment of debt 7613
charges on securities, or to substitute for other revenues 7614
pledged to the payment of such debt, the increase in rate is not 7615
subject to diminution by initiative or referendum or by law for 7616
so long as the securities are outstanding, unless provision is 7617
made by law or by the board of county commissioners for an 7618
adequate substitute for that revenue that is satisfactory to the 7619
trustee if a trust agreement secures payment of the debt 7620
charges. 7621

(3) The increase in rate shall be subject to the 7622
regulations adopted under division (A) of this section, except 7623
that no portion of the revenue from the increase in the rate 7624
shall be returned to townships or municipal corporations as 7625
would otherwise be required under division (A) of this section. 7626

(J) (1) Division (J) of this section applies only to 7627
counties satisfying either of the following: 7628

(a) A county that, on July 1, 2015, does not levy an 7629
excise tax under division (A) of this section and that has a 7630
population of at least thirty-nine thousand but not more than 7631
forty thousand according to the 2010 federal decennial census; 7632

(b) A county that, on July 1, 2015, levies an excise tax 7633
under division (A) of this section at a rate of three per cent 7634
and that has a population of at least seventy-one thousand but 7635
not more than seventy-five thousand according to 2010 federal 7636
decennial census. 7637

(2) The board of county commissioners of a county to which 7638
division (J) of this section applies, by resolution adopted by a 7639
majority of the members of the board, may levy an excise tax at 7640
a rate not to exceed three per cent on transactions by which 7641

lodging by a hotel or short-term rental property is or is to be 7642
furnished to transient guests for the purpose of acquiring, 7643
constructing, equipping, or repairing permanent improvements, as 7644
defined in section 133.01 of the Revised Code. 7645

(3) If the board does not levy a tax under division (A) of 7646
this section, the board shall establish regulations necessary to 7647
provide for the administration of the tax, which may prescribe 7648
the time for payment of the tax and the imposition of penalty or 7649
interest subject to the limitations on penalty and interest 7650
provided in division (A) of this section. No portion of the 7651
revenue shall be returned to townships or municipal corporations 7652
in the county unless otherwise provided by resolution of the 7653
board. 7654

(4) The tax shall apply throughout the territory of the 7655
county, including in any township or municipal corporation 7656
levying an excise tax under division (A) or (B) of section 7657
5739.08 of the Revised Code. The levy of the tax is subject to 7658
referendum as provided under section 305.31 of the Revised Code. 7659

(5) The tax shall remain in effect for the period 7660
specified in the resolution. If revenue from the increase in 7661
rate is pledged to the payment of debt charges on securities, 7662
the increase in rate is not subject to diminution by initiative 7663
or referendum or by law for so long as the securities are 7664
outstanding unless provision is made by law or by the board for 7665
an adequate substitute for that revenue that is satisfactory to 7666
the trustee if a trust agreement secures payment of the debt 7667
charges. 7668

(K) (1) The board of county commissioners of an eligible 7669
county, as defined in section 307.678 of the Revised Code, that 7670
levies an excise tax under division (A) of this section on July 7671

1, 2017, at a rate of three per cent may, by resolution adopted 7672
by a majority of the members of the board, amend the resolution 7673
levying the tax to increase the rate of the tax by not more than 7674
an additional three per cent on each transaction. 7675

(2) No portion of the revenue shall be returned to 7676
townships or municipal corporations in the county unless 7677
otherwise provided by resolution of the board. Otherwise, the 7678
revenue from the increase in the rate shall be distributed and 7679
used in the same manner described under division (A) of this 7680
section or distributed or used to provide credit enhancement 7681
facilities as authorized under section 307.678 of the Revised 7682
Code. 7683

(3) The increase in rate shall remain in effect for the 7684
period specified in the resolution. If revenue from the increase 7685
in rate is pledged to the payment of debt charges on securities, 7686
the increase in rate is not subject to diminution by initiative 7687
or referendum or by law for so long as the securities are 7688
outstanding unless provision is made by law or by the board for 7689
an adequate substitute for that revenue that is satisfactory to 7690
the trustee if a trust agreement secures payment of the debt 7691
charges. 7692

(L) (1) As used in division (L) of this section: 7693

(a) "Eligible county" means a county that has a population 7694
greater than one hundred ninety thousand and less than two 7695
hundred thousand according to the 2010 federal decennial census 7696
and that levies an excise tax under division (A) of this section 7697
at a rate of three per cent. 7698

(b) "Professional sports facility" means a sports facility 7699
that is intended to house major or minor league professional 7700

athletic teams, including a stadium, together with all parking 7701
facilities, walkways, and other auxiliary facilities, real and 7702
personal property, property rights, easements, and interests 7703
that may be appropriate for, or used in connection with, the 7704
operation of the facility. 7705

(2) Subject to division (L)(3) of this section, the board 7706
of county commissioners of an eligible county, by resolution 7707
adopted by a majority of the members of the board, may increase 7708
the rate of the tax by not more than one per cent on 7709
transactions by which lodging by a hotel or short-term rental 7710
property is or is to be furnished to transient guests. Revenue 7711
from the increase in rate shall be used for the purposes of 7712
paying the costs of constructing, improving, and maintaining a 7713
professional sports facility in the county and paying expenses 7714
considered necessary by the convention and visitors' bureau 7715
operating in the county to promote travel and tourism with 7716
respect to that professional sports facility. The tax shall take 7717
effect only after the convention and visitors' bureau enters 7718
into a contract for the construction, improvement, or 7719
maintenance of a professional sports facility that is or will be 7720
located on property acquired, in whole or in part, with revenue 7721
from the increased rate, and thereafter shall remain in effect 7722
for the period specified in the resolution. If revenue from the 7723
increase in rate is pledged to the payment of debt charges on 7724
securities, the increase in rate is not subject to diminution by 7725
initiative or referendum or by law for so long as the securities 7726
are outstanding, unless a provision is made by law or by the 7727
board of county commissioners for an adequate substitute for 7728
that revenue that is satisfactory to the trustee if a trust 7729
agreement secures payment of the debt charges. The increase in 7730
rate shall be subject to the regulations adopted under division 7731

(A) of this section, except that the resolution may provide that 7732
no portion of the revenue from the increase in the rate shall be 7733
returned to townships or municipal corporations as would 7734
otherwise be required under division (A) of this section. 7735

(3) If, on December 31, 2019, the convention and visitors' 7736
bureau has not entered into a contract for the construction, 7737
improvement, or maintenance of a professional sports facility 7738
that is or will be located on property acquired, in whole or in 7739
part, with revenue from the increased rate, the authority to 7740
levy the tax under division (L) (2) of this section is hereby 7741
repealed on that date. 7742

(M) (1) For the purposes described in section 307.695 of 7743
the Revised Code and to cover the costs of administering the 7744
tax, a board of county commissioners of a county where a tax 7745
imposed under division (A) of this section is in effect may, by 7746
resolution adopted within ninety days after July 15, 1985, by a 7747
majority of the members of the board, levy an additional excise 7748
tax not to exceed three per cent on transactions by which 7749
lodging by a hotel or short-term rental property is or is to be 7750
furnished to transient guests. The tax authorized by division 7751
(M) of this section shall be in addition to any tax that is 7752
levied pursuant to divisions (A) to (L) of this section, but it 7753
shall not apply to transactions subject to a tax levied by a 7754
municipal corporation or township pursuant to section 5739.08 of 7755
the Revised Code. 7756

(2) The board shall establish all regulations necessary to 7757
provide for the administration and allocation of the tax. The 7758
regulations may prescribe the time for payment of the tax, and 7759
may provide for the imposition of a penalty or interest, or 7760
both, for late payments, provided that the penalty does not 7761

exceed ten per cent of the amount of tax due, and the rate at 7762
which interest accrues does not exceed the rate per annum 7763
prescribed pursuant to section 5703.47 of the Revised Code. 7764

(3) All revenues arising from the tax shall be expended in 7765
accordance with section 307.695 of the Revised Code. The board 7766
of county commissioners of an eligible county as defined in 7767
section 307.695 of the Revised Code may, by resolution adopted 7768
by a majority of the members of the board, amend the resolution 7769
levying a tax under this division to provide that the revenue 7770
from the tax shall be used by the board as described in division 7771
(H) of section 307.695 of the Revised Code. 7772

(4) A tax imposed under this division shall remain in 7773
effect at the rate at which it is imposed for the duration of 7774
the period during which any agreement entered into by the board 7775
under section 307.695 of the Revised Code is in effect, the 7776
duration of the period during which any securities issued by the 7777
board under division (I) of section 307.695 of the Revised Code 7778
are outstanding, or the duration of the period during which the 7779
board owns a project as defined in section 307.695 of the 7780
Revised Code, whichever duration is longest. 7781

(N) (1) For the purpose of providing contributions under 7782
division (B) (1) of section 307.671 of the Revised Code to enable 7783
the acquisition, construction, and equipping of a port authority 7784
educational and cultural facility in the county and, to the 7785
extent provided for in the cooperative agreement authorized by 7786
that section, for the purpose of paying debt service charges on 7787
bonds, or notes in anticipation of bonds, described in division 7788
(B) (1) (b) of that section, a board of county commissioners, by 7789
resolution adopted within ninety days after December 22, 1992, 7790
by a majority of the members of the board, may levy an 7791

additional excise tax not to exceed one and one-half per cent on 7792
transactions by which lodging by a hotel or short-term rental 7793
property is or is to be furnished to transient guests. The 7794
excise tax authorized by division (N) of this section shall be 7795
in addition to any tax that is levied pursuant to divisions (A) 7796
to (M) of this section, to any excise tax levied pursuant to 7797
section 5739.08 of the Revised Code, and to any excise tax 7798
levied pursuant to section 351.021 of the Revised Code. 7799

(2) The board of county commissioners shall establish all 7800
regulations necessary to provide for the administration and 7801
allocation of the tax that are not inconsistent with this 7802
section or section 307.671 of the Revised Code. The regulations 7803
may prescribe the time for payment of the tax, and may provide 7804
for the imposition of a penalty or interest, or both, for late 7805
payments, provided that the penalty does not exceed ten per cent 7806
of the amount of tax due, and the rate at which interest accrues 7807
does not exceed the rate per annum prescribed pursuant to 7808
section 5703.47 of the Revised Code. 7809

(3) All revenues arising from the tax shall be expended in 7810
accordance with section 307.671 of the Revised Code and division 7811
(N) of this section. The levy of a tax imposed under division 7812
(N) of this section may not commence prior to the first day of 7813
the month next following the execution of the cooperative 7814
agreement authorized by section 307.671 of the Revised Code by 7815
all parties to that agreement. 7816

(4) The tax shall remain in effect at the rate at which it 7817
is imposed for the period of time described in division (C) of 7818
section 307.671 of the Revised Code for which the revenue from 7819
the tax has been pledged by the county to the corporation 7820
pursuant to that section, but, to any extent provided for in the 7821

cooperative agreement, for no lesser period than the period of 7822
time required for payment of the debt service charges on bonds, 7823
or notes in anticipation of bonds, described in division (B) (1) 7824
(b) of that section. 7825

(O) (1) For the purpose of paying the costs of acquiring, 7826
constructing, equipping, and improving a municipal educational 7827
and cultural facility, including debt service charges on bonds 7828
provided for in division (B) of section 307.672 of the Revised 7829
Code, and for any additional purposes determined by the county 7830
in the resolution levying the tax or amendments to the 7831
resolution, including subsequent amendments providing for paying 7832
costs of acquiring, constructing, renovating, rehabilitating, 7833
equipping, and improving a port authority educational and 7834
cultural performing arts facility, as defined in section 307.674 7835
of the Revised Code, and including debt service charges on bonds 7836
provided for in division (B) of section 307.674 of the Revised 7837
Code, the legislative authority of a county, by resolution 7838
adopted within ninety days after June 30, 1993, by a majority of 7839
the members of the legislative authority, may levy an additional 7840
excise tax not to exceed one and one-half per cent on 7841
transactions by which lodging by a hotel or short-term rental 7842
property is or is to be furnished to transient guests. The 7843
excise tax authorized by division (O) of this section shall be 7844
in addition to any tax that is levied pursuant to divisions (A) 7845
to (N) of this section, to any excise tax levied pursuant to 7846
section 5739.08 of the Revised Code, and to any excise tax 7847
levied pursuant to section 351.021 of the Revised Code. 7848

(2) The legislative authority of the county shall 7849
establish all regulations necessary to provide for the 7850
administration and allocation of the tax. The regulations may 7851
prescribe the time for payment of the tax, and may provide for 7852

the imposition of a penalty or interest, or both, for late 7853
payments, provided that the penalty does not exceed ten per cent 7854
of the amount of tax due, and the rate at which interest accrues 7855
does not exceed the rate per annum prescribed pursuant to 7856
section 5703.47 of the Revised Code. 7857

(3) All revenues arising from the tax shall be expended in 7858
accordance with section 307.672 of the Revised Code and this 7859
division. The levy of a tax imposed under this division shall 7860
not commence prior to the first day of the month next following 7861
the execution of the cooperative agreement authorized by section 7862
307.672 of the Revised Code by all parties to that agreement. 7863
The tax shall remain in effect at the rate at which it is 7864
imposed for the period of time determined by the legislative 7865
authority of the county. That period of time shall not exceed 7866
fifteen years, except that the legislative authority of a county 7867
with a population of less than two hundred fifty thousand 7868
according to the most recent federal decennial census, by 7869
resolution adopted by a majority of its members before the 7870
original tax expires, may extend the duration of the tax for an 7871
additional period of time. The additional period of time by 7872
which a legislative authority extends a tax levied under 7873
division (O) of this section shall not exceed fifteen years. 7874

(P) (1) The legislative authority of a county that has 7875
levied a tax under division (O) of this section may, by 7876
resolution adopted within one hundred eighty days after January 7877
4, 2001, by a majority of the members of the legislative 7878
authority, amend the resolution levying a tax under that 7879
division to provide for the use of the proceeds of that tax, to 7880
the extent that it is no longer needed for its original purpose 7881
as determined by the parties to a cooperative agreement 7882
amendment pursuant to division (D) of section 307.672 of the 7883

Revised Code, to pay costs of acquiring, constructing, 7884
renovating, rehabilitating, equipping, and improving a port 7885
authority educational and cultural performing arts facility, 7886
including debt service charges on bonds provided for in division 7887
(B) of section 307.674 of the Revised Code, and to pay all 7888
obligations under any guaranty agreements, reimbursement 7889
agreements, or other credit enhancement agreements described in 7890
division (C) of section 307.674 of the Revised Code. 7891

(2) The resolution may also provide for the extension of 7892
the tax at the same rate for the longer of the period of time 7893
determined by the legislative authority of the county, but not 7894
to exceed an additional twenty-five years, or the period of time 7895
required to pay all debt service charges on bonds provided for 7896
in division (B) of section 307.672 of the Revised Code and on 7897
port authority revenue bonds provided for in division (B) of 7898
section 307.674 of the Revised Code. 7899

(3) All revenues arising from the amendment and extension 7900
of the tax shall be expended in accordance with section 307.674 7901
of the Revised Code and divisions (O) and (P) of this section. 7902

(Q) (1) As used in division (Q) of this section: 7903

(a) "Convention facilities authority" has the same meaning 7904
as in section 351.01 of the Revised Code. 7905

(b) "Convention center" has the same meaning as in section 7906
307.695 of the Revised Code. 7907

(2) Notwithstanding any contrary provision of division (N) 7908
of this section, the legislative authority of a county with a 7909
population of one million or more according to the most recent 7910
federal decennial census that has levied a tax under division 7911
(N) of this section may, by resolution adopted by a majority of 7912

the members of the legislative authority, provide for the 7913
extension of such levy and may provide that the proceeds of that 7914
tax, to the extent that they are no longer needed for their 7915
original purpose as defined by a cooperative agreement entered 7916
into under section 307.671 of the Revised Code, shall be 7917
deposited into the county general revenue fund. The resolution 7918
shall provide for the extension of the tax at a rate not to 7919
exceed the rate specified in division (N) of this section for a 7920
period of time determined by the legislative authority of the 7921
county, but not to exceed an additional forty years. 7922

(3) The legislative authority of a county with a 7923
population of one million or more that has levied a tax under 7924
division (A) of this section may, by resolution adopted by a 7925
majority of the members of the legislative authority, increase 7926
the rate of the tax levied by such county under division (A) of 7927
this section to a rate not to exceed five per cent on 7928
transactions by which lodging by a hotel or short-term rental 7929
property is or is to be furnished to transient guests. 7930
Notwithstanding any contrary provision of division (A) of this 7931
section, the resolution may provide that all collections 7932
resulting from the rate levied in excess of three per cent, 7933
after deducting the real and actual costs of administering the 7934
tax, shall be deposited in the county general fund. 7935

(4) The legislative authority of a county with a 7936
population of one million or more that has levied a tax under 7937
division (A) of this section may, by resolution adopted on or 7938
before August 30, 2004, by a majority of the members of the 7939
legislative authority, provide that all or a portion of the 7940
proceeds of the tax levied under division (A) of this section, 7941
after deducting the real and actual costs of administering the 7942
tax and the amounts required to be returned to townships and 7943

municipal corporations with respect to the first three per cent 7944
levied under division (A) of this section, shall be deposited in 7945
the county general fund, provided that such proceeds shall be 7946
used to satisfy any pledges made in connection with an agreement 7947
entered into under section 307.695 of the Revised Code. 7948

(5) No amount collected from a tax levied, extended, or 7949
required to be deposited in the county general fund under 7950
division (Q) of this section shall be contributed to a 7951
convention facilities authority, corporation, or other entity 7952
created after July 1, 2003, for the principal purpose of 7953
constructing, improving, expanding, equipping, financing, or 7954
operating a convention center unless the mayor of the municipal 7955
corporation in which the convention center is to be operated by 7956
that convention facilities authority, corporation, or other 7957
entity has consented to the creation of that convention 7958
facilities authority, corporation, or entity. Notwithstanding 7959
any contrary provision of section 351.04 of the Revised Code, if 7960
a tax is levied by a county under division (Q) of this section, 7961
the board of county commissioners of that county may determine 7962
the manner of selection, the qualifications, the number, and 7963
terms of office of the members of the board of directors of any 7964
convention facilities authority, corporation, or other entity 7965
described in division (Q) (5) of this section. 7966

(6) (a) No amount collected from a tax levied, extended, or 7967
required to be deposited in the county general fund under 7968
division (Q) of this section may be used for any purpose other 7969
than paying the direct and indirect costs of constructing, 7970
improving, expanding, equipping, financing, or operating a 7971
convention center and for the real and actual costs of 7972
administering the tax, unless, prior to the adoption of the 7973
resolution of the legislative authority of the county 7974

authorizing the levy, extension, increase, or deposit, the 7975
county and the mayor of the most populous municipal corporation 7976
in that county have entered into an agreement as to the use of 7977
such amounts, provided that such agreement has been approved by 7978
a majority of the mayors of the other municipal corporations in 7979
that county. The agreement shall provide that the amounts to be 7980
used for purposes other than paying the convention center or 7981
administrative costs described in division (Q) (6) (a) of this 7982
section be used only for the direct and indirect costs of 7983
capital improvements, including the financing of capital 7984
improvements, except that the agreement may subsequently be 7985
amended by the parties that have entered into that agreement to 7986
authorize such amounts to instead be used for any costs related 7987
to the promotion or support of tourism or tourism-related 7988
programs. 7989

(b) If the county in which the tax is levied has an 7990
association of mayors and city managers, the approval of that 7991
association of an agreement described in division (Q) (6) (a) of 7992
this section shall be considered to be the approval of the 7993
majority of the mayors of the other municipal corporations for 7994
purposes of that division. 7995

(7) Each year, the auditor of state shall conduct an audit 7996
of the uses of any amounts collected from taxes levied, 7997
extended, or deposited under division (Q) of this section and 7998
shall prepare a report of the auditor of state's findings. The 7999
auditor of state shall submit the report to the legislative 8000
authority of the county that has levied, extended, or deposited 8001
the tax, the speaker of the house of representatives, the 8002
president of the senate, and the leaders of the minority parties 8003
of the house of representatives and the senate. 8004

(R) (1) As used in division (R) of this section: 8005

(a) "Convention facilities authority" has the same meaning 8006
as in section 351.01 of the Revised Code. 8007

(b) "Convention center" has the same meaning as in section 8008
307.695 of the Revised Code. 8009

(2) Notwithstanding any contrary provision of division (N) 8010
of this section, the legislative authority of a county with a 8011
population of one million two hundred thousand or more according 8012
to the most recent federal decennial census or the most recent 8013
annual population estimate published or released by the United 8014
States census bureau at the time the resolution is adopted 8015
placing the levy on the ballot, that has levied a tax under 8016
division (N) of this section may, by resolution adopted by a 8017
majority of the members of the legislative authority, provide 8018
for the extension of such levy and may provide that the proceeds 8019
of that tax, to the extent that the proceeds are no longer 8020
needed for their original purpose as defined by a cooperative 8021
agreement entered into under section 307.671 of the Revised Code 8022
and after deducting the real and actual costs of administering 8023
the tax, shall be used for paying the direct and indirect costs 8024
of constructing, improving, expanding, equipping, financing, or 8025
operating a convention center. The resolution shall provide for 8026
the extension of the tax at a rate not to exceed the rate 8027
specified in division (N) of this section for a period of time 8028
determined by the legislative authority of the county, but not 8029
to exceed an additional forty years. 8030

(3) The legislative authority of a county with a 8031
population of one million two hundred thousand or more that has 8032
levied a tax under division (A) of this section may, by 8033
resolution adopted by a majority of the members of the 8034

legislative authority, increase the rate of the tax levied by 8035
such county under division (A) of this section to a rate not to 8036
exceed five per cent on transactions by which lodging by a hotel 8037
or short-term rental property is or is to be furnished to 8038
transient guests. Notwithstanding any contrary provision of 8039
division (A) of this section, the resolution shall provide that 8040
all collections resulting from the rate levied in excess of 8041
three per cent, after deducting the real and actual costs of 8042
administering the tax, shall be used for paying the direct and 8043
indirect costs of constructing, improving, expanding, equipping, 8044
financing, or operating a convention center. 8045

(4) The legislative authority of a county with a 8046
population of one million two hundred thousand or more that has 8047
levied a tax under division (A) of this section may, by 8048
resolution adopted on or before July 1, 2008, by a majority of 8049
the members of the legislative authority, provide that all or a 8050
portion of the proceeds of the tax levied under division (A) of 8051
this section, after deducting the real and actual costs of 8052
administering the tax and the amounts required to be returned to 8053
townships and municipal corporations with respect to the first 8054
three per cent levied under division (A) of this section, shall 8055
be used to satisfy any pledges made in connection with an 8056
agreement entered into under section 307.695 of the Revised Code 8057
or shall otherwise be used for paying the direct and indirect 8058
costs of constructing, improving, expanding, equipping, 8059
financing, or operating a convention center. 8060

(5) Any amount collected from a tax levied or extended 8061
under division (R) of this section may be contributed to a 8062
convention facilities authority created before July 1, 2005, but 8063
no amount collected from a tax levied or extended under division 8064
(R) of this section may be contributed to a convention 8065

facilities authority, corporation, or other entity created after 8066
July 1, 2005, unless the mayor of the municipal corporation in 8067
which the convention center is to be operated by that convention 8068
facilities authority, corporation, or other entity has consented 8069
to the creation of that convention facilities authority, 8070
corporation, or entity. 8071

(S) As used in division (S) of this section, "soldiers' 8072
memorial" means a memorial constructed and funded under Chapter 8073
345. of the Revised Code. 8074

The board of county commissioners of a county with a 8075
population between one hundred three thousand and one hundred 8076
seven thousand according to the most recent federal decennial 8077
census, by resolution adopted by a majority of the members of 8078
the board within six months after September 15, 2014, may levy a 8079
tax not to exceed three per cent on transactions by which a 8080
hotel or short-term rental property is or is to be furnished to 8081
transient guests. The purpose of the tax shall be to pay the 8082
costs of expanding, maintaining, or operating a soldiers' 8083
memorial and the costs of administering the tax. All revenue 8084
arising from the tax shall be credited to one or more special 8085
funds in the county treasury and shall be spent solely for the 8086
purposes of paying those costs. 8087

The board of county commissioners shall adopt all rules 8088
necessary to provide for the administration of the tax subject 8089
to the same limitations on imposing penalty or interest under 8090
division (A) of this section. 8091

(T) As used in division (T) of this section: 8092

(1) "Eligible county" means a county in which a county 8093
agricultural society or independent agricultural society is 8094

organized under section 1711.01 or 1711.02 of the Revised Code, 8095
provided the agricultural society owns a facility or site in the 8096
county at which an annual harness horse race is conducted where 8097
one-day attendance equals at least forty thousand attendees. 8098

(2) "Permanent improvements," "debt charges," and 8099
"financing costs" have the same meanings as in section 133.01 of 8100
the Revised Code. 8101

(3) "Costs of permanent improvements" include all costs 8102
allowed in section 133.15 of the Revised Code. 8103

A board of county commissioners of an eligible county, by 8104
resolution adopted by a majority of the members of the board, 8105
may levy an excise tax at the rate of up to three per cent on 8106
transactions by which lodging by a hotel or short-term rental 8107
property is or is to be furnished to transient guests for the 8108
purpose of paying the costs of permanent improvements at sites 8109
at which one or more agricultural societies conduct fairs or 8110
exhibits, including paying financing costs and debt charges on 8111
bonds, or notes in anticipation of bonds, paying the costs of 8112
maintaining or operating such permanent improvements, and paying 8113
the costs of administering the tax. 8114

A resolution adopted under division (T) of this section, 8115
other than a resolution that only extends the period of time for 8116
which the tax is levied, shall direct the board of elections to 8117
submit the question of the proposed lodging tax to the electors 8118
of the county at a special election held on the date specified 8119
by the board in the resolution, provided that the election 8120
occurs not less than ninety days after a certified copy of the 8121
resolution is transmitted to the board of elections. A 8122
resolution submitted to the electors under division (T) of this 8123
section shall not go into effect unless it is approved by a 8124

majority of those voting upon it. The resolution takes effect on 8125
the date the board of county commissioners receives notification 8126
from the board of elections of an affirmative vote. 8127

The tax shall remain in effect for the period specified in 8128
the resolution, not to exceed five years, and may be extended 8129
for an additional period of years that is at least the number of 8130
years required for payment of the debt charges on bonds or notes 8131
in anticipation of bonds authorized under this division but not 8132
in excess of fifteen years thereafter by a resolution adopted by 8133
a majority of the members of the board. A resolution extending 8134
the period of time for which the tax is in effect is not subject 8135
to approval of the electors of the county, but is subject to 8136
referendum under sections 305.31 to 305.99 of the Revised Code. 8137
All revenue arising from the tax shall be credited to one or 8138
more special funds in the county treasury and shall be spent 8139
solely for the purposes of paying the costs of such permanent 8140
improvements, including paying financing costs and debt charges 8141
on bonds, or notes in anticipation of bonds, and maintaining or 8142
operating the improvements. Revenue allocated for the use of a 8143
county agricultural society may be credited to the county 8144
agricultural society fund created in section 1711.16 of the 8145
Revised Code upon appropriation by the board. If revenue is 8146
credited to that fund, it shall be expended only as provided in 8147
that section. 8148

The board of county commissioners shall adopt all rules 8149
necessary to provide for the administration of the tax. The 8150
rules may prescribe the time for payment of the tax, and may 8151
provide for the imposition or penalty or interest, or both, for 8152
late payments, provided that the penalty does not exceed ten per 8153
cent of the amount of tax due, and the rate at which interest 8154
accrues does not exceed the rate per annum prescribed in section 8155

5703.47 of the Revised Code. 8156

The board of county commissioners may issue bonds, or 8157
notes in anticipation thereof, pursuant to Chapter 133. of the 8158
Revised Code, for the purpose of paying the costs of permanent 8159
improvements as authorized in this division and pledge the 8160
revenue arising from the tax for that purpose. The board of 8161
county commissioners may pledge or contribute the revenue 8162
arising from the tax levied under this division to a port 8163
authority created under Chapter 4582. of the Revised Code, and 8164
the port authority may issue bonds, or notes in anticipation 8165
thereof, pursuant to that chapter, for the purpose of paying the 8166
costs of permanent improvements as authorized in this division. 8167

(U) As used in division (U) of this section, "eligible 8168
county" means a county in which a tax is levied under division 8169
(A) of this section at a rate of three per cent and whose 8170
territory includes a part of Lake Erie the shoreline of which 8171
represents at least fifty per cent of the linear length of the 8172
county's border with other counties of this state. 8173

The board of county commissioners of an eligible county 8174
that has entered into an agreement with a port authority in the 8175
county under section 4582.56 of the Revised Code may levy an 8176
additional lodging tax on transactions by which lodging by a 8177
hotel or short-term rental property is or is to be furnished to 8178
transient guests for the purpose of financing lakeshore 8179
improvement projects constructed or financed by the port 8180
authority under that section. The resolution levying the tax 8181
shall specify the purpose of the tax, the rate of the tax, which 8182
shall not exceed two per cent, and the number of years the tax 8183
will be levied or that it will be levied for a continuing period 8184
of time. The tax shall be administered pursuant to the 8185

regulations adopted by the board under division (A) of this 8186
section, except that all the proceeds of the tax levied under 8187
this division shall be pledged to the payment of the costs, 8188
including debt charges, of lakeshore improvements undertaken by 8189
a port authority pursuant to the agreement under section 4582.56 8190
of the Revised Code. No revenue from the tax may be used to pay 8191
the current expenses of the port authority. 8192

A resolution levying a tax under division (U) of this 8193
section is subject to referendum under sections 305.31 to 305.41 8194
and 305.99 of the Revised Code. 8195

(V) (1) As used in division (V) of this section: 8196

(a) "Tourism development district" means a district 8197
designated by a municipal corporation under section 715.014 of 8198
the Revised Code or by a township under section 503.56 of the 8199
Revised Code. 8200

(b) "Lodging tax" means a tax levied pursuant to this 8201
section or section 5739.08 of the Revised Code. 8202

(c) "Tourism development district lodging tax proceeds" 8203
means all proceeds of a lodging tax derived from transactions by 8204
which lodging by a hotel or short-term rental property located 8205
in a tourism development district is or is to be provided to 8206
transient guests. 8207

(d) "Eligible county" has the same meaning as in section 8208
307.678 of the Revised Code. 8209

(2) (a) Notwithstanding division (A) of this section, the 8210
board of county commissioners, board of township trustees, or 8211
legislative authority of any county, township, or municipal 8212
corporation that levies a lodging tax on September 29, 2017, and 8213
in which any part of a tourism development district is located 8214

on or after that date shall amend the ordinance or resolution 8215
levying the tax to require either of the following: 8216

(i) In the case of a tax levied by a county, that all 8217
tourism development district lodging tax proceeds from that tax 8218
be used exclusively to foster and develop tourism in the tourism 8219
development district; 8220

(ii) In the case of a tax levied by a township or 8221
municipal corporation, that all tourism development district 8222
lodging tax proceeds from that tax be used exclusively to foster 8223
and develop tourism in the tourism development district. 8224

(b) Notwithstanding division (A) of this section, any 8225
ordinance or resolution levying a lodging tax adopted on or 8226
after September 29, 2017, by a county, township, or municipal 8227
corporation in which any part of a tourism development district 8228
is located on or after that date shall require that all tourism 8229
development district lodging tax proceeds from that tax be used 8230
exclusively to foster and develop tourism in the tourism 8231
development district. 8232

(c) A county shall not use any of the proceeds described 8233
in division (V) (2) (a) (i) or (V) (2) (b) of this section unless the 8234
convention and visitors' bureau operating within the county 8235
approves the manner in which such proceeds are used to foster 8236
and develop tourism in the tourism development district. Upon 8237
obtaining such approval, the county may pay such proceeds to the 8238
bureau to use for the agreed-upon purpose. 8239

A municipal corporation or township shall not use any of 8240
the proceeds described in division (V) (2) (a) (ii) or (V) (2) (b) of 8241
this section unless the convention and visitors' bureau 8242
operating within the municipal corporation or township approves 8243

the manner in which such proceeds are used to foster and develop 8244
tourism in the tourism development district. Upon obtaining such 8245
approval, the municipal corporation or township may pay such 8246
proceeds to the bureau to use for the agreed-upon purpose. 8247

(3) (a) Notwithstanding division (A) of this section, the 8248
board of county commissioners of an eligible county that levies 8249
a lodging tax on March 23, 2018, may amend the resolution 8250
levying that tax to require that all or a portion of the 8251
proceeds of that tax otherwise required to be spent solely to 8252
make contributions to the convention and visitors' bureau 8253
operating within the county shall be used to foster and develop 8254
tourism in a tourism development district. 8255

(b) Notwithstanding division (A) of this section, the 8256
board of county commissioners of an eligible county that adopts 8257
a resolution levying a lodging tax on or after March 23, 2018, 8258
may require that all or a portion of the proceeds of that tax 8259
otherwise required to be spent solely to make contributions to 8260
the convention and visitors' bureau operating within the county 8261
pursuant to division (A) of this section shall be used to foster 8262
and develop tourism in a tourism development district. 8263

(c) A county shall not use any of the proceeds in the 8264
manner described in division (V) (3) (a) or (b) of this section 8265
unless the convention and visitors' bureau operating within the 8266
county approves the manner in which such proceeds are used to 8267
foster and develop tourism in the tourism development district. 8268
Upon obtaining such approval, the county may pay such proceeds 8269
to the bureau to use for the agreed upon purpose. 8270

(W) (1) As used in division (W) of this section: 8271

(a) "Eligible county" means a county with a population 8272

greater than three hundred thousand and less than three hundred 8273
fifty thousand that levies a tax under division (A) of this 8274
section at a rate of three per cent; 8275

(b) "Cost" and "facility" have the same meanings as in 8276
section 351.01 of the Revised Code. 8277

(2) A board of county commissioners of an eligible county, 8278
by resolution adopted by a majority of the members of the board, 8279
may levy an excise tax at the rate of up to three per cent on 8280
transactions by which lodging by a hotel or short-term rental 8281
property is or is to be furnished to transient guests. All of 8282
the revenue from the tax shall be used to pay the costs of 8283
administering the tax or pledged and contributed to a convention 8284
facilities authority established by the board of county 8285
commissioners under Chapter 351. of the Revised Code and used by 8286
the authority to pay the cost of constructing a facility in the 8287
county, including paying bonds, or notes issued in anticipation 8288
of bonds, as provided by that chapter, or paying the expenses of 8289
maintaining, operating, or promoting such a facility. No portion 8290
of the revenue arising from the tax need be returned to 8291
municipal corporations or townships as required for taxes levied 8292
under division (A) of this section. 8293

(3) A resolution adopted under division (W) of this 8294
section shall direct the board of elections to submit the 8295
question of the proposed lodging tax to the electors of the 8296
county at a special election held on the date specified by the 8297
board in the resolution, provided that the election occurs not 8298
less than ninety days after a certified copy of the resolution 8299
is transmitted to the board of elections. A resolution submitted 8300
to the electors under division (W) of this section shall not go 8301
into effect unless it is approved by a majority of those voting 8302

upon it. The resolution takes effect on the date the board of 8303
county commissioners receives notification from the board of 8304
elections of an affirmative vote. 8305

(4) Once the tax is approved by the electors of the county 8306
pursuant to division (W) (3) of this section, it shall not be 8307
subject to diminution by initiative or referendum or by law 8308
while any bonds, or notes in anticipation of bonds, issued by 8309
the authority under Chapter 351. of the Revised Code to which 8310
the revenue is pledged, remain outstanding in accordance with 8311
their terms, unless provision is made by law or by the board of 8312
county commissioners for an adequate substitute therefore that 8313
is satisfactory to the trustee if a trust agreement secures the 8314
bonds. 8315

(5) The tax authorized by division (W) of this section 8316
shall be in addition to any other tax that is levied pursuant to 8317
this section. 8318

(X) (1) As used in division (X) of this section: 8319

(a) "Convention facilities authority," "cost," and 8320
"facility" have the same meanings as in section 351.01 of the 8321
Revised Code, except that "facility" does not include a "sports 8322
facility," as that term is defined in that section, other than a 8323
facility intended to house a major league soccer team. 8324

(b) "Eligible county" means a county with a population 8325
greater than eight hundred thousand but less than one million 8326
that levies a tax under division (A) of this section. 8327

(c) "Port authority" means a port authority created under 8328
Chapter 4582. of the Revised Code. 8329

(2) A board of county commissioners or the legislative 8330
authority of an eligible county may, by resolution adopted by a 8331

majority of the members of the board or legislative authority, 8332
levy an excise tax at a rate not to exceed one per cent on 8333
transactions by which lodging by a hotel or short-term rental 8334
property is or is to be furnished to transient guests. All 8335
revenue arising from the tax shall be used to pay the costs of 8336
administering the tax or pledged and contributed to the 8337
convention and visitors' bureau operating within the applicable 8338
eligible county, a convention facilities authority within the 8339
applicable eligible county, or a port authority and used by the 8340
convention and visitors' bureau, the convention facilities 8341
authority, or the port authority to pay the cost of acquiring, 8342
constructing, renovating, expanding, maintaining, or operating 8343
one or more facilities in the county, including paying bonds, or 8344
notes issued in anticipation of bonds, or paying the expenses of 8345
maintaining, operating, or promoting one or more facilities. No 8346
portion of the revenue arising from the tax need be returned to 8347
municipal corporations or townships as required for taxes levied 8348
under division (A) of this section. 8349

(3) The tax authorized by division (X) of this section 8350
shall be in addition to any other tax that is levied pursuant to 8351
this section. 8352

(4) Any board of county commissioners of an eligible 8353
county that, pursuant to division (D) (2) of this section, has 8354
amended a resolution levying the tax authorized by division (A) 8355
of this section may further amend the resolution to provide that 8356
all or a portion of the revenue referred to in division (D) (2) 8357
(b) of this section and division (A) of this section may be 8358
pledged and contributed to pay the costs of acquiring, 8359
constructing, renovating, expanding, maintaining, or operating 8360
one or more facilities in the county, including paying bonds, or 8361
notes issued in anticipation of bonds, or paying the expenses of 8362

maintaining, operating, or promoting one or more facilities. 8363

Sec. 5739.091. (A) ~~For the purposes of a tax levied by a~~ 8364
~~county, township, or municipal corporation under section 5739.08~~ 8365
~~or 5739.09 of the Revised Code, a~~ As used in this section: 8366

(1) "Legislative authority" means a board of county 8367
~~commissioners, board of township trustees, or the legislative~~ 8368
~~authority of a municipal corporation may adopt a resolution or~~ 8369
~~ordinance at any time specifying that "hotel," as otherwise~~ 8370
~~defined in section 5739.01 of the Revised Code, includes the~~ 8371
~~following:~~ 8372

~~(1) Establishments in which fewer than five rooms are used~~ 8373
~~for the accommodation of guests;~~ 8374

~~(2) Establishments at which rooms are used for the~~ 8375
~~accommodation of guests regardless of whether each room is~~ 8376
~~accessible through its own keyed entry or several rooms are~~ 8377
~~accessible through the same keyed entry; and, in determining the~~ 8378
~~number of rooms, all rooms are included regardless of the number~~ 8379
~~of structures in which the rooms are situated or the number of~~ 8380
~~parcels of land on which the structures are located if the~~ 8381
~~structures are under the same ownership and the structures are~~ 8382
~~not identified in advertisements of the accommodations as~~ 8383
~~distinct establishments. For the purposes of division (A)(2) of~~ 8384
~~this section, two or more structures are under the same~~ 8385
~~ownership if they are owned by the same person, or if they are~~ 8386
~~owned by two or more persons the majority of the ownership~~ 8387
~~interests of which are owned by the same person.~~ 8388

~~(B) The resolution or ordinance may apply to a tax imposed~~ 8389
~~pursuant to section 5739.08 or 5739.09 of the Revised Code prior~~ 8390
~~to the adoption of the resolution or ordinance if the resolution~~ 8391

~~or ordinance so states, but the tax shall not apply to~~ 8392
~~transactions by which lodging by such an establishment is~~ 8393
~~provided to transient guests prior to the adoption of the~~ 8394
~~resolution or ordinance.~~, the board of directors of a convention 8395
facilities authority, or the board of directors of a lake 8396
facilities authority. 8397

(2) "Existing lodging tax" means a tax levied under 8398
section 351.021, 353.06, 5739.08, or 5739.09 of the Revised Code 8399
and in effect on the day before the first day of the first month 8400
beginning thirty days after the effective date of this 8401
amendment. 8402

(3) "Elector-approved lodging tax" means an existing 8403
lodging tax levied under section 353.06 or division (T) or (W) 8404
of section 5739.09 of the Revised Code. 8405

(B) Except as provided in division (D) of this section, a 8406
legislative authority shall not levy an existing lodging tax on 8407
or after the first day of the first month beginning thirty or 8408
more days after the effective date of this amendment unless the 8409
legislative authority amends the resolution or ordinance levying 8410
the tax to comply with the enactment of division (C) of this 8411
section and the amendment of sections 351.01, 351.021, 353.06, 8412
5739.08, and 5739.09 of the Revised Code by this act. That 8413
amendment to such a resolution or ordinance is not subject to a 8414
referendum, as prescribed by sections 305.31 to 305.41 of the 8415
Revised Code. 8416

(C) A legislative authority shall require the operator of 8417
a short-term rental platform to collect and remit the tax levied 8418
under section 351.021, 353.06, 5739.08, or 5739.09 of the 8419
Revised Code on all transactions by which lodging by a hotel or 8420
short-term rental property is or is to be furnished to transient 8421

guests through use of the platform. 8422

(D) A legislative authority that levies an elector- 8423
approved lodging tax shall, after the effective date of this 8424
amendment, continue to levy that tax for the remainder of the 8425
period of time for which it was last approved. The legislative 8426
authority shall not, on or after the first day of the first 8427
month beginning thirty or more days after the effective date of 8428
this amendment, adopt a resolution to renew or extend that 8429
period of time or otherwise modify the tax unless that 8430
resolution complies with the enactment of division (C) of this 8431
section and the amendment of sections 351.01, 351.021, 353.06, 8432
5739.08, and 5739.09 of the Revised Code by this act. 8433

Sec. 5741.01. As used in this chapter: 8434

(A) "Person" includes individuals, receivers, assignees, 8435
trustees in bankruptcy, estates, firms, partnerships, 8436
associations, joint-stock companies, joint ventures, clubs, 8437
societies, corporations, business trusts, governments, and 8438
combinations of individuals of any form. 8439

(B) "Storage" means and includes any keeping or retention 8440
in this state for use or other consumption in this state. 8441

(C) "Use" means and includes the exercise of any right or 8442
power incidental to the ownership of the thing used. A thing is 8443
also "used" in this state if its consumer gives or otherwise 8444
distributes it, without charge, to recipients in this state. 8445

(D) "Purchase" means acquired or received for a 8446
consideration, whether such acquisition or receipt was effected 8447
by a transfer of title, or of possession, or of both, or a 8448
license to use or consume; whether such transfer was absolute or 8449
conditional, and by whatever means the transfer was effected; 8450

and whether the consideration was money, credit, barter, or 8451
exchange. Purchase includes production, even though the article 8452
produced was used, stored, or consumed by the producer. The 8453
transfer of copyrighted motion picture films for exhibition 8454
purposes is not a purchase, except such films as are used solely 8455
for advertising purposes. 8456

(E) "Seller" means the person from whom a purchase is 8457
made, and includes every person engaged in this state or 8458
elsewhere in the business of selling tangible personal property 8459
or providing a service for storage, use, or other consumption or 8460
benefit in this state; and when, in the opinion of the tax 8461
commissioner, it is necessary for the efficient administration 8462
of this chapter, to regard any salesperson, representative, 8463
peddler, or canvasser as the agent of a dealer, distributor, 8464
supervisor, or employer under whom the person operates, or from 8465
whom the person obtains tangible personal property, sold by the 8466
person for storage, use, or other consumption in this state, 8467
irrespective of whether or not the person is making such sales 8468
on the person's own behalf, or on behalf of such dealer, 8469
distributor, supervisor, or employer, the commissioner may 8470
regard the person as such agent, and may regard such dealer, 8471
distributor, supervisor, or employer as the seller. A 8472
marketplace facilitator shall be treated as the "seller" with 8473
respect to all sales facilitated by the marketplace facilitator 8474
on behalf of one or more marketplace sellers on and after the 8475
first day of the first month that begins at least thirty days 8476
after the marketplace facilitator first has substantial nexus 8477
with this state. Otherwise, "seller" does not include any person 8478
to the extent the person provides a communications medium, such 8479
as, but not limited to, newspapers, magazines, radio, 8480
television, or cable television, by means of which sellers 8481

solicit purchases of their goods or services. 8482

(F) "Consumer" means any person who has purchased tangible 8483
personal property or has been provided a service for storage, 8484
use, or other consumption or benefit in this state. "Consumer" 8485
does not include a person who receives, without charge, tangible 8486
personal property or a service. 8487

A person who performs a facility management or similar 8488
service contract for a contractee is a consumer of all tangible 8489
personal property and services purchased for use in connection 8490
with the performance of such contract, regardless of whether 8491
title to any such property vests in the contractee. The purchase 8492
of such property and services is not subject to the exception 8493
for resale under division (E) of section 5739.01 of the Revised 8494
Code. 8495

(G) (1) "Price," except as provided in divisions (G) (2) to 8496
(6) of this section, has the same meaning as in division (H) (1) 8497
of section 5739.01 of the Revised Code. 8498

(2) In the case of watercraft, outboard motors, or new 8499
motor vehicles, "price" has the same meaning as in divisions (H) 8500
(2) and (3) of section 5739.01 of the Revised Code. 8501

(3) In the case of a nonresident business consumer that 8502
purchases and uses tangible personal property outside this state 8503
and subsequently temporarily stores, uses, or otherwise consumes 8504
such tangible personal property in the conduct of business in 8505
this state, the consumer or the tax commissioner may determine 8506
the price based on the value of the temporary storage, use, or 8507
other consumption, in lieu of determining the price pursuant to 8508
division (G) (1) of this section. A price determination made by 8509
the consumer is subject to review and redetermination by the 8510

commissioner. 8511

(4) In the case of tangible personal property held in this 8512
state as inventory for sale or lease, and that is temporarily 8513
stored, used, or otherwise consumed in a taxable manner, the 8514
price is the value of the temporary use. A price determination 8515
made by the consumer is subject to review and redetermination by 8516
the commissioner. 8517

(5) In the case of tangible personal property originally 8518
purchased and used by the consumer outside this state, and that 8519
becomes permanently stored, used, or otherwise consumed in this 8520
state more than six months after its acquisition by the 8521
consumer, the consumer or the commissioner may determine the 8522
price based on the current value of such tangible personal 8523
property, in lieu of determining the price pursuant to division 8524
(G) (1) of this section. A price determination made by the 8525
consumer is subject to review and redetermination by the 8526
commissioner. 8527

(6) If a consumer produces tangible personal property for 8528
sale and removes that property from inventory for the consumer's 8529
own use, the price is the produced cost of that tangible 8530
personal property. 8531

(H) "Nexus with this state" means that the seller engages 8532
in continuous and widespread solicitation of purchases from 8533
residents of this state or otherwise purposefully directs its 8534
business activities at residents of this state. 8535

(I) (1) "Substantial nexus with this state" means that the 8536
seller has sufficient contact with this state, in accordance 8537
with Section 8 of Article I of the Constitution of the United 8538
States, to allow the state to require the seller to collect and 8539

remit use tax on sales of tangible personal property or services 8540
made to consumers in this state. 8541

(2) "Substantial nexus with this state" is presumed to 8542
exist when the seller does any of the following: 8543

(a) Uses an office, distribution facility, warehouse, 8544
storage facility, or similar place of business within this 8545
state, whether operated by the seller or any other person, other 8546
than a common carrier acting in its capacity as a common 8547
carrier. 8548

(b) Regularly uses employees, agents, representatives, 8549
solicitors, installers, repairers, salespersons, or other 8550
persons in this state for the purpose of conducting the business 8551
of the seller or either to engage in a business with the same or 8552
a similar industry classification as the seller selling a 8553
similar product or line of products as the seller, or to use 8554
trademarks, service marks, or trade names in this state that are 8555
the same or substantially similar to those used by the seller. 8556

(c) Uses any person, other than a common carrier acting in 8557
its capacity as a common carrier, in this state for any of the 8558
following purposes: 8559

(i) Receiving or processing orders of the seller's goods 8560
or services; 8561

(ii) Using that person's employees or facilities in this 8562
state to advertise, promote, or facilitate sales by the seller 8563
to customers; 8564

(iii) Delivering, installing, assembling, or performing 8565
maintenance services for the seller's customers; 8566

(iv) Facilitating the seller's delivery of tangible 8567

personal property to customers in this state by allowing the 8568
seller's customers to pick up property sold by the seller at an 8569
office, distribution facility, warehouse, storage facility, or 8570
similar place of business. 8571

(d) Makes regular deliveries of tangible personal property 8572
into this state by means other than common carrier. 8573

(e) Has an affiliated person that has substantial nexus 8574
with this state. 8575

(f) Owns tangible personal property that is rented or 8576
leased to a consumer in this state, or offers tangible personal 8577
property, on approval, to consumers in this state. 8578

(g) Has gross receipts in excess of one hundred thousand 8579
dollars in the current or preceding calendar year from the sale 8580
of tangible personal property for storage, use, or consumption 8581
in this state or from providing services the benefit of which is 8582
realized in this state. 8583

(h) Engages, in the current or preceding calendar year, in 8584
two hundred or more separate transactions selling tangible 8585
personal property for storage, use, or consumption in this state 8586
or providing services the benefit of which is realized in this 8587
state. 8588

(i) Is the operator of a short-term rental platform that 8589
furnishes lodging in short-term rental properties located in 8590
this state to transient guests. 8591

(3) A seller presumed to have substantial nexus with this 8592
state under divisions (I) (2) (a) to (f), (g), and (h) of this 8593
section may rebut that presumption by demonstrating that 8594
activities described in any of those divisions that are 8595
conducted by a person in this state on the seller's behalf are 8596

not significantly associated with the seller's ability to 8597
establish or maintain a market in this state for the seller's 8598
sales. 8599

(4) A marketplace facilitator is presumed to have 8600
substantial nexus with this state if either of the following 8601
apply in the current or preceding calendar year: 8602

(a) The aggregate gross receipts derived from sales of 8603
tangible personal property for storage, use, or consumption in 8604
this state or services the benefit of which is realized in this 8605
state, including sales made by the marketplace facilitator on 8606
its own behalf and sales facilitated by the marketplace 8607
facilitator on behalf of one or more marketplace sellers, exceed 8608
one hundred thousand dollars; 8609

(b) The marketplace facilitator engages in on its own 8610
behalf, or facilitates on behalf of one or more marketplace 8611
sellers, two hundred or more separate transactions selling 8612
tangible personal property for storage, use, or consumption in 8613
this state or services the benefit of which is realized in this 8614
state. 8615

(5) A seller that does not have substantial nexus with 8616
this state, and any affiliated person of the seller, before 8617
selling or leasing tangible personal property or services to a 8618
state agency, shall register with the tax commissioner in the 8619
same manner as a seller described in division (A)(1) of section 8620
5741.17 of the Revised Code. 8621

(6) As used in division (I) of this section: 8622

(a) "Affiliated person" means any person that is a member 8623
of the same controlled group of corporations as the seller or 8624
any other person that, notwithstanding the form of organization, 8625

bears the same ownership relationship to the seller as a 8626
corporation that is a member of the same controlled group of 8627
corporations. 8628

(b) "Controlled group of corporations" has the same 8629
meaning as in section 1563(a) of the Internal Revenue Code. 8630

(c) "State agency" has the same meaning as in section 1.60 8631
of the Revised Code. 8632

(J) "Fiscal officer" means, with respect to a regional 8633
transit authority, the secretary-treasurer thereof, and with 8634
respect to a county which is a transit authority, the fiscal 8635
officer of the county transit board appointed pursuant to 8636
section 306.03 of the Revised Code or, if the board of county 8637
commissioners operates the county transit system, the county 8638
auditor. 8639

(K) "Territory of the transit authority" means all of the 8640
area included within the territorial boundaries of a transit 8641
authority as they from time to time exist. Such territorial 8642
boundaries must at all times include all the area of a single 8643
county or all the area of the most populous county which is a 8644
part of such transit authority. County population shall be 8645
measured by the most recent census taken by the United States 8646
census bureau. 8647

(L) "Transit authority" means a regional transit authority 8648
created pursuant to section 306.31 of the Revised Code or a 8649
county in which a county transit system is created pursuant to 8650
section 306.01 of the Revised Code. For the purposes of this 8651
chapter, a transit authority must extend to at least the entire 8652
area of a single county. A transit authority which includes 8653
territory in more than one county must include all the area of 8654

the most populous county which is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

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

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

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

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

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

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

(S) "Electronic marketplace" includes digital distribution services, digital distribution platforms, online portals,

application stores, computer software applications, in-app 8684
purchase mechanisms, or other digital products. 8685

(T) A sale is "facilitated" by a marketplace facilitator 8686
on behalf of a marketplace seller if it satisfies divisions (T) 8687
(1), (2), and (3) of this section: 8688

(1) The marketplace facilitator, directly or indirectly, 8689
does any of the following: 8690

(a) Lists, makes available, or advertises the tangible 8691
personal property or services that are the subject of the sale 8692
in a physical or electronic marketplace owned, operated, or 8693
controlled by the marketplace facilitator; 8694

(b) Transmits or otherwise communicates an offer or 8695
acceptance of the sale between the marketplace seller and the 8696
purchaser in a shop, store, booth, catalog, internet site, or 8697
other similar forum; 8698

(c) Owns, rents, licenses, makes available, or operates 8699
any electronic or physical infrastructure or any property, 8700
process, method, copyright, trademark, or patent that connects 8701
the marketplace seller to the purchaser for the purpose of 8702
making sales; 8703

(d) Provides the marketplace in which the sale was made or 8704
otherwise facilitates the sale regardless of ownership or 8705
control of the tangible personal property or services that are 8706
the subject of the sale; 8707

(e) Provides software development or research and 8708
development services directly related to a physical or 8709
electronic marketplace that is involved in one or more of the 8710
activities described in division (T) (1) of this section; 8711

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

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

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

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

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

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

(b) Provides payment processing services for the sale;

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

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

(3) The subject of the sale is tangible personal property or services other than lodging by a hotel that is or is to be

furnished to transient guests. 8740

(U) "Short-term rental platform," "short-term rental 8741
property," and "transient guest" have the same meanings as in 8742
section 5739.01 of the Revised Code. 8743

Sec. 5747.01. Except as otherwise expressly provided or 8744
clearly appearing from the context, any term used in this 8745
chapter that is not otherwise defined in this section has the 8746
same meaning as when used in a comparable context in the laws of 8747
the United States relating to federal income taxes or if not 8748
used in a comparable context in those laws, has the same meaning 8749
as in section 5733.40 of the Revised Code. Any reference in this 8750
chapter to the Internal Revenue Code includes other laws of the 8751
United States relating to federal income taxes. 8752

As used in this chapter: 8753

(A) "Adjusted gross income" or "Ohio adjusted gross 8754
income" means federal adjusted gross income, as defined and used 8755
in the Internal Revenue Code, adjusted as provided in this 8756
section: 8757

(1) Add interest or dividends on obligations or securities 8758
of any state or of any political subdivision or authority of any 8759
state, other than this state and its subdivisions and 8760
authorities. 8761

(2) Add interest or dividends on obligations of any 8762
authority, commission, instrumentality, territory, or possession 8763
of the United States to the extent that the interest or 8764
dividends are exempt from federal income taxes but not from 8765
state income taxes. 8766

(3) Deduct interest or dividends on obligations of the 8767
United States and its territories and possessions or of any 8768

authority, commission, or instrumentality of the United States 8769
to the extent that the interest or dividends are included in 8770
federal adjusted gross income but exempt from state income taxes 8771
under the laws of the United States. 8772

(4) Deduct disability and survivor's benefits to the 8773
extent included in federal adjusted gross income. 8774

(5) Deduct the following, to the extent not otherwise 8775
deducted or excluded in computing federal or Ohio adjusted gross 8776
income: 8777

(a) Benefits under Title II of the Social Security Act and 8778
tier 1 railroad retirement; 8779

(b) Railroad retirement benefits, other than tier 1 8780
railroad retirement benefits, to the extent such amounts are 8781
exempt from state taxation under federal law. 8782

(6) Deduct the amount of wages and salaries, if any, not 8783
otherwise allowable as a deduction but that would have been 8784
allowable as a deduction in computing federal adjusted gross 8785
income for the taxable year, had the work opportunity tax credit 8786
allowed and determined under sections 38, 51, and 52 of the 8787
Internal Revenue Code not been in effect. 8788

(7) Deduct any interest or interest equivalent on public 8789
obligations and purchase obligations to the extent that the 8790
interest or interest equivalent is included in federal adjusted 8791
gross income. 8792

(8) Add any loss or deduct any gain resulting from the 8793
sale, exchange, or other disposition of public obligations to 8794
the extent that the loss has been deducted or the gain has been 8795
included in computing federal adjusted gross income. 8796

(9) Deduct or add amounts, as provided under section 8797
5747.70 of the Revised Code, related to contributions made to or 8798
tuition units purchased under a qualified tuition program 8799
established pursuant to section 529 of the Internal Revenue 8800
Code. 8801

(10) (a) Deduct, to the extent not otherwise allowable as a 8802
deduction or exclusion in computing federal or Ohio adjusted 8803
gross income for the taxable year, the amount the taxpayer paid 8804
during the taxable year for medical care insurance and qualified 8805
long-term care insurance for the taxpayer, the taxpayer's 8806
spouse, and dependents. No deduction for medical care insurance 8807
under division (A) (10) (a) of this section shall be allowed 8808
either to any taxpayer who is eligible to participate in any 8809
subsidized health plan maintained by any employer of the 8810
taxpayer or of the taxpayer's spouse, or to any taxpayer who is 8811
entitled to, or on application would be entitled to, benefits 8812
under part A of Title XVIII of the "Social Security Act," 49 8813
Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of 8814
division (A) (10) (a) of this section, "subsidized health plan" 8815
means a health plan for which the employer pays any portion of 8816
the plan's cost. The deduction allowed under division (A) (10) (a) 8817
of this section shall be the net of any related premium refunds, 8818
related premium reimbursements, or related insurance premium 8819
dividends received during the taxable year. 8820

(b) Deduct, to the extent not otherwise deducted or 8821
excluded in computing federal or Ohio adjusted gross income 8822
during the taxable year, the amount the taxpayer paid during the 8823
taxable year, not compensated for by any insurance or otherwise, 8824
for medical care of the taxpayer, the taxpayer's spouse, and 8825
dependents, to the extent the expenses exceed seven and one-half 8826
per cent of the taxpayer's federal adjusted gross income. 8827

(c) For purposes of division (A)(10) of this section, 8828
"medical care" has the meaning given in section 213 of the 8829
Internal Revenue Code, subject to the special rules, 8830
limitations, and exclusions set forth therein, and "qualified 8831
long-term care" has the same meaning given in section 7702B(c) 8832
of the Internal Revenue Code. Solely for purposes of division 8833
(A)(10)(a) of this section, "dependent" includes a person who 8834
otherwise would be a "qualifying relative" and thus a 8835
"dependent" under section 152 of the Internal Revenue Code but 8836
for the fact that the person fails to meet the income and 8837
support limitations under section 152(d)(1)(B) and (C) of the 8838
Internal Revenue Code. 8839

(11)(a) Deduct any amount included in federal adjusted 8840
gross income solely because the amount represents a 8841
reimbursement or refund of expenses that in any year the 8842
taxpayer had deducted as an itemized deduction pursuant to 8843
section 63 of the Internal Revenue Code and applicable United 8844
States department of the treasury regulations. The deduction 8845
otherwise allowed under division (A)(11)(a) of this section 8846
shall be reduced to the extent the reimbursement is attributable 8847
to an amount the taxpayer deducted under this section in any 8848
taxable year. 8849

(b) Add any amount not otherwise included in Ohio adjusted 8850
gross income for any taxable year to the extent that the amount 8851
is attributable to the recovery during the taxable year of any 8852
amount deducted or excluded in computing federal or Ohio 8853
adjusted gross income in any taxable year. 8854

(12) Deduct any portion of the deduction described in 8855
section 1341(a)(2) of the Internal Revenue Code, for repaying 8856
previously reported income received under a claim of right, that 8857

meets both of the following requirements: 8858

(a) It is allowable for repayment of an item that was 8859
included in the taxpayer's adjusted gross income for a prior 8860
taxable year and did not qualify for a credit under division (A) 8861
or (B) of section 5747.05 of the Revised Code for that year; 8862

(b) It does not otherwise reduce the taxpayer's adjusted 8863
gross income for the current or any other taxable year. 8864

(13) Deduct an amount equal to the deposits made to, and 8865
net investment earnings of, a medical savings account during the 8866
taxable year, in accordance with section 3924.66 of the Revised 8867
Code. The deduction allowed by division (A) (13) of this section 8868
does not apply to medical savings account deposits and earnings 8869
otherwise deducted or excluded for the current or any other 8870
taxable year from the taxpayer's federal adjusted gross income. 8871

(14) (a) Add an amount equal to the funds withdrawn from a 8872
medical savings account during the taxable year, and the net 8873
investment earnings on those funds, when the funds withdrawn 8874
were used for any purpose other than to reimburse an account 8875
holder for, or to pay, eligible medical expenses, in accordance 8876
with section 3924.66 of the Revised Code; 8877

(b) Add the amounts distributed from a medical savings 8878
account under division (A) (2) of section 3924.68 of the Revised 8879
Code during the taxable year. 8880

(15) Add any amount claimed as a credit under section 8881
5747.059 of the Revised Code to the extent that such amount 8882
satisfies either of the following: 8883

(a) The amount was deducted or excluded from the 8884
computation of the taxpayer's federal adjusted gross income as 8885
required to be reported for the taxpayer's taxable year under 8886

the Internal Revenue Code; 8887

(b) The amount resulted in a reduction of the taxpayer's 8888
federal adjusted gross income as required to be reported for any 8889
of the taxpayer's taxable years under the Internal Revenue Code. 8890

(16) Deduct the amount contributed by the taxpayer to an 8891
individual development account program established by a county 8892
department of job and family services pursuant to sections 8893
329.11 to 329.14 of the Revised Code for the purpose of matching 8894
funds deposited by program participants. On request of the tax 8895
commissioner, the taxpayer shall provide any information that, 8896
in the tax commissioner's opinion, is necessary to establish the 8897
amount deducted under division (A) (16) of this section. 8898

(17) (a) (i) Subject to divisions (A) (17) (a) (iii), (iv), and 8899
(v) of this section, add five-sixths of the amount of 8900
depreciation expense allowed by subsection (k) of section 168 of 8901
the Internal Revenue Code, including the taxpayer's 8902
proportionate or distributive share of the amount of 8903
depreciation expense allowed by that subsection to a pass- 8904
through entity in which the taxpayer has a direct or indirect 8905
ownership interest. 8906

(ii) Subject to divisions (A) (17) (a) (iii), (iv), and (v) 8907
of this section, add five-sixths of the amount of qualifying 8908
section 179 depreciation expense, including the taxpayer's 8909
proportionate or distributive share of the amount of qualifying 8910
section 179 depreciation expense allowed to any pass-through 8911
entity in which the taxpayer has a direct or indirect ownership 8912
interest. 8913

(iii) Subject to division (A) (17) (a) (v) of this section, 8914
for taxable years beginning in 2012 or thereafter, if the 8915

increase in income taxes withheld by the taxpayer is equal to or 8916
greater than ten per cent of income taxes withheld by the 8917
taxpayer during the taxpayer's immediately preceding taxable 8918
year, "two-thirds" shall be substituted for "five-sixths" for 8919
the purpose of divisions (A)(17)(a)(i) and (ii) of this section. 8920

(iv) Subject to division (A)(17)(a)(v) of this section, 8921
for taxable years beginning in 2012 or thereafter, a taxpayer is 8922
not required to add an amount under division (A)(17) of this 8923
section if the increase in income taxes withheld by the taxpayer 8924
and by any pass-through entity in which the taxpayer has a 8925
direct or indirect ownership interest is equal to or greater 8926
than the sum of (I) the amount of qualifying section 179 8927
depreciation expense and (II) the amount of depreciation expense 8928
allowed to the taxpayer by subsection (k) of section 168 of the 8929
Internal Revenue Code, and including the taxpayer's 8930
proportionate or distributive shares of such amounts allowed to 8931
any such pass-through entities. 8932

(v) If a taxpayer directly or indirectly incurs a net 8933
operating loss for the taxable year for federal income tax 8934
purposes, to the extent such loss resulted from depreciation 8935
expense allowed by subsection (k) of section 168 of the Internal 8936
Revenue Code and by qualifying section 179 depreciation expense, 8937
"the entire" shall be substituted for "five-sixths of the" for 8938
the purpose of divisions (A)(17)(a)(i) and (ii) of this section. 8939

The tax commissioner, under procedures established by the 8940
commissioner, may waive the add-backs related to a pass-through 8941
entity if the taxpayer owns, directly or indirectly, less than 8942
five per cent of the pass-through entity. 8943

(b) Nothing in division (A)(17) of this section shall be 8944
construed to adjust or modify the adjusted basis of any asset. 8945

(c) To the extent the add-back required under division (A) 8946
(17) (a) of this section is attributable to property generating 8947
nonbusiness income or loss allocated under section 5747.20 of 8948
the Revised Code, the add-back shall be situated to the same 8949
location as the nonbusiness income or loss generated by the 8950
property for the purpose of determining the credit under 8951
division (A) of section 5747.05 of the Revised Code. Otherwise, 8952
the add-back shall be apportioned, subject to one or more of the 8953
four alternative methods of apportionment enumerated in section 8954
5747.21 of the Revised Code. 8955

(d) For the purposes of division (A) (17) (a) (v) of this 8956
section, net operating loss carryback and carryforward shall not 8957
include the allowance of any net operating loss deduction 8958
carryback or carryforward to the taxable year to the extent such 8959
loss resulted from depreciation allowed by section 168(k) of the 8960
Internal Revenue Code and by the qualifying section 179 8961
depreciation expense amount. 8962

(e) For the purposes of divisions (A) (17) and (18) of this 8963
section: 8964

(i) "Income taxes withheld" means the total amount 8965
withheld and remitted under sections 5747.06 and 5747.07 of the 8966
Revised Code by an employer during the employer's taxable year. 8967

(ii) "Increase in income taxes withheld" means the amount 8968
by which the amount of income taxes withheld by an employer 8969
during the employer's current taxable year exceeds the amount of 8970
income taxes withheld by that employer during the employer's 8971
immediately preceding taxable year. 8972

(iii) "Qualifying section 179 depreciation expense" means 8973
the difference between (I) the amount of depreciation expense 8974

directly or indirectly allowed to a taxpayer under section 179 8975
of the Internal Revised Code, and (II) the amount of 8976
depreciation expense directly or indirectly allowed to the 8977
taxpayer under section 179 of the Internal Revenue Code as that 8978
section existed on December 31, 2002. 8979

(18) (a) If the taxpayer was required to add an amount 8980
under division (A) (17) (a) of this section for a taxable year, 8981
deduct one of the following: 8982

(i) One-fifth of the amount so added for each of the five 8983
succeeding taxable years if the amount so added was five-sixths 8984
of qualifying section 179 depreciation expense or depreciation 8985
expense allowed by subsection (k) of section 168 of the Internal 8986
Revenue Code; 8987

(ii) One-half of the amount so added for each of the two 8988
succeeding taxable years if the amount so added was two-thirds 8989
of such depreciation expense; 8990

(iii) One-sixth of the amount so added for each of the six 8991
succeeding taxable years if the entire amount of such 8992
depreciation expense was so added. 8993

(b) If the amount deducted under division (A) (18) (a) of 8994
this section is attributable to an add-back allocated under 8995
division (A) (17) (c) of this section, the amount deducted shall 8996
be situated to the same location. Otherwise, the add-back shall 8997
be apportioned using the apportionment factors for the taxable 8998
year in which the deduction is taken, subject to one or more of 8999
the four alternative methods of apportionment enumerated in 9000
section 5747.21 of the Revised Code. 9001

(c) No deduction is available under division (A) (18) (a) of 9002
this section with regard to any depreciation allowed by section 9003

168(k) of the Internal Revenue Code and by the qualifying 9004
section 179 depreciation expense amount to the extent that such 9005
depreciation results in or increases a federal net operating 9006
loss carryback or carryforward. If no such deduction is 9007
available for a taxable year, the taxpayer may carry forward the 9008
amount not deducted in such taxable year to the next taxable 9009
year and add that amount to any deduction otherwise available 9010
under division (A) (18) (a) of this section for that next taxable 9011
year. The carryforward of amounts not so deducted shall continue 9012
until the entire addition required by division (A) (17) (a) of 9013
this section has been deducted. 9014

(19) Deduct, to the extent not otherwise deducted or 9015
excluded in computing federal or Ohio adjusted gross income for 9016
the taxable year, the amount the taxpayer received during the 9017
taxable year as reimbursement for life insurance premiums under 9018
section 5919.31 of the Revised Code. 9019

(20) Deduct, to the extent not otherwise deducted or 9020
excluded in computing federal or Ohio adjusted gross income for 9021
the taxable year, the amount the taxpayer received during the 9022
taxable year as a death benefit paid by the adjutant general 9023
under section 5919.33 of the Revised Code. 9024

(21) Deduct, to the extent included in federal adjusted 9025
gross income and not otherwise allowable as a deduction or 9026
exclusion in computing federal or Ohio adjusted gross income for 9027
the taxable year, military pay and allowances received by the 9028
taxpayer during the taxable year for active duty service in the 9029
United States army, air force, navy, marine corps, or coast 9030
guard or reserve components thereof or the national guard. The 9031
deduction may not be claimed for military pay and allowances 9032
received by the taxpayer while the taxpayer is stationed in this 9033

state. 9034

(22) Deduct, to the extent not otherwise allowable as a 9035
deduction or exclusion in computing federal or Ohio adjusted 9036
gross income for the taxable year and not otherwise compensated 9037
for by any other source, the amount of qualified organ donation 9038
expenses incurred by the taxpayer during the taxable year, not 9039
to exceed ten thousand dollars. A taxpayer may deduct qualified 9040
organ donation expenses only once for all taxable years 9041
beginning with taxable years beginning in 2007. 9042

For the purposes of division (A) (22) of this section: 9043

(a) "Human organ" means all or any portion of a human 9044
liver, pancreas, kidney, intestine, or lung, and any portion of 9045
human bone marrow. 9046

(b) "Qualified organ donation expenses" means travel 9047
expenses, lodging expenses, and wages and salary forgone by a 9048
taxpayer in connection with the taxpayer's donation, while 9049
living, of one or more of the taxpayer's human organs to another 9050
human being. 9051

(23) Deduct, to the extent not otherwise deducted or 9052
excluded in computing federal or Ohio adjusted gross income for 9053
the taxable year, amounts received by the taxpayer as retired 9054
personnel pay for service in the uniformed services or reserve 9055
components thereof, or the national guard, or received by the 9056
surviving spouse or former spouse of such a taxpayer under the 9057
survivor benefit plan on account of such a taxpayer's death. If 9058
the taxpayer receives income on account of retirement paid under 9059
the federal civil service retirement system or federal employees 9060
retirement system, or under any successor retirement program 9061
enacted by the congress of the United States that is established 9062

and maintained for retired employees of the United States 9063
government, and such retirement income is based, in whole or in 9064
part, on credit for the taxpayer's uniformed service, the 9065
deduction allowed under this division shall include only that 9066
portion of such retirement income that is attributable to the 9067
taxpayer's uniformed service, to the extent that portion of such 9068
retirement income is otherwise included in federal adjusted 9069
gross income and is not otherwise deducted under this section. 9070
Any amount deducted under division (A) (23) of this section is 9071
not included in a taxpayer's adjusted gross income for the 9072
purposes of section 5747.055 of the Revised Code. No amount may 9073
be deducted under division (A) (23) of this section on the basis 9074
of which a credit was claimed under section 5747.055 of the 9075
Revised Code. 9076

(24) Deduct, to the extent not otherwise deducted or 9077
excluded in computing federal or Ohio adjusted gross income for 9078
the taxable year, the amount the taxpayer received during the 9079
taxable year from the military injury relief fund created in 9080
section 5902.05 of the Revised Code. 9081

(25) Deduct, to the extent not otherwise deducted or 9082
excluded in computing federal or Ohio adjusted gross income for 9083
the taxable year, the amount the taxpayer received as a veterans 9084
bonus during the taxable year from the Ohio department of 9085
veterans services as authorized by Section 2r of Article VIII, 9086
Ohio Constitution. 9087

(26) Deduct, to the extent not otherwise deducted or 9088
excluded in computing federal or Ohio adjusted gross income for 9089
the taxable year, any income derived from a transfer agreement 9090
or from the enterprise transferred under that agreement under 9091
section 4313.02 of the Revised Code. 9092

(27) Deduct, to the extent not otherwise deducted or 9093
excluded in computing federal or Ohio adjusted gross income for 9094
the taxable year, Ohio college opportunity or federal Pell grant 9095
amounts received by the taxpayer or the taxpayer's spouse or 9096
dependent pursuant to section 3333.122 of the Revised Code or 20 9097
U.S.C. 1070a, et seq., and used to pay room or board furnished 9098
by the educational institution for which the grant was awarded 9099
at the institution's facilities, including meal plans 9100
administered by the institution. For the purposes of this 9101
division, receipt of a grant includes the distribution of a 9102
grant directly to an educational institution and the crediting 9103
of the grant to the enrollee's account with the institution. 9104

(28) Deduct from the portion of an individual's federal 9105
adjusted gross income that is nonpassive business income, to the 9106
extent not otherwise deducted or excluded in computing federal 9107
adjusted gross income for the taxable year, one hundred twenty- 9108
five thousand dollars for each spouse if spouses file separate 9109
returns under section 5747.08 of the Revised Code or two hundred 9110
fifty thousand dollars for all other individuals. 9111

(29) Deduct, as provided under section 5747.78 of the 9112
Revised Code, contributions to ABLE savings accounts made in 9113
accordance with sections 113.50 to 113.56 of the Revised Code. 9114

(30) (a) Deduct, to the extent not otherwise deducted or 9115
excluded in computing federal or Ohio adjusted gross income 9116
during the taxable year, all of the following: 9117

(i) Compensation paid to a qualifying employee described 9118
in division (A) (14) (a) of section 5703.94 of the Revised Code to 9119
the extent such compensation is for disaster work conducted in 9120
this state during a disaster response period pursuant to a 9121
qualifying solicitation received by the employee's employer; 9122

(ii) Compensation paid to a qualifying employee described 9123
in division (A) (14) (b) of section 5703.94 of the Revised Code to 9124
the extent such compensation is for disaster work conducted in 9125
this state by the employee during the disaster response period 9126
on critical infrastructure owned or used by the employee's 9127
employer; 9128

(iii) Income received by an out-of-state disaster business 9129
for disaster work conducted in this state during a disaster 9130
response period, or, if the out-of-state disaster business is a 9131
pass-through entity, a taxpayer's distributive share of the 9132
pass-through entity's income from the business conducting 9133
disaster work in this state during a disaster response period, 9134
if, in either case, the disaster work is conducted pursuant to a 9135
qualifying solicitation received by the business. 9136

(b) All terms used in division (A) (30) of this section 9137
have the same meanings as in section 5703.94 of the Revised 9138
Code. 9139

(31) For a taxpayer who is a qualifying Ohio educator, 9140
deduct, to the extent not otherwise deducted or excluded in 9141
computing federal or Ohio adjusted gross income for the taxable 9142
year, the lesser of two hundred fifty dollars or the amount of 9143
expenses described in subsections (a) (2) (D) (i) and (ii) of 9144
section 62 of the Internal Revenue Code paid or incurred by the 9145
taxpayer during the taxpayer's taxable year in excess of the 9146
amount the taxpayer is authorized to deduct for that taxable 9147
year under subsection (a) (2) (D) of that section. 9148

(32) Deduct, to the extent not otherwise deducted or 9149
excluded in computing federal or Ohio adjusted gross income for 9150
the taxable year, amounts received by the taxpayer as a 9151
disability severance payment, computed under 10 U.S.C. 1212, 9152

following discharge or release under honorable conditions from 9153
the armed forces, as defined by 10 U.S.C. 101. 9154

(33) Deduct, to the extent not otherwise deducted or 9155
excluded in computing federal adjusted gross income or Ohio 9156
adjusted gross income, amounts not subject to tax due to an 9157
agreement entered into under division (A) (2) of section 5747.05 9158
of the Revised Code. 9159

(34) Deduct amounts as provided under section 5747.79 of 9160
the Revised Code related to the taxpayer's qualifying capital 9161
gains and deductible payroll. 9162

~~To the extent a qualifying capital gain described under 9163
division (A) (34) of this section is business income, the 9164
taxpayer shall deduct those gains under this division before 9165
deducting any such gains under division (A) (28) of this section.~~ 9166

(35) (a) For taxable years beginning in or after 2026, 9167
deduct, to the extent not otherwise deducted or excluded in 9168
computing federal or Ohio adjusted gross income for the taxable 9169
year: 9170

(i) One hundred per cent of the capital gain received by 9171
the taxpayer in the taxable year from a qualifying interest in 9172
an Ohio venture capital operating company attributable to the 9173
company's investments in Ohio businesses during the period for 9174
which the company was an Ohio venture operating company; and 9175

(ii) Fifty per cent of the capital gain received by the 9176
taxpayer in the taxable year from a qualifying interest in an 9177
Ohio venture capital operating company attributable to the 9178
company's investments in all other businesses during the period 9179
for which the company was an Ohio venture operating company. 9180

(b) Add amounts previously deducted by the taxpayer under 9181

division (A) (35) (a) of this section if the director of 9182
development certifies to the tax commissioner that the 9183
requirements for the deduction were not met. 9184

(c) All terms used in division (A) (35) of this section 9185
have the same meanings as in section 122.851 of the Revised 9186
Code. 9187

~~(d) To the extent a capital gain described in division (A)~~ 9188
~~(35) (a) of this section is business income, the taxpayer shall~~ 9189
~~apply that division before applying division (A) (28) of this~~ 9190
~~section.~~ 9191

(36) Add, to the extent not otherwise included in 9192
computing federal or Ohio adjusted gross income for any taxable 9193
year, the taxpayer's proportionate share of the amount of the 9194
tax levied under section 5747.38 of the Revised Code and paid by 9195
an electing pass-through entity for the taxable year. 9196

Notwithstanding any provision of the Revised Code to the 9197
contrary, the portion of the addition required by division (A) 9198
(36) of this section related to the apportioned business income 9199
of the pass-through entity shall be considered business income 9200
under division (B) of this section. Such addition is eligible 9201
for the deduction in division (A) (28) of this section, subject 9202
to the applicable dollar limitations, and the tax rate 9203
prescribed by division (A) (4) (a) of section 5747.02 of the 9204
Revised Code. The taxpayer shall provide, upon request of the 9205
tax commissioner, any documentation necessary to verify the 9206
portion of the addition that is business income under this 9207
division. 9208

(37) Deduct, to the extent not otherwise deducted or 9209
excluded in computing federal or Ohio adjusted gross income for 9210

the taxable year, amounts delivered to a qualifying institution 9211
pursuant to section 3333.128 of the Revised Code for the benefit 9212
of the taxpayer or the taxpayer's spouse or dependent. 9213

(38) Deduct, to the extent not otherwise deducted or 9214
excluded in computing federal or Ohio adjusted gross income for 9215
the taxable year, amounts received under the Ohio adoption grant 9216
program pursuant to section 5101.191 of the Revised Code. 9217

(39) Deduct, to the extent included in federal adjusted 9218
gross income, income attributable to amounts provided to a 9219
taxpayer for any of the purposes for which an exclusion would 9220
have been authorized under section 139 of the Internal Revenue 9221
Code if the train derailment near the city of East Palestine on 9222
February 3, 2023, had been a qualified disaster pursuant to that 9223
section, or to compensate for lost business resulting from that 9224
derailment, if such amounts are provided by any of the 9225
following: 9226

(a) A federal, state, or local government agency; 9227

(b) A railroad company, as that term is defined in section 9228
5727.01 of the Revised Code; 9229

(c) Any subsidiary, insurer, or agent of a railroad 9230
company or any related person. 9231

Notwithstanding any provision to the contrary, the 9232
derailment is not required to meet the definition of a 9233
"qualified disaster" pursuant to section 139 of the Internal 9234
Revenue Code to qualify for the deduction under this section. 9235

(40) Deduct, to the extent included in federal adjusted 9236
gross income, income attributable to loan repayments on behalf 9237
of the taxpayer under the rural practice incentive program under 9238
section 3333.135 of the Revised Code. 9239

(41) Add any income taxes deducted in computing federal or 9240
Ohio adjusted gross income to the extent the income taxes were 9241
derived from income subject to a tax levied in another state or 9242
the District of Columbia when such tax was enacted for purposes 9243
of complying with internal revenue service notice 2020-75. 9244

Notwithstanding any provision of the Revised Code to the 9245
contrary, the portion of the addition required by division (A) 9246
(41) of this section related to the apportioned business income 9247
of the pass-through entity shall be considered business income 9248
under division (B) of this section. Such addition is eligible 9249
for the deduction in division (A) (28) of this section, subject 9250
to the applicable dollar limitations, and the tax rate 9251
prescribed by division (A) (4) (a) of section 5747.02 of the 9252
Revised Code. The taxpayer shall provide, upon request of the 9253
tax commissioner, any documentation necessary to verify the 9254
portion of the addition that is business income under this 9255
division. 9256

(42) Deduct amounts contributed to a homeownership savings 9257
account and calculated pursuant to divisions (B) and (C) of 9258
section 5747.85 of the Revised Code. 9259

(43) If the taxpayer is the account owner, add the amount 9260
of funds withdrawn from a homeownership savings account not used 9261
for eligible expenses, regardless of who deposited those funds. 9262
As used in division (A) (43) of this section, "homeownership 9263
savings account," "account owner," and "eligible expenses" have 9264
the same meanings as in section 5747.85 of the Revised Code. 9265

(B) "Business income" means income, including gain or 9266
loss, arising from transactions, activities, and sources in the 9267
regular course of a trade or business and includes income, gain, 9268
or loss from real property, tangible property, and intangible 9269

property if the acquisition, rental, management, and disposition 9270
of the property constitute integral parts of the regular course 9271
of a trade or business operation. "Business income" includes 9272
income, including gain or loss, from a partial or complete 9273
liquidation of a business, including, but not limited to, gain 9274
or loss from the sale or other disposition of goodwill or the 9275
sale of an equity or ownership interest in a business. 9276

As used in this division, the "sale of an equity or 9277
ownership interest in a business" means sales to which either or 9278
both of the following apply: 9279

(1) The sale is treated for federal income tax purposes as 9280
the sale of assets. 9281

(2) The seller materially participated, as described in 26 9282
C.F.R. 1.469-5T, in the activities of the business during the 9283
taxable year in which the sale occurs or during any of the five 9284
preceding taxable years. 9285

(C) "Nonbusiness income" means all income other than 9286
business income and may include, but is not limited to, 9287
compensation, rents and royalties from real or tangible personal 9288
property, capital gains, interest, dividends and distributions, 9289
patent or copyright royalties, or lottery winnings, prizes, and 9290
awards. 9291

(D) "Compensation" means any form of remuneration paid to 9292
an employee for personal services. 9293

(E) "Fiduciary" means a guardian, trustee, executor, 9294
administrator, receiver, conservator, or any other person acting 9295
in any fiduciary capacity for any individual, trust, or estate. 9296

(F) "Fiscal year" means an accounting period of twelve 9297
months ending on the last day of any month other than December. 9298

(G) "Individual" means any natural person.	9299
(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.	9300 9301
(I) "Resident" means any of the following:	9302
(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;	9303 9304
(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I) (2) of this section.	9305 9306 9307 9308
(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.	9309 9310 9311
For the purposes of division (I) (3) of this section:	9312
(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I) (3) (d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:	9313 9314 9315 9316 9317 9318
(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I) (3) (e) (i) or (ii) of this section;	9319 9320 9321 9322
(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this	9323 9324 9325 9326

state for the purposes of this chapter during all or some 9327
portion of the trust's current taxable year; 9328

(iii) A person who was domiciled in this state for the 9329
purposes of this chapter when the trust document or instrument 9330
or part of the trust document or instrument became irrevocable, 9331
but only if at least one of the trust's qualifying beneficiaries 9332
is a resident domiciled in this state for the purposes of this 9333
chapter during all or some portion of the trust's current 9334
taxable year. If a trust document or instrument became 9335
irrevocable upon the death of a person who at the time of death 9336
was domiciled in this state for purposes of this chapter, that 9337
person is a person described in division (I) (3) (a) (iii) of this 9338
section. 9339

(b) A trust is irrevocable to the extent that the 9340
transferor is not considered to be the owner of the net assets 9341
of the trust under sections 671 to 678 of the Internal Revenue 9342
Code. 9343

(c) With respect to a trust other than a charitable lead 9344
trust, "qualifying beneficiary" has the same meaning as 9345
"potential current beneficiary" as defined in section 1361(e) (2) 9346
of the Internal Revenue Code, and with respect to a charitable 9347
lead trust "qualifying beneficiary" is any current, future, or 9348
contingent beneficiary, but with respect to any trust 9349
"qualifying beneficiary" excludes a person or a governmental 9350
entity or instrumentality to any of which a contribution would 9351
qualify for the charitable deduction under section 170 of the 9352
Internal Revenue Code. 9353

(d) For the purposes of division (I) (3) (a) of this 9354
section, the extent to which a trust consists directly or 9355
indirectly, in whole or in part, of assets, net of any related 9356

liabilities, that were transferred directly or indirectly, in 9357
whole or part, to the trust by any of the sources enumerated in 9358
that division shall be ascertained by multiplying the fair 9359
market value of the trust's assets, net of related liabilities, 9360
by the qualifying ratio, which shall be computed as follows: 9361

(i) The first time the trust receives assets, the 9362
numerator of the qualifying ratio is the fair market value of 9363
those assets at that time, net of any related liabilities, from 9364
sources enumerated in division (I) (3) (a) of this section. The 9365
denominator of the qualifying ratio is the fair market value of 9366
all the trust's assets at that time, net of any related 9367
liabilities. 9368

(ii) Each subsequent time the trust receives assets, a 9369
revised qualifying ratio shall be computed. The numerator of the 9370
revised qualifying ratio is the sum of (1) the fair market value 9371
of the trust's assets immediately prior to the subsequent 9372
transfer, net of any related liabilities, multiplied by the 9373
qualifying ratio last computed without regard to the subsequent 9374
transfer, and (2) the fair market value of the subsequently 9375
transferred assets at the time transferred, net of any related 9376
liabilities, from sources enumerated in division (I) (3) (a) of 9377
this section. The denominator of the revised qualifying ratio is 9378
the fair market value of all the trust's assets immediately 9379
after the subsequent transfer, net of any related liabilities. 9380

(iii) Whether a transfer to the trust is by or from any of 9381
the sources enumerated in division (I) (3) (a) of this section 9382
shall be ascertained without regard to the domicile of the 9383
trust's beneficiaries. 9384

(e) For the purposes of division (I) (3) (a) (i) of this 9385
section: 9386

(i) A trust is described in division (I) (3) (e) (i) of this section if the trust is a testamentary trust and the testator of that testamentary trust was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(ii) A trust is described in division (I) (3) (e) (ii) of this section if the transfer is a qualifying transfer described in any of divisions (I) (3) (f) (i) to (vi) of this section, the trust is an irrevocable inter vivos trust, and at least one of the trust's qualifying beneficiaries is domiciled in this state for purposes of this chapter during all or some portion of the trust's current taxable year.

(f) For the purposes of division (I) (3) (e) (ii) of this section, a "qualifying transfer" is a transfer of assets, net of any related liabilities, directly or indirectly to a trust, if the transfer is described in any of the following:

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual 9416
relationship existing directly or indirectly between the 9417
transferor and either the decedent or the estate of the decedent 9418
at any time prior to the date of the decedent's death, and the 9419
decedent was domiciled in this state at the time of death for 9420
purposes of the taxes levied under Chapter 5731. of the Revised 9421
Code. 9422

(iv) The transfer is made to a trust on account of a 9423
contractual relationship existing directly or indirectly between 9424
the transferor and another person who at the time of the 9425
decedent's death was domiciled in this state for purposes of 9426
this chapter. 9427

(v) The transfer is made to a trust on account of the will 9428
of a testator who was domiciled in this state at the time of the 9429
testator's death for purposes of the taxes levied under Chapter 9430
5731. of the Revised Code. 9431

(vi) The transfer is made to a trust created by or caused 9432
to be created by a court, and the trust was directly or 9433
indirectly created in connection with or as a result of the 9434
death of an individual who, for purposes of the taxes levied 9435
under Chapter 5731. of the Revised Code, was domiciled in this 9436
state at the time of the individual's death. 9437

(g) The tax commissioner may adopt rules to ascertain the 9438
part of a trust residing in this state. 9439

(J) "Nonresident" means an individual or estate that is 9440
not a resident. An individual who is a resident for only part of 9441
a taxable year is a nonresident for the remainder of that 9442
taxable year. 9443

(K) "Pass-through entity" has the same meaning as in 9444

section 5733.04 of the Revised Code. 9445

(L) "Return" means the notifications and reports required 9446
to be filed pursuant to this chapter for the purpose of 9447
reporting the tax due and includes declarations of estimated tax 9448
when so required. 9449

(M) "Taxable year" means the calendar year or the 9450
taxpayer's fiscal year ending during the calendar year, or 9451
fractional part thereof, upon which the adjusted gross income is 9452
calculated pursuant to this chapter. 9453

(N) "Taxpayer" means any person subject to the tax imposed 9454
by section 5747.02 of the Revised Code or any pass-through 9455
entity that makes the election under division (D) of section 9456
5747.08 of the Revised Code. 9457

(O) "Dependents" means one of the following: 9458

(1) For taxable years beginning on or after January 1, 9459
2018, and before January 1, 2026, dependents as defined in the 9460
Internal Revenue Code; 9461

(2) For all other taxable years, dependents as defined in 9462
the Internal Revenue Code and as claimed in the taxpayer's 9463
federal income tax return for the taxable year or which the 9464
taxpayer would have been permitted to claim had the taxpayer 9465
filed a federal income tax return. 9466

(P) "Principal county of employment" means, in the case of 9467
a nonresident, the county within the state in which a taxpayer 9468
performs services for an employer or, if those services are 9469
performed in more than one county, the county in which the major 9470
portion of the services are performed. 9471

(Q) As used in sections 5747.50 to 5747.55 of the Revised 9472

Code:	9473
(1) "Subdivision" means any county, municipal corporation, park district, or township.	9474 9475
(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.	9476 9477 9478 9479
(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.	9480 9481 9482
(S) "Taxable income" or "Ohio taxable income" applies only to estates and trusts, and means federal taxable income, as defined and used in the Internal Revenue Code, adjusted as follows:	9483 9484 9485 9486
(1) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S) (1) (a) or (b) of this section:	9487 9488 9489 9490 9491 9492 9493 9494
(a) The net amount is not attributable to the S portion of an electing small business trust and has not been distributed to beneficiaries for the taxable year;	9495 9496 9497
(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year.	9498 9499
(2) Add interest or dividends, net of ordinary, necessary,	9500

and reasonable expenses not deducted in computing federal 9501
taxable income, on obligations of any authority, commission, 9502
instrumentality, territory, or possession of the United States 9503
to the extent that the interest or dividends are exempt from 9504
federal income taxes but not from state income taxes, but only 9505
to the extent that such net amount is not otherwise includible 9506
in Ohio taxable income and is described in either division (S) 9507
(1) (a) or (b) of this section; 9508

(3) Add the amount of personal exemption allowed to the 9509
estate pursuant to section 642(b) of the Internal Revenue Code; 9510

(4) Deduct interest or dividends, net of related expenses 9511
deducted in computing federal taxable income, on obligations of 9512
the United States and its territories and possessions or of any 9513
authority, commission, or instrumentality of the United States 9514
to the extent that the interest or dividends are exempt from 9515
state taxes under the laws of the United States, but only to the 9516
extent that such amount is included in federal taxable income 9517
and is described in either division (S) (1) (a) or (b) of this 9518
section; 9519

(5) Deduct the amount of wages and salaries, if any, not 9520
otherwise allowable as a deduction but that would have been 9521
allowable as a deduction in computing federal taxable income for 9522
the taxable year, had the work opportunity tax credit allowed 9523
under sections 38, 51, and 52 of the Internal Revenue Code not 9524
been in effect, but only to the extent such amount relates 9525
either to income included in federal taxable income for the 9526
taxable year or to income of the S portion of an electing small 9527
business trust for the taxable year; 9528

(6) Deduct any interest or interest equivalent, net of 9529
related expenses deducted in computing federal taxable income, 9530

on public obligations and purchase obligations, but only to the 9531
extent that such net amount relates either to income included in 9532
federal taxable income for the taxable year or to income of the 9533
S portion of an electing small business trust for the taxable 9534
year; 9535

(7) Add any loss or deduct any gain resulting from sale, 9536
exchange, or other disposition of public obligations to the 9537
extent that such loss has been deducted or such gain has been 9538
included in computing either federal taxable income or income of 9539
the S portion of an electing small business trust for the 9540
taxable year; 9541

(8) Except in the case of the final return of an estate, 9542
add any amount deducted by the taxpayer on both its Ohio estate 9543
tax return pursuant to section 5731.14 of the Revised Code, and 9544
on its federal income tax return in determining federal taxable 9545
income; 9546

(9) (a) Deduct any amount included in federal taxable 9547
income solely because the amount represents a reimbursement or 9548
refund of expenses that in a previous year the decedent had 9549
deducted as an itemized deduction pursuant to section 63 of the 9550
Internal Revenue Code and applicable treasury regulations. The 9551
deduction otherwise allowed under division (S) (9) (a) of this 9552
section shall be reduced to the extent the reimbursement is 9553
attributable to an amount the taxpayer or decedent deducted 9554
under this section in any taxable year. 9555

(b) Add any amount not otherwise included in Ohio taxable 9556
income for any taxable year to the extent that the amount is 9557
attributable to the recovery during the taxable year of any 9558
amount deducted or excluded in computing federal or Ohio taxable 9559
income in any taxable year, but only to the extent such amount 9560

has not been distributed to beneficiaries for the taxable year. 9561

(10) Deduct any portion of the deduction described in 9562
section 1341(a)(2) of the Internal Revenue Code, for repaying 9563
previously reported income received under a claim of right, that 9564
meets both of the following requirements: 9565

(a) It is allowable for repayment of an item that was 9566
included in the taxpayer's taxable income or the decedent's 9567
adjusted gross income for a prior taxable year and did not 9568
qualify for a credit under division (A) or (B) of section 9569
5747.05 of the Revised Code for that year. 9570

(b) It does not otherwise reduce the taxpayer's taxable 9571
income or the decedent's adjusted gross income for the current 9572
or any other taxable year. 9573

(11) Add any amount claimed as a credit under section 9574
5747.059 of the Revised Code to the extent that the amount 9575
satisfies either of the following: 9576

(a) The amount was deducted or excluded from the 9577
computation of the taxpayer's federal taxable income as required 9578
to be reported for the taxpayer's taxable year under the 9579
Internal Revenue Code; 9580

(b) The amount resulted in a reduction in the taxpayer's 9581
federal taxable income as required to be reported for any of the 9582
taxpayer's taxable years under the Internal Revenue Code. 9583

(12) Deduct any amount, net of related expenses deducted 9584
in computing federal taxable income, that a trust is required to 9585
report as farm income on its federal income tax return, but only 9586
if the assets of the trust include at least ten acres of land 9587
satisfying the definition of "land devoted exclusively to 9588
agricultural use" under section 5713.30 of the Revised Code, 9589

regardless of whether the land is valued for tax purposes as 9590
such land under sections 5713.30 to 5713.38 of the Revised Code. 9591
If the trust is a pass-through entity investor, section 5747.231 9592
of the Revised Code applies in ascertaining if the trust is 9593
eligible to claim the deduction provided by division (S) (12) of 9594
this section in connection with the pass-through entity's farm 9595
income. 9596

Except for farm income attributable to the S portion of an 9597
electing small business trust, the deduction provided by 9598
division (S) (12) of this section is allowed only to the extent 9599
that the trust has not distributed such farm income. 9600

(13) Add the net amount of income described in section 9601
641(c) of the Internal Revenue Code to the extent that amount is 9602
not included in federal taxable income. 9603

(14) Deduct the amount the taxpayer would be required to 9604
deduct under division (A) (18) of this section if the taxpayer's 9605
Ohio taxable income ~~were~~was computed in the same manner as an 9606
individual's Ohio adjusted gross income is computed under this 9607
section. 9608

(15) Add, to the extent not otherwise included in 9609
computing taxable income or Ohio taxable income for any taxable 9610
year, the taxpayer's proportionate share of the amount of the 9611
tax levied under section 5747.38 of the Revised Code and paid by 9612
an electing pass-through entity for the taxable year. 9613

(16) Add any income taxes deducted in computing federal 9614
taxable income or Ohio taxable income to the extent the income 9615
taxes were derived from income subject to a tax levied in 9616
another state or the District of Columbia when such tax was 9617
enacted for purposes of complying with internal revenue service 9618

notice 2020-75. 9619

(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code. 9620
9621
9622

(U) As used in divisions (A) (7), (A) (8), (S) (6), and (S) (7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code. 9623
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(V) "Limited liability company" means any limited liability company formed under former Chapter 1705. of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 1706. of the Revised Code, or the laws of any other state. 9627
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(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or equity investor in that pass-through entity. 9632
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(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code. 9636
9637

(Y) "Month" means a calendar month. 9638

(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year. 9639
9640
9641

(AA) (1) "Modified business income" means the business income included in a trust's Ohio taxable income after such taxable income is first reduced by the qualifying trust amount, if any. 9642
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(2) "Qualifying trust amount" of a trust means capital 9646

gains and losses from the sale, exchange, or other disposition 9647
of equity or ownership interests in, or debt obligations of, a 9648
qualifying investee to the extent included in the trust's Ohio 9649
taxable income, but only if the following requirements are 9650
satisfied: 9651

(a) The book value of the qualifying investee's physical 9652
assets in this state and everywhere, as of the last day of the 9653
qualifying investee's fiscal or calendar year ending immediately 9654
prior to the date on which the trust recognizes the gain or 9655
loss, is available to the trust. 9656

(b) The requirements of section 5747.011 of the Revised 9657
Code are satisfied for the trust's taxable year in which the 9658
trust recognizes the gain or loss. 9659

Any gain or loss that is not a qualifying trust amount is 9660
modified business income, qualifying investment income, or 9661
modified nonbusiness income, as the case may be. 9662

(3) "Modified nonbusiness income" means a trust's Ohio 9663
taxable income other than modified business income, other than 9664
the qualifying trust amount, and other than qualifying 9665
investment income, as defined in section 5747.012 of the Revised 9666
Code, to the extent such qualifying investment income is not 9667
otherwise part of modified business income. 9668

(4) "Modified Ohio taxable income" applies only to trusts, 9669
and means the sum of the amounts described in divisions (AA) (4) 9670
(a) to (c) of this section: 9671

(a) The fraction, calculated under section 5747.013, and 9672
applying section 5747.231 of the Revised Code, multiplied by the 9673
sum of the following amounts: 9674

(i) The trust's modified business income; 9675

(ii) The trust's qualifying investment income, as defined 9676
in section 5747.012 of the Revised Code, but only to the extent 9677
the qualifying investment income does not otherwise constitute 9678
modified business income and does not otherwise constitute a 9679
qualifying trust amount. 9680

(b) The qualifying trust amount multiplied by a fraction, 9681
the numerator of which is the sum of the book value of the 9682
qualifying investee's physical assets in this state on the last 9683
day of the qualifying investee's fiscal or calendar year ending 9684
immediately prior to the day on which the trust recognizes the 9685
qualifying trust amount, and the denominator of which is the sum 9686
of the book value of the qualifying investee's total physical 9687
assets everywhere on the last day of the qualifying investee's 9688
fiscal or calendar year ending immediately prior to the day on 9689
which the trust recognizes the qualifying trust amount. If, for 9690
a taxable year, the trust recognizes a qualifying trust amount 9691
with respect to more than one qualifying investee, the amount 9692
described in division (AA) (4) (b) of this section shall equal the 9693
sum of the products so computed for each such qualifying 9694
investee. 9695

(c) (i) With respect to a trust or portion of a trust that 9696
is a resident as ascertained in accordance with division (I) (3) 9697
(d) of this section, its modified nonbusiness income. 9698

(ii) With respect to a trust or portion of a trust that is 9699
not a resident as ascertained in accordance with division (I) (3) 9700
(d) of this section, the amount of its modified nonbusiness 9701
income satisfying the descriptions in divisions (B) (2) to (5) of 9702
section 5747.20 of the Revised Code, except as otherwise 9703
provided in division (AA) (4) (c) (ii) of this section. With 9704
respect to a trust or portion of a trust that is not a resident 9705

as ascertained in accordance with division (I) (3) (d) of this 9706
section, the trust's portion of modified nonbusiness income 9707
recognized from the sale, exchange, or other disposition of a 9708
debt interest in or equity interest in a section 5747.212 9709
entity, as defined in section 5747.212 of the Revised Code, 9710
without regard to division (A) of that section, shall not be 9711
allocated to this state in accordance with section 5747.20 of 9712
the Revised Code but shall be apportioned to this state in 9713
accordance with division (B) of section 5747.212 of the Revised 9714
Code without regard to division (A) of that section. 9715

If the allocation and apportionment of a trust's income 9716
under divisions (AA) (4) (a) and (c) of this section do not fairly 9717
represent the modified Ohio taxable income of the trust in this 9718
state, the alternative methods described in division (C) of 9719
section 5747.21 of the Revised Code may be applied in the manner 9720
and to the same extent provided in that section. 9721

(5) (a) Except as set forth in division (AA) (5) (b) of this 9722
section, "qualifying investee" means a person in which a trust 9723
has an equity or ownership interest, or a person or unit of 9724
government the debt obligations of either of which are owned by 9725
a trust. For the purposes of division (AA) (2) (a) of this section 9726
and for the purpose of computing the fraction described in 9727
division (AA) (4) (b) of this section, all of the following apply: 9728

(i) If the qualifying investee is a member of a qualifying 9729
controlled group on the last day of the qualifying investee's 9730
fiscal or calendar year ending immediately prior to the date on 9731
which the trust recognizes the gain or loss, then "qualifying 9732
investee" includes all persons in the qualifying controlled 9733
group on such last day. 9734

(ii) If the qualifying investee, or if the qualifying 9735

investee and any members of the qualifying controlled group of 9736
which the qualifying investee is a member on the last day of the 9737
qualifying investee's fiscal or calendar year ending immediately 9738
prior to the date on which the trust recognizes the gain or 9739
loss, separately or cumulatively own, directly or indirectly, on 9740
the last day of the qualifying investee's fiscal or calendar 9741
year ending immediately prior to the date on which the trust 9742
recognizes the qualifying trust amount, more than fifty per cent 9743
of the equity of a pass-through entity, then the qualifying 9744
investee and the other members are deemed to own the 9745
proportionate share of the pass-through entity's physical assets 9746
which the pass-through entity directly or indirectly owns on the 9747
last day of the pass-through entity's calendar or fiscal year 9748
ending within or with the last day of the qualifying investee's 9749
fiscal or calendar year ending immediately prior to the date on 9750
which the trust recognizes the qualifying trust amount. 9751

(iii) For the purposes of division (AA) (5) (a) (iii) of this 9752
section, "upper level pass-through entity" means a pass-through 9753
entity directly or indirectly owning any equity of another pass- 9754
through entity, and "lower level pass-through entity" means that 9755
other pass-through entity. 9756

An upper level pass-through entity, whether or not it is 9757
also a qualifying investee, is deemed to own, on the last day of 9758
the upper level pass-through entity's calendar or fiscal year, 9759
the proportionate share of the lower level pass-through entity's 9760
physical assets that the lower level pass-through entity 9761
directly or indirectly owns on the last day of the lower level 9762
pass-through entity's calendar or fiscal year ending within or 9763
with the last day of the upper level pass-through entity's 9764
fiscal or calendar year. If the upper level pass-through entity 9765
directly and indirectly owns less than fifty per cent of the 9766

equity of the lower level pass-through entity on each day of the 9767
upper level pass-through entity's calendar or fiscal year in 9768
which or with which ends the calendar or fiscal year of the 9769
lower level pass-through entity and if, based upon clear and 9770
convincing evidence, complete information about the location and 9771
cost of the physical assets of the lower pass-through entity is 9772
not available to the upper level pass-through entity, then 9773
solely for purposes of ascertaining if a gain or loss 9774
constitutes a qualifying trust amount, the upper level pass- 9775
through entity shall be deemed as owning no equity of the lower 9776
level pass-through entity for each day during the upper level 9777
pass-through entity's calendar or fiscal year in which or with 9778
which ends the lower level pass-through entity's calendar or 9779
fiscal year. Nothing in division (AA) (5) (a) (iii) of this section 9780
shall be construed to provide for any deduction or exclusion in 9781
computing any trust's Ohio taxable income. 9782

(b) With respect to a trust that is not a resident for the 9783
taxable year and with respect to a part of a trust that is not a 9784
resident for the taxable year, "qualifying investee" for that 9785
taxable year does not include a C corporation if both of the 9786
following apply: 9787

(i) During the taxable year the trust or part of the trust 9788
recognizes a gain or loss from the sale, exchange, or other 9789
disposition of equity or ownership interests in, or debt 9790
obligations of, the C corporation. 9791

(ii) Such gain or loss constitutes nonbusiness income. 9792

(6) "Available" means information is such that a person is 9793
able to learn of the information by the due date plus 9794
extensions, if any, for filing the return for the taxable year 9795
in which the trust recognizes the gain or loss. 9796

(BB) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code.	9797 9798
(CC) "Related member" has the same meaning as in section 5733.042 of the Revised Code.	9799 9800
(DD) (1) For the purposes of division (DD) of this section:	9801
(a) "Qualifying person" means any person other than a qualifying corporation.	9802 9803
(b) "Qualifying corporation" means any person classified for federal income tax purposes as an association taxable as a corporation, except either of the following:	9804 9805 9806
(i) A corporation that has made an election under subchapter S, chapter one, subtitle A, of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year;	9807 9808 9809 9810
(ii) A subsidiary that is wholly owned by any corporation that has made an election under subchapter S, chapter one, subtitle A of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year.	9811 9812 9813 9814 9815
(2) For the purposes of this chapter, unless expressly stated otherwise, no qualifying person indirectly owns any asset directly or indirectly owned by any qualifying corporation.	9816 9817 9818
(EE) For purposes of this chapter and Chapter 5751. of the Revised Code:	9819 9820
(1) "Trust" does not include a qualified pre-income tax trust.	9821 9822
(2) A "qualified pre-income tax trust" is any pre-income	9823

tax trust that makes a qualifying pre-income tax trust election 9824
as described in division (EE) (3) of this section. 9825

(3) A "qualifying pre-income tax trust election" is an 9826
election by a pre-income tax trust to subject to the tax imposed 9827
by section 5751.02 of the Revised Code the pre-income tax trust 9828
and all pass-through entities of which the trust owns or 9829
controls, directly, indirectly, or constructively through 9830
related interests, five per cent or more of the ownership or 9831
equity interests. The trustee shall notify the tax commissioner 9832
in writing of the election on or before April 15, 2006. The 9833
election, if timely made, shall be effective on and after 9834
January 1, 2006, and shall apply for all tax periods and tax 9835
years until revoked by the trustee of the trust. 9836

(4) A "pre-income tax trust" is a trust that satisfies all 9837
of the following requirements: 9838

(a) The document or instrument creating the trust was 9839
executed by the grantor before January 1, 1972; 9840

(b) The trust became irrevocable upon the creation of the 9841
trust; and 9842

(c) The grantor was domiciled in this state at the time 9843
the trust was created. 9844

(FF) "Uniformed services" has the same meaning as in 10 9845
U.S.C. 101. 9846

(GG) "~~Taxable~~ Qualifying business income" means the amount 9847
by which an individual's nonpassive business income that is 9848
included in federal adjusted gross income exceeds the amount of 9849
nonpassive business income the individual is authorized to 9850
deduct under division (A) (28) of this section for the taxable 9851
year. 9852

(HH) "Employer" does not include a franchisor with respect 9853
to the franchisor's relationship with a franchisee or an 9854
employee of a franchisee, unless the franchisor agrees to assume 9855
that role in writing or a court of competent jurisdiction 9856
determines that the franchisor exercises a type or degree of 9857
control over the franchisee or the franchisee's employees that 9858
is not customarily exercised by a franchisor for the purpose of 9859
protecting the franchisor's trademark, brand, or both. For 9860
purposes of this division, "franchisor" and "franchisee" have 9861
the same meanings as in 16 C.F.R. 436.1. 9862

(II) "Modified adjusted gross income" means Ohio adjusted 9863
gross income plus any amount deducted under divisions (A) (28) 9864
and (34) of this section for the taxable year. 9865

(JJ) "Qualifying Ohio educator" means an individual who, 9866
for a taxable year, qualifies as an eligible educator, as that 9867
term is defined in section 62 of the Internal Revenue Code, and 9868
who holds a certificate, license, or permit described in Chapter 9869
3319. or section 3301.071 of the Revised Code. 9870

(KK) (1) "Nonpassive business income" means business income 9871
that is nonpassive income, provided that all of the following 9872
apply with respect to the taxpayer: 9873

(a) The taxpayer materially participates in the trade or 9874
business from which that income is derived. 9875

(b) The taxpayer, or the pass-through entity in which the 9876
taxpayer is a direct or indirect investor, employs at least one 9877
person who is not the taxpayer or an owner of the pass-through 9878
entity. 9879

(c) Employees described in division (KK) (1) (b) of this 9880
section perform at least one thousand two hundred aggregate 9881

hours of work in this state during the taxpayer's taxable year 9882
or the pass-through entity's taxable year that ends in the 9883
taxpayer's taxable year. For the purpose of determining whether 9884
this requirement is met, only hours worked in a week in which an 9885
employee works at least thirty hours may be considered. 9886

(2) As used in division (KK) of this section: 9887

(a) "Material participation" has the same meaning as in 9888
section 469 of the Internal Revenue Code. 9889

(b) "Nonpassive income" means income other than income 9890
from passive activity as determined under section 469 of the 9891
Internal Revenue Code, but does not include wages, interest, 9892
dividends, or capital gains. 9893

Sec. 5747.02. (A) For the purpose of providing revenue for 9894
the support of schools and local government functions, to 9895
provide relief to property taxpayers, to provide revenue for the 9896
general revenue fund, and to meet the expenses of administering 9897
the tax levied by this chapter, there is hereby levied on every 9898
individual, trust, and estate residing in or earning or 9899
receiving income in this state, on every individual, trust, and 9900
estate earning or receiving lottery winnings, prizes, or awards 9901
pursuant to Chapter 3770. of the Revised Code, on every 9902
individual, trust, and estate earning or receiving winnings on 9903
casino or sports gaming, and on every individual, trust, and 9904
estate otherwise having nexus with or in this state under the 9905
Constitution of the United States, an annual tax measured as 9906
prescribed in divisions (A) (1) to (4) of this section. 9907

(1) In the case of trusts, the tax imposed by this section 9908
shall be measured by modified Ohio taxable income under division 9909
(D) of this section and levied in the same amount as the tax is 9910

imposed on estates as prescribed in division (A) (2) of this section. 9911
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(2) In the case of estates, the tax imposed by this section shall be measured by Ohio taxable income. The tax shall be levied at the rate of 1.38462% for the first twenty-six thousand fifty dollars of such income and, for income in excess of that amount, the tax shall be levied at the same rates prescribed in division (A) (3) of this section for individuals. 9913
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(3) In the case of individuals, the tax imposed by this section on income other than ~~taxable-qualifying~~ business income shall be measured by Ohio adjusted gross income, less ~~taxable-qualifying~~ business income and less an exemption for the taxpayer, the taxpayer's spouse, and each dependent as provided in section 5747.025 of the Revised Code. If the balance thus obtained is equal to or less than twenty-six thousand fifty dollars, no tax shall be imposed on that balance. If the balance thus obtained is greater than twenty-six thousand fifty dollars, the tax is hereby levied as follows: 9919
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(a) For taxable years beginning in 2023: 9929

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A OHIO ADJUSTED GROSS INCOME LESS TAX
~~TAXABLE-QUALIFYING~~ BUSINESS INCOME AND
EXEMPTIONS (INDIVIDUALS) OR MODIFIED
OHIO TAXABLE INCOME (TRUSTS) OR OHIO
TAXABLE INCOME (ESTATES)

B More than \$26,050 but not more than \$360.69 plus 2.75% of the

	\$100,000	amount in excess of \$26,050
C	More than \$100,000 but not more than \$115,300	\$2,394.32 plus 3.688% of the amount in excess of \$100,000
D	More than \$115,300	\$2,958.58 plus 3.75% of the amount in excess of \$115,300

(b) For taxable years beginning in 2024 and thereafter: 9931

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A OHIO ADJUSTED GROSS INCOME LESS ~~TAXABLE~~ TAX
QUALIFYING BUSINESS INCOME AND EXEMPTIONS
(INDIVIDUALS) OR MODIFIED OHIO TAXABLE
INCOME (TRUSTS) OR OHIO TAXABLE INCOME
(ESTATES)

B More than \$26,050 but not more than \$100,000 \$360.69 plus 2.75% of the amount in excess of \$26,050

C More than \$100,000 \$2,394.32 plus 3.5% of the amount in excess of \$100,000

(4) (a) In the case of individuals, the tax imposed by this 9934
section on ~~taxable-qualifying~~ business income shall equal three 9935
per cent of the result obtained by subtracting any amount 9936
allowed under division (A) (4) (b) of this section from the 9937

individual's ~~taxable-qualifying~~ business income. 9938

(b) If the exemptions allowed to an individual under 9939
division (A) (3) of this section exceed the taxpayer's Ohio 9940
adjusted gross income less ~~taxable-qualifying~~ business income, 9941
the excess shall be deducted from ~~taxable-qualifying~~ business 9942
income before computing the tax under division (A) (4) (a) of this 9943
section. 9944

(5) Except as otherwise provided in this division, in 9945
August of each year, the tax commissioner shall make a new 9946
adjustment to the income amounts prescribed in divisions (A) (2) 9947
and (3) of this section by multiplying the percentage increase 9948
in the gross domestic product deflator computed that year under 9949
section 5747.025 of the Revised Code by each of the income 9950
amounts resulting from the adjustment under this division in the 9951
preceding year, adding the resulting product to the 9952
corresponding income amount resulting from the adjustment in the 9953
preceding year, and rounding the resulting sum to the nearest 9954
multiple of fifty dollars. The tax commissioner also shall 9955
recompute each of the tax dollar amounts to the extent necessary 9956
to reflect the new adjustment of the income amounts. To 9957
recompute the tax dollar amount corresponding to the lowest tax 9958
rate in division (A) (3) of this section, the commissioner shall 9959
multiply the tax rate prescribed in division (A) (2) of this 9960
section by the income amount specified in that division and as 9961
adjusted according to this paragraph. The rates of taxation 9962
shall not be adjusted. 9963

The adjusted amounts apply to taxable years beginning in 9964
the calendar year in which the adjustments are made and to 9965
taxable years beginning in each ensuing calendar year until a 9966
calendar year in which a new adjustment is made pursuant to this 9967

division. The tax commissioner shall not make a new adjustment 9968
in any year in which the amount resulting from the adjustment 9969
would be less than the amount resulting from the adjustment in 9970
the preceding year. 9971

(B) If the director of budget and management makes a 9972
certification to the tax commissioner under division (B) of 9973
section 131.44 of the Revised Code, the amount of tax as 9974
determined under divisions (A) (1) to (3) of this section shall 9975
be reduced by the percentage prescribed in that certification 9976
for taxable years beginning in the calendar year in which that 9977
certification is made. 9978

(C) (1) The tax imposed by this section on a trust shall be 9979
computed by multiplying the Ohio modified taxable income of the 9980
trust by the rates prescribed by division (A) of this section. 9981

(2) A resident trust may claim a credit against the tax 9982
computed under division (C) of this section equal to the lesser 9983
of (a) the tax paid to another state or the District of Columbia 9984
on the resident trust's modified nonbusiness income, other than 9985
the portion of the resident trust's nonbusiness income that is 9986
qualifying investment income as defined in section 5747.012 of 9987
the Revised Code, or (b) the effective tax rate, based on 9988
modified Ohio taxable income, multiplied by the resident trust's 9989
modified nonbusiness income other than the portion of the 9990
resident trust's nonbusiness income that is qualifying 9991
investment income. The credit applies before any other 9992
applicable credits. 9993

(3) Any credit authorized against the tax imposed by this 9994
section applies to a trust subject to division (C) of this 9995
section only if the trust otherwise qualifies for the credit. To 9996
the extent that the trust distributes income for the taxable 9997

year for which a credit is available to the trust, the credit 9998
shall be shared by the trust and its beneficiaries. The tax 9999
commissioner and the trust shall be guided by applicable 10000
regulations of the United States treasury regarding the sharing 10001
of credits. 10002

(D) For the purposes of this section, "trust" means any 10003
trust described in Subchapter J of Chapter 1 of the Internal 10004
Revenue Code, excluding trusts that are not irrevocable as 10005
defined in division (I) (3) (b) of section 5747.01 of the Revised 10006
Code and that have no modified Ohio taxable income for the 10007
taxable year, charitable remainder trusts, qualified funeral 10008
trusts and preneed funeral contract trusts established pursuant 10009
to sections 4717.31 to 4717.38 of the Revised Code that are not 10010
qualified funeral trusts, endowment and perpetual care trusts, 10011
qualified settlement trusts and funds, designated settlement 10012
trusts and funds, and trusts exempted from taxation under 10013
section 501(a) of the Internal Revenue Code. 10014

(E) Nothing in division (A) (3) of this section shall 10015
prohibit an individual with an Ohio adjusted gross income, less 10016
~~taxable~~ qualifying business income and exemptions, of twenty-six 10017
thousand fifty dollars or less from filing a return under this 10018
chapter to receive a refund of taxes withheld or to claim any 10019
refundable credit allowed under this chapter. 10020

Sec. 5747.03. (A) (1) All money collected under this 10021
chapter arising from the taxes imposed by section 5747.02, 10022
5747.38, or 5747.41 of the Revised Code shall be credited to the 10023
general revenue fund and distributed pursuant to ~~division (F) of~~ 10024
~~section 321.24 and~~ section 323.156 of the Revised Code; to make 10025
subsidy payments to institutions of higher education from 10026
appropriations to the department of higher education; to support 10027

expenditures for programs and services for persons with mental 10028
illnesses, persons with developmental disabilities, and the 10029
elderly; for primary and secondary education; for medical 10030
assistance; and for any other purposes authorized by law, 10031
subject to the limitation that at least fifty per cent of the 10032
income tax collected by the state from the tax imposed by 10033
section 5747.02 of the Revised Code shall be returned pursuant 10034
to Section 9 of Article XII, Ohio Constitution. 10035

(2) To ensure that such constitutional requirement is 10036
satisfied the tax commissioner shall, on or before the thirtieth 10037
day of June of each year, from the best information available to 10038
the tax commissioner, determine and certify for each county to 10039
the director of budget and management the amount of taxes 10040
collected under this chapter from the tax imposed under section 10041
5747.02 of the Revised Code during the preceding calendar year 10042
that are required to be returned to the county by Section 9 of 10043
Article XII, Ohio Constitution. The director shall provide for 10044
payment from the general revenue fund to the county in the 10045
amount, if any, that the sum of the amount so certified for that 10046
county exceeds the sum of the following: 10047

(a) The sum of the payments from the general revenue fund 10048
for the preceding calendar year credited to the county's 10049
undivided income tax fund pursuant to ~~division (F) of section~~ 10050
~~321.24 and~~ section 323.156 of the Revised Code or made directly 10051
from the general revenue fund to political subdivisions located 10052
in the county; 10053

(b) The sum of the amounts from the general revenue fund 10054
distributed in the county during the preceding calendar year for 10055
subsidy payments to institutions of higher education from 10056
appropriations to the department of higher education; for 10057

programs and services for persons with mental illnesses, persons 10058
with developmental disabilities, and elderly persons; for 10059
primary and secondary education; and for medical assistance. 10060

(c) In the case of payments made by the director under 10061
this division in 2007, the total amount distributed to the 10062
county during the preceding calendar year from the local 10063
government fund and the local government revenue assistance 10064
fund, and, in the case of payments made by the director under 10065
this division in subsequent calendar years, the amount 10066
distributed to the county from the local government fund; 10067

(d) In the case of payments made by the director under 10068
this division, the total amount distributed to the county during 10069
the preceding calendar year from the public library fund. 10070

Payments under this division shall be credited to the 10071
county's undivided income tax fund, except that, notwithstanding 10072
section 5705.14 of the Revised Code, such payments may be 10073
transferred by the board of county commissioners to the county 10074
general fund by resolution adopted with the affirmative vote of 10075
two-thirds of the members thereof. 10076

(B) All payments received in each month from taxes imposed 10077
under Chapter 5748. of the Revised Code and any penalties or 10078
interest thereon shall be paid into the school district income 10079
tax fund, which is hereby created in the state treasury, except 10080
that an amount equal to the following portion of such payments 10081
shall be paid into the general school district income tax 10082
administrative fund, which is hereby created in the state 10083
treasury: 10084

(1) One and three-quarters of one per cent of those 10085
received in fiscal year 1996; 10086

(2) One and one-half per cent of those received in fiscal year 1997 and thereafter. 10087
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Money in the school district income tax administrative fund shall be used by the tax commissioner to defray costs incurred in administering the school district's income tax, including the cost of providing employers with information regarding the rate of tax imposed by any school district. Any moneys remaining in the fund after such use shall be deposited in the school district income tax fund. 10089
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All interest earned on moneys in the school district income tax fund shall be credited to the fund. 10096
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(C) (1) (a) Within thirty days of the end of each calendar quarter ending on the last day of March, June, September, and December, the director of budget and management shall make a payment from the school district income tax fund to each school district for which school district income tax revenue was received during that quarter. The amount of the payment shall equal the balance in the school district's account at the end of that quarter. 10098
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(b) After a school district ceases to levy an income tax, the director of budget and management shall adjust the payments under division (C) (1) (a) of this section to retain sufficient money in the school district's account to pay refunds. For the calendar quarters ending on the last day of March and December of the calendar year following the last calendar year the tax is levied, the director shall make the payments in the amount required under division (C) (1) (a) of this section. For the calendar quarter ending on the last day of June of the calendar year following the last calendar year the tax is levied, the director shall make a payment equal to nine-tenths of the 10106
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balance in the account at the end of that quarter. For the 10117
calendar quarter ending on the last day of September of the 10118
calendar year following the last calendar year the tax is 10119
levied, the director shall make no payment. For the second and 10120
succeeding calendar years following the last calendar year the 10121
tax is levied, the director shall make one payment each year, 10122
within thirty days of the last day of June, in an amount equal 10123
to the balance in the district's account on the last day of 10124
June. 10125

(2) Moneys paid to a school district under this division 10126
shall be deposited in its school district income tax fund. All 10127
interest earned on moneys in the school district income tax fund 10128
shall be apportioned by the tax commissioner pro rata among the 10129
school districts in the proportions and at the times the 10130
districts are entitled to receive payments under this division. 10131

Sec. 5747.031. For annual returns filed for taxable years 10132
beginning on or after January 1, 2017, the department of 10133
taxation shall determine and provide to the office of budget and 10134
management a report of the tax liability, before the application 10135
of any credits, under section 5747.02 of the Revised Code that 10136
arises from ~~taxable-qualifying~~ business income, the tax 10137
liability, before the application of any credits, that arises 10138
from income, other than ~~taxable-qualifying~~ business income, as 10139
measured and taxed under divisions(A) (1), (2), or (3) of that 10140
section, and the total amount of credits claimed against the tax 10141
levied under that section. 10142

In providing actual and estimates of revenue pursuant to 10143
Chapter 126. of the Revised Code, the office of budget and 10144
management shall separately list the tax liability, before the 10145
application of any credits, under section 5747.02 of the Revised 10146

Code that arises from ~~taxable-qualifying~~ business income, the 10147
tax liability, before the application of any credits, that 10148
arises from income, other than ~~taxable-qualifying~~ business 10149
income, as measured and taxed under divisions (A) (1), (2), or 10150
(3) of that section, and the total amount of credits claimed 10151
against the tax levied under that section. 10152

Sec. 5747.08. An annual return with respect to the tax 10153
imposed by section 5747.02 of the Revised Code and each tax 10154
imposed under Chapter 5748. of the Revised Code shall be made by 10155
every taxpayer for any taxable year for which the taxpayer is 10156
liable for the tax imposed by that section or under that 10157
chapter, unless the total credits allowed under division (E) of 10158
section 5747.05 and divisions (F) and (G) of section 5747.055 of 10159
the Revised Code for the year are equal to or exceed the tax 10160
imposed by section 5747.02 of the Revised Code, in which case no 10161
return shall be required unless the taxpayer is liable for a tax 10162
imposed pursuant to Chapter 5748. of the Revised Code. 10163

(A) If an individual is deceased, any return or notice 10164
required of that individual under this chapter shall be made and 10165
filed by that decedent's executor, administrator, or other 10166
person charged with the property of that decedent. 10167

(B) If an individual is unable to make a return or notice 10168
required by this chapter, the return or notice required of that 10169
individual shall be made and filed by the individual's duly 10170
authorized agent, guardian, conservator, fiduciary, or other 10171
person charged with the care of the person or property of that 10172
individual. 10173

(C) Returns or notices required of an estate or a trust 10174
shall be made and filed by the fiduciary of the estate or trust. 10175

(D) (1) (a) Except as otherwise provided in division (D) (1) 10176
(b) of this section, any pass-through entity may file a single 10177
return on behalf of one or more of the entity's investors other 10178
than an investor that is a person subject to the tax imposed 10179
under section 5733.06 of the Revised Code. The single return 10180
shall set forth the name, address, and social security number or 10181
other identifying number of each of those pass-through entity 10182
investors and shall indicate the distributive share of each of 10183
those pass-through entity investor's income taxable in this 10184
state in accordance with sections 5747.20 to 5747.231 of the 10185
Revised Code. Such pass-through entity investors for whom the 10186
pass-through entity elects to file a single return are not 10187
entitled to the exemption or credit provided for by sections 10188
5747.02 and 5747.022 of the Revised Code; shall calculate the 10189
tax before business credits at the highest rate of tax set forth 10190
in section 5747.02 of the Revised Code for the taxable year for 10191
which the return is filed; and are entitled to only their 10192
distributive share of the business credits as defined in 10193
division (D) (2) of this section. A single check drawn by the 10194
pass-through entity shall accompany the return in full payment 10195
of the tax due, as shown on the single return, for such 10196
investors, other than investors who are persons subject to the 10197
tax imposed under section 5733.06 of the Revised Code. 10198

(b) (i) A pass-through entity shall not include in such a 10199
single return any investor that is a trust to the extent that 10200
any direct or indirect current, future, or contingent 10201
beneficiary of the trust is a person subject to the tax imposed 10202
under section 5733.06 of the Revised Code. 10203

(ii) A pass-through entity shall not include in such a 10204
single return any investor that is itself a pass-through entity 10205
to the extent that any direct or indirect investor in the second 10206

pass-through entity is a person subject to the tax imposed under 10207
section 5733.06 of the Revised Code. 10208

(c) Except as provided by division (L) of this section, 10209
nothing in division (D) of this section precludes the tax 10210
commissioner from requiring such investors to file the return 10211
and make the payment of taxes and related interest, penalty, and 10212
interest penalty required by this section or section 5747.02, 10213
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 10214
of this section precludes such an investor from filing the 10215
annual return under this section, utilizing the refundable 10216
credit equal to the investor's proportionate share of the tax 10217
paid by the pass-through entity on behalf of the investor under 10218
division (I) of this section, and making the payment of taxes 10219
imposed under section 5747.02 of the Revised Code. Nothing in 10220
division (D) of this section shall be construed to provide to 10221
such an investor or pass-through entity any additional deduction 10222
or credit, other than the credit provided by division (I) of 10223
this section, solely on account of the entity's filing a return 10224
in accordance with this section. Such a pass-through entity also 10225
shall make the filing and payment of estimated taxes on behalf 10226
of the pass-through entity investors other than an investor that 10227
is a person subject to the tax imposed under section 5733.06 of 10228
the Revised Code. 10229

(2) For the purposes of this section, "business credits" 10230
means the credits listed in section 5747.98 of the Revised Code 10231
excluding the following credits: 10232

(a) The retirement income credit under division (B) of 10233
section 5747.055 of the Revised Code; 10234

(b) The senior citizen credit under division (F) of 10235
section 5747.055 of the Revised Code; 10236

(c) The lump sum distribution credit under division (G) of section 5747.055 of the Revised Code;	10237 10238
(d) The dependent care credit under section 5747.054 of the Revised Code;	10239 10240
(e) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	10241 10242
(f) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	10243 10244
(g) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	10245 10246
(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	10247 10248
(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	10249 10250
(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;	10251 10252
(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	10253 10254
(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	10255 10256
(m) The earned income tax credit under section 5747.71 of the Revised Code;	10257 10258
(n) The lead abatement credit under section 5747.26 of the Revised Code;	10259 10260
(o) The credit for education expenses under section 5747.72 of the Revised Code;	10261 10262

(p) The credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code; 10263
10264

(q) The credit for property taxes or rent-equivalent taxes paid under section 5747.86 of the Revised Code. 10265
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(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return. 10267
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(4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by that return. Nothing in this division shall be construed to limit or alter the liability, if any, imposed on pass-through entity investors for unpaid or underpaid taxes, interest, interest penalty, or penalties as a result of the pass-through entity's making the election provided for under division (D) of this section. For the purposes of division (D) of this section, "correct tax due" means the tax that would have been paid by the pass-through entity had the single return been filed in a manner reflecting the commissioner's findings. Nothing in division (D) of this section shall be construed to make or hold a pass-through entity liable for tax attributable to a pass-through entity investor's income from a source other than the pass- 10275
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through entity electing to file the single return. 10293

(E) If a husband and wife file a joint federal income tax 10294
return for a taxable year, they shall file a joint return under 10295
this section for that taxable year, and their liabilities are 10296
joint and several, but, if the federal income tax liability of 10297
either spouse is determined on a separate federal income tax 10298
return, they shall file separate returns under this section. 10299

If either spouse is not required to file a federal income 10300
tax return and either or both are required to file a return 10301
pursuant to this chapter, they may elect to file separate or 10302
joint returns, and, pursuant to that election, their liabilities 10303
are separate or joint and several. If a husband and wife file 10304
separate returns pursuant to this chapter, each must claim the 10305
taxpayer's own exemption, but not both, as authorized under 10306
section 5747.02 of the Revised Code on the taxpayer's own 10307
return. 10308

(F) Each return or notice required to be filed under this 10309
section shall contain the signature of the taxpayer or the 10310
taxpayer's duly authorized agent and of the person who prepared 10311
the return for the taxpayer, and shall include the taxpayer's 10312
social security number. Each return shall be verified by a 10313
declaration under the penalties of perjury. The tax commissioner 10314
shall prescribe the form that the signature and declaration 10315
shall take. 10316

(G) Each return or notice required to be filed under this 10317
section shall be made and filed as required by section 5747.04 10318
of the Revised Code, on or before the fifteenth day of April of 10319
each year, on forms that the tax commissioner shall prescribe, 10320
together with remittance made payable to the treasurer of state 10321
in the combined amount of the state and all school district 10322

income taxes shown to be due on the form. 10323

Upon good cause shown, the commissioner may extend the 10324
period for filing any notice or return required to be filed 10325
under this section and may adopt rules relating to extensions. 10326
If the extension results in an extension of time for the payment 10327
of any state or school district income tax liability with 10328
respect to which the return is filed, the taxpayer shall pay at 10329
the time the tax liability is paid an amount of interest 10330
computed at the rate per annum prescribed by section 5703.47 of 10331
the Revised Code on that liability from the time that payment is 10332
due without extension to the time of actual payment. Except as 10333
provided in section 5747.132 of the Revised Code, in addition to 10334
all other interest charges and penalties, all taxes imposed 10335
under this chapter or Chapter 5748. of the Revised Code and 10336
remaining unpaid after they become due, except combined amounts 10337
due of one dollar or less, bear interest at the rate per annum 10338
prescribed by section 5703.47 of the Revised Code until paid or 10339
until the day an assessment is issued under section 5747.13 of 10340
the Revised Code, whichever occurs first. 10341

If the commissioner considers it necessary in order to 10342
ensure the payment of the tax imposed by section 5747.02 of the 10343
Revised Code or any tax imposed under Chapter 5748. of the 10344
Revised Code, the commissioner may require returns and payments 10345
to be made otherwise than as provided in this section. 10346

To the extent that any provision in this division 10347
conflicts with any provision in section 5747.026 of the Revised 10348
Code, the provision in that section prevails. 10349

(H) The amounts withheld pursuant to section 5747.06, 10350
5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of the 10351
Revised Code shall be allowed to the ultimate recipient of the 10352

income as credits against payment of the appropriate taxes 10353
imposed on the ultimate recipient by section 5747.02 and under 10354
Chapter 5748. of the Revised Code. As used in this division, 10355
"ultimate recipient" means the person who is required to report 10356
income from which amounts are withheld pursuant to section 10357
5747.06, 5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of 10358
the Revised Code on the annual return required to be filed under 10359
this section. 10360

(I) If a pass-through entity elects to file a single 10361
return under division (D) of this section and if any investor is 10362
required to file the annual return and make the payment of taxes 10363
required by this chapter on account of the investor's other 10364
income that is not included in a single return filed by a pass- 10365
through entity or any other investor elects to file the annual 10366
return, the investor is entitled to a refundable credit equal to 10367
the investor's proportionate share of the tax paid by the pass- 10368
through entity on behalf of the investor. The investor shall 10369
claim the credit for the investor's taxable year in which or 10370
with which ends the taxable year of the pass-through entity. 10371
Nothing in this chapter shall be construed to allow any credit 10372
provided in this chapter to be claimed more than once. For the 10373
purpose of computing any interest, penalty, or interest penalty, 10374
the investor shall be deemed to have paid the refundable credit 10375
provided by this division on the day that the pass-through 10376
entity paid the estimated tax or the tax giving rise to the 10377
credit. 10378

(J) The tax commissioner shall ensure that each return 10379
required to be filed under this section includes a box that the 10380
taxpayer may check to authorize a paid tax preparer who prepared 10381
the return to communicate with the department of taxation about 10382
matters pertaining to the return. The return or instructions 10383

accompanying the return shall indicate that by checking the box 10384
the taxpayer authorizes the department of taxation to contact 10385
the preparer concerning questions that arise during the 10386
processing of the return and authorizes the preparer only to 10387
provide the department with information that is missing from the 10388
return, to contact the department for information about the 10389
processing of the return or the status of the taxpayer's refund 10390
or payments, and to respond to notices about mathematical 10391
errors, offsets, or return preparation that the taxpayer has 10392
received from the department and has shown to the preparer. 10393

(K) The tax commissioner shall permit individual taxpayers 10394
to instruct the department of taxation to cause any refund of 10395
overpaid taxes to be deposited directly into a checking account, 10396
savings account, or an individual retirement account or 10397
individual retirement annuity, or preexisting college savings 10398
plan or program account offered by the Ohio tuition trust 10399
authority under Chapter 3334. of the Revised Code, as designated 10400
by the taxpayer, when the taxpayer files the annual return 10401
required by this section electronically. 10402

(L) If, for the taxable year, a nonresident or trust that 10403
is the owner of an electing pass-through entity, as defined in 10404
section 5747.38 of the Revised Code, does not have Ohio adjusted 10405
gross income or, in the case of a trust, modified Ohio taxable 10406
income other than from one or more electing pass-through 10407
entities, the nonresident or trust shall not be required to file 10408
an annual return under this section. Nothing in this division 10409
precludes such an owner from filing the annual return under this 10410
section, utilizing the refundable credit under section 5747.39 10411
of the Revised Code equal to the owner's proportionate share of 10412
the tax levied under section 5747.38 of the Revised Code and 10413
paid by the electing pass-through entity, and making the payment 10414

of taxes imposed under section 5747.02 of the Revised Code.	10415
(M) The tax commissioner may adopt rules to administer this section.	10416 10417
Sec. 5747.38. (A) As used in this section and section 5747.39 of the Revised Code and in other sections of Chapter 5747. of the Revised Code in the context of the tax imposed under this section:	10418 10419 10420 10421
(1) "Electing pass-through entity" means a qualifying pass-through entity that elects to be subject to the tax levied under this section for a taxable year pursuant to division (C) of this section.	10422 10423 10424 10425
(2) "Owner" means a person that is a partner, member, shareholder, or investor in an electing pass-through entity for any portion of the taxable year.	10426 10427 10428
(3) "Income" means the sum of owners' distributive shares of the income, gain, expense, or loss of an electing pass-through entity for the taxable year, as reported for federal income tax purposes.	10429 10430 10431 10432
(4) "Qualifying taxable income" means the sum of the following:	10433 10434
(a) The portion of an electing pass-through entity's income that is business income, subject to the applicable adjustments in divisions (A) (2) to (7) of section 5733.40 of the Revised Code, multiplied by the fraction described in division (B) (1) of that section;	10435 10436 10437 10438 10439
(b) The portion of the electing pass-through entity's income that is nonbusiness income allocated to this state under section 5747.20 of the Revised Code.	10440 10441 10442

(B) For the same purposes for which the tax is levied 10443
under section 5747.02 of the Revised Code, a tax is hereby 10444
levied on each electing pass-through entity on the entity's 10445
qualifying taxable income for the taxable year, at the following 10446
rates: 10447

(1) For an electing pass-through entity's taxable year 10448
that begins in 2022, five per cent; 10449

(2) For an electing pass-through entity's taxable year 10450
that begins in 2023 and in any year thereafter, the rate equal 10451
to the tax rate imposed on ~~taxable-qualifying~~ business income 10452
under division (A) (4) (a) of section 5747.02 of the Revised Code 10453
applicable to that taxable year. 10454

(C) A pass-through entity that is not a disregarded 10455
entity, as defined in section 5733.01 of the Revised Code, may 10456
elect to be subject to the tax levied under this section by 10457
filing with the tax commissioner a form prescribed by the 10458
commissioner making such election on or before the deadline to 10459
file the return under section 5747.42 of the Revised Code for 10460
the taxable year. Such election applies only to the taxable year 10461
for which the election is made and is, once made, irrevocable 10462
for that year. 10463

(D) The tax levied under this section shall be calculated 10464
without regard to any deductions or credits otherwise permitted 10465
to be claimed by an owner of the electing pass-through entity in 10466
computing the owner's aggregate tax liability under section 10467
5747.02 of the Revised Code. 10468

(E) The tax levied under this section is intended to 10469
comply with the provisions of internal revenue service notice 10470
2020-75 in which such tax paid by an electing pass-through 10471

entity is deductible to the entity for federal income tax 10472
purposes. 10473

(F) The tax commissioner shall adopt rules to administer 10474
the tax levied under this section. Such rules shall include a 10475
description of how the adjustments to income under divisions (A) 10476
(36) and (S) (15) of section 5747.01 of the Revised Code and the 10477
credit under section 5747.39 of the Revised Code apply to direct 10478
or indirect owners of an electing pass-through entity based on 10479
various ownership structures. Any rule adopted under this 10480
section is not a regulatory restriction for the purpose of 10481
section 121.95 of the Revised Code. 10482

Sec. 5747.41. For the same purposes for which the tax is 10483
levied under section 5747.02 of the Revised Code, there is 10484
hereby levied a withholding tax on every qualifying pass-through 10485
entity having at least one qualifying investor who is an 10486
individual and on every qualifying trust having at least one 10487
qualifying beneficiary who is an individual. The withholding tax 10488
imposed by this section is imposed on the sum of the adjusted 10489
qualifying amounts of a qualifying pass-through entity's 10490
qualifying investors who are individuals and on the sum of the 10491
adjusted qualifying amounts of a qualifying trust's qualifying 10492
beneficiaries, at a rate equal to the tax rate imposed on 10493
~~taxable~~ qualifying business income under division (A) (4) (a) of 10494
section 5747.02 of the Revised Code. 10495

The tax imposed by this section applies only if the 10496
qualifying entity has nexus with this state under the 10497
Constitution of the United States for any portion of the 10498
qualifying entity's qualifying taxable year, and the sum of the 10499
qualifying entity's adjusted qualifying amounts exceeds one 10500
thousand dollars for the qualifying entity's qualifying taxable 10501

year. 10502

The tax imposed under this section does not apply to a 10503
qualifying pass-through entity that makes an election under 10504
division (C) of section 5747.38 of the Revised Code to be 10505
subject to the tax levied under that section for the entity's 10506
qualifying taxable year. 10507

Sec. 5747.71. There is hereby allowed a nonrefundable 10508
credit against a taxpayer's aggregate tax liability under 10509
section 5747.02 of the Revised Code for a taxpayer who is an 10510
"eligible individual" as defined in section 32 of the Internal 10511
Revenue Code. The credit shall equal thirty per cent of the 10512
federal credit allowed for the taxable year. The credit shall 10513
not exceed the aggregate amount of tax otherwise due under 10514
section 5747.02 of the Revised Code after deducting any other 10515
nonrefundable credits that precede the credit allowed under this 10516
section in the order prescribed by section 5747.98 of the 10517
Revised Code. 10518

The credit shall be claimed in the order prescribed by 10519
section 5747.98 of the Revised Code. If the credit exceeds the 10520
aggregate amount of tax otherwise due for the taxable year, the 10521
excess may be carried forward and applied against the tax due 10522
for not more than five succeeding taxable years, provided that 10523
the amount applied to the tax due for any taxable year shall be 10524
subtracted from the amount available to carry forward to 10525
succeeding years. 10526

Sec. 5747.86. (A) As used in this section: 10527

(1) "Claim year" means, for individuals required to file 10528
an income tax return pursuant to this chapter, the individual's 10529
taxable year and, for all other individuals, the calendar year 10530

preceding the year in which an application for credit is filed 10531
under this section. 10532

(2) "Eligible claimant" means an individual who has 10533
occupied a homestead as an owner or lessee for at least six 10534
months of the claim year and whose total household resources do 10535
not exceed the threshold described in division (G) of this 10536
section. 10537

(3) "Gross rent" means the total rent paid during the 10538
claim year by a lessee for the right to occupy a homestead 10539
pursuant to an arm's length transaction with the property owner 10540
or the owner's representative. 10541

(4) "Qualifying homestead" means a dwelling, including a 10542
manufactured or mobile home or a unit in a multiple-unit 10543
dwelling or housing cooperative, that is located in this state, 10544
that is not fully exempt from property taxation for the claim 10545
year, and that meets one of the following requirements: 10546

(a) The dwelling is owned by an individual who occupies 10547
the dwelling as a primary residence and the true value of the 10548
property, as listed on the tax list for the tax year ending in 10549
the individual's claim year, does not exceed the home value 10550
limit for that claim year; 10551

(b) The dwelling is leased by an individual who occupies 10552
the dwelling as a primary residence and the gross rent paid by 10553
the lessee during the claim year did not exceed the product 10554
obtained by multiplying the rent limit for that claim year by 10555
the number of months the lessee occupied the dwelling as a 10556
primary residence. 10557

(5) "Household" means an individual and the individual's 10558
spouse. 10559

<u>(6) "Income" means federal adjusted gross income, plus all</u>	10560
<u>income excluded or exempt from the computation of federal</u>	10561
<u>adjusted gross income, subtracted by all of the following:</u>	10562
<u>(a) Up to three hundred dollars of gifts in cash or kind</u>	10563
<u>from nongovernmental sources;</u>	10564
<u>(b) Up to three hundred dollars of lottery, casino gaming,</u>	10565
<u>or sports gaming winnings;</u>	10566
<u>(c) Benefits provided under the supplemental nutrition</u>	10567
<u>assistance program administered by the department of job and</u>	10568
<u>family services pursuant to section 5101.54 of the Revised Code;</u>	10569
<u>(d) Government payments made to a third party on behalf of</u>	10570
<u>an individual;</u>	10571
<u>(e) State or municipal tax refunds or tax credits;</u>	10572
<u>(f) Any government grant that a property owner must use</u>	10573
<u>for the rehabilitation of the owner's homestead;</u>	10574
<u>(g) Stipends received by a person who is acting as a</u>	10575
<u>foster grandparent under the foster grandparent program</u>	10576
<u>authorized pursuant to 42 U.S.C 5011 or as a senior companion</u>	10577
<u>pursuant to 42 U.S.C 5013;</u>	10578
<u>(h) Amounts deducted from benefits provided under Title II</u>	10579
<u>of the Social Security Act or from railroad retirement benefits</u>	10580
<u>for premiums paid pursuant to the medicare program established</u>	10581
<u>by Title XVIII of the Social Security Act;</u>	10582
<u>(i) Contributions by an employer to life, accident, or</u>	10583
<u>health insurance plans;</u>	10584
<u>(j) Any money received from a low-income customer</u>	10585
<u>assistance program, as defined in section 4928.01 of the Revised</u>	10586

<u>Code;</u>	10587
<u>(k) Loan proceeds;</u>	10588
<u>(l) Inheritance or life insurance benefits from a spouse;</u>	10589
<u>(m) Payments from a long-term care policy made to a nursing home or other care facility;</u>	10590 10591
<u>(n) Accident or health insurance plan premiums paid by an employer for a plan that covers a member of the household or the member's family;</u>	10592 10593 10594
<u>(o) Compensation for wrongful imprisonment.</u>	10595
<u>(7) "Property tax due" means the property taxes or manufactured home taxes charged and payable against the homestead for the tax year ending in the eligible claimant's claim year, after any reductions allowed under the Revised Code. "Property tax due" does not include taxes that appeared on the general tax list or manufactured home tax list for any preceding tax year or any penalties, interest, or special assessments.</u>	10596 10597 10598 10599 10600 10601 10602
<u>(8) "Rent-equivalent tax paid" means fifteen per cent of gross rent.</u>	10603 10604
<u>(9) "Total household resources" means all income received by all individuals of a household in the claim year while members of the household, increased by the following deductions from federal gross income:</u>	10605 10606 10607 10608
<u>(a) Any net operating loss;</u>	10609
<u>(b) Any net rental or royalty loss;</u>	10610
<u>(c) Any carryback or carryforward of a net operating loss.</u>	10611
<u>(10) "Home value limit" means the median home value of owner-occupied housing units in the county in this state that</u>	10612 10613

has the highest such median home value according to the most 10614
recent one-year data published in the American community survey. 10615

(11) "Rent limit" means the median gross rent in the 10616
county in this state that has the highest such median gross rent 10617
according to the most recent one-year data published in the 10618
American community survey. 10619

(12) "American community survey" means the supplementary 10620
statistics collected and published annually by the United States 10621
census bureau in accordance with 13 U.S.C. 141 and 193. 10622

(B) A refundable credit or rebate is allowed to eligible 10623
claimants. In the case of eligible claimants required to file an 10624
annual return under this chapter for the claim year, a credit is 10625
allowed against the claimant's aggregate tax liability under 10626
section 5747.02 of the Revised Code. For all other eligible 10627
claimants, a rebate may be claimed on the form prescribed by the 10628
tax commissioner pursuant to division (E) of this section. 10629
Subject to division (C) of this section, the credit or rebate 10630
shall equal one of the following: 10631

(1) For eligible claimants who own the homestead for which 10632
the claim is made, the amount by which the eligible claimant's 10633
property tax due exceeds five per cent of the eligible 10634
claimant's total household resources for that claim year. 10635

(2) For eligible claimants who lease the homestead for 10636
which the claim is made, the amount by which the eligible 10637
claimant's rent-equivalent tax paid in the claim year exceeds 10638
five per cent of the eligible claimant's total household 10639
resources for that year. 10640

(C) The credit or rebate allowed under this section for a 10641
claim year shall not exceed a specified limit. For the first 10642

claim year ending on or after the effective date of this 10643
section, the limit equals one thousand dollars. For each 10644
succeeding claim year, the limit shall be adjusted as provided 10645
in division (G) of this section. 10646

(D) For eligible claimants required to file an annual 10647
return under this chapter for the claim year, the credit shall 10648
be claimed in the order required under section 5747.98 of the 10649
Revised Code. If the amount of the credit under this section 10650
exceeds the aggregate amount of tax otherwise due under section 10651
5747.02 of the Revised Code after deduction of all other credits 10652
in that order, the taxpayer is entitled to a refund of the 10653
excess. 10654

(E) (1) The tax commissioner shall prescribe a form on 10655
which eligible claimants who are not required to file an annual 10656
return under this chapter may apply for the rebate authorized 10657
under this section. Except as provided in division (E) (2) of 10658
this section, such eligible claimants shall apply for the rebate 10659
on that form after the first day of January following the end of 10660
the claim year but before the fifteenth day of the fourth month 10661
following the end of that claim year. 10662

(2) An eligible claimant may request an extension of the 10663
time to file a rebate application under division (E) (1) of this 10664
section, on a form prescribed by the commissioner. Upon receipt 10665
of such a request, the commissioner shall extend the due date 10666
for filing the application to the fifteenth day of the tenth 10667
month after the last day of the claim year. 10668

(F) (1) The credit or rebate authorized under this section 10669
shall be allowed to only one eligible claimant per homestead. 10670

(2) Only the lessee shall claim a credit or rebate with 10671

respect to property that is rented or leased as a homestead. 10672

(G) For the first claim year ending on or after the 10673
effective date of this section, an individual qualifies as an 10674
eligible claimant only if the individual's total household 10675
resources do not exceed sixty thousand dollars. For each 10676
following claim year, the tax commissioner shall adjust this 10677
total household resources limit and the credit or rebate limit 10678
described in division (C) of this section by completing the 10679
following calculations in September of each year: 10680

(1) Determine the percentage increase in the gross 10681
domestic product deflator determined by the bureau of economic 10682
analysis of the United States department of commerce from the 10683
first day of January of the preceding year to the last day of 10684
December of the preceding year; 10685

(2) Multiply that percentage increase by the total 10686
household resources limit and the credit or rebate limit for the 10687
current year; 10688

(3) Add the resulting products to the respective limits 10689
for the current year; 10690

(4) Round the resulting sums to the nearest multiple of 10691
one thousand dollars, in the case of the total household 10692
resources limit, or nearest multiple of ten dollars, in the case 10693
of the credit limit. 10694

The adjusted amounts apply to claim years beginning in the 10695
calendar year in which the adjustment is made and to claim years 10696
beginning in each ensuing calendar year until a calendar year in 10697
which a new adjustment is made pursuant to this division. The 10698
commissioner shall not make a new adjustment in any calendar 10699
year in which the amount resulting from the adjustment would be 10700

less than the amount resulting from the adjustment in the 10701
preceding calendar year. 10702

(H) If a credit or rebate allowed under this section was 10703
based on an amount of property tax due that differs from the 10704
actual amount of such taxes paid by the eligible claimant for 10705
the tax year ending in that claim year, the eligible claimant 10706
shall file an annual return or application under division (E) of 10707
this section for the ensuing claim year that reports the 10708
difference. The claimant shall adjust the credit or rebate 10709
claimed for the ensuing year by the amount of the difference. If 10710
the claimant is not eligible for the credit or rebate for the 10711
ensuing claim year, the claimant shall pay or may request 10712
payment of the difference, as applicable. 10713

(I) On or before the first day of November of each year, 10714
the tax commissioner shall determine and publish a home value 10715
limit and rent limit. The limits shall apply to claim years 10716
beginning in the calendar year in which the limits are 10717
determined. 10718

Sec. 5747.98. (A) To provide a uniform procedure for 10719
calculating a taxpayer's aggregate tax liability under section 10720
5747.02 of the Revised Code, a taxpayer shall claim any credits 10721
to which the taxpayer is entitled in the following order: 10722

Either the retirement income credit under division (B) of 10723
section 5747.055 of the Revised Code or the lump sum retirement 10724
income credits under divisions (C), (D), and (E) of that 10725
section; 10726

Either the senior citizen credit under division (F) of 10727
section 5747.055 of the Revised Code or the lump sum 10728
distribution credit under division (G) of that section; 10729

The dependent care credit under section 5747.054 of the Revised Code;	10730 10731
The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	10732 10733
The campaign contribution credit under section 5747.29 of the Revised Code;	10734 10735
The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	10736 10737
The joint filing credit under division (G) (E) of section 5747.05 of the Revised Code;	10738 10739
The earned income credit under section 5747.71 of the Revised Code;	10740 10741
The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	10742 10743
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	10744 10745 10746
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	10747 10748 10749
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	10750 10751
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	10752 10753
The enterprise zone credit under section 5709.66 of the Revised Code;	10754 10755
The credit for beginning farmers who participate in a	10756

financial management program under division (B) of section 5747.77 of the Revised Code;	10757 10758
The credit for commercial vehicle operator training expenses under section 5747.82 of the Revised Code;	10759 10760
<u>The earned income credit under section 5747.71 of the Revised Code;</u>	10761 10762
The nonrefundable welcome home Ohio (WHO) program credit under section 122.633 of the Revised Code;	10763 10764
The credit for selling or renting agricultural assets to beginning farmers under division (A) of section 5747.77 of the Revised Code;	10765 10766 10767
The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	10768 10769
The small business investment credit under section 5747.81 of the Revised Code;	10770 10771
The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	10772 10773
The opportunity zone investment credit under section 122.84 of the Revised Code;	10774 10775
The enterprise zone credits under section 5709.65 of the Revised Code;	10776 10777
The research and development credit under section 5747.331 of the Revised Code;	10778 10779
The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	10780 10781
The nonrefundable Ohio low-income housing tax credit under section 5747.83 of the Revised Code;	10782 10783

The nonrefundable affordable single-family home credit	10784
under section 5747.84 of the Revised Code;	10785
The nonresident credit under division (A) of section	10786
5747.05 of the Revised Code;	10787
The credit for a resident's out-of-state income under	10788
division (B) of section 5747.05 of the Revised Code;	10789
The refundable motion picture and Broadway theatrical	10790
production credit under section 5747.66 of the Revised Code;	10791
The refundable credit for film and theater capital	10792
improvement projects under section 5747.67 of the Revised Code;	10793
The refundable jobs creation credit or job retention	10794
credit under division (A) of section 5747.058 of the Revised	10795
Code;	10796
The refundable credit for taxes paid by a qualifying	10797
entity granted under section 5747.059 of the Revised Code;	10798
The refundable credits for taxes paid by a qualifying	10799
pass-through entity granted under division (I) of section	10800
5747.08 of the Revised Code;	10801
The refundable credit under section 5747.80 of the Revised	10802
Code for losses on loans made to the Ohio venture capital	10803
program under sections 150.01 to 150.10 of the Revised Code;	10804
The refundable credit for rehabilitating a historic	10805
building under section 5747.76 of the Revised Code;	10806
The refundable credit under section 5747.39 of the Revised	10807
Code for taxes levied under section 5747.38 of the Revised Code	10808
paid by an electing pass-through entity;	10809
<u>The refundable credit for property taxes or rent-</u>	10810

<u>equivalent taxes paid under section 5747.86 of the Revised Code.</u>	10811
(B) For any credit, except the refundable credits	10812
enumerated in this section and the credit granted under division	10813
(H) of section 5747.08 of the Revised Code, the amount of the	10814
credit for a taxable year shall not exceed the taxpayer's	10815
aggregate amount of tax due under section 5747.02 of the Revised	10816
Code, after allowing for any other credit that precedes it in	10817
the order required under this section. Any excess amount of a	10818
particular credit may be carried forward if authorized under the	10819
section creating that credit. Nothing in this chapter shall be	10820
construed to allow a taxpayer to claim, directly or indirectly,	10821
a credit more than once for a taxable year.	10822
Sec. 5749.01. As used in this chapter:	10823
(A) "Ton" shall mean two thousand pounds as measured at	10824
the point and time of severance, after the removal of any	10825
impurities, under such rules and regulations as the tax	10826
commissioner may prescribe.	10827
(B) "Taxpayer" means any person required to pay the tax	10828
levied by Chapter 5749. of the Revised Code.	10829
(C) "Natural resource" means all forms of coal, salt,	10830
limestone, dolomite, sand, gravel, natural gas, and oil,	10831
<u>condensate, and natural gas liquids.</u>	10832
(D) "Owner" "Owner," "oil," "condensate," and "exempt	10833
domestic well" have the same meanings as in section 1509.01 of	10834
the Revised Code.	10835
(E) "Person" means any individual, firm, partnership,	10836
association, joint stock company, corporation, or estate, or	10837
combination thereof.	10838

(F) "Return" means any report or statement required to be filed pursuant to Chapter 5749. of the Revised Code used to determine the tax due.

(G) "Severance" means the extraction or other removal of a natural resource from the soil or water of this state.

(H) "Severed" means the point at which the natural resource has been separated from the soil or water in this state.

(I) "Severer" means any person who actually removes the natural resources from the soil or water in this state.

(J) "Gas" means all hydrocarbons that are in a gaseous state at standard temperature and pressure.

(K) "Natural gas liquids" means hydrocarbons separated from gas, including ethane, propane, butanes, pentanes, hexanes, and natural gasolines.

(L) "Average quarterly spot price" means the following:

(1) For oil, the average of each day's closing spot price reported for one barrel of crude oil for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner;

(2) For gas, the average of each day's closing spot price reported for one thousand cubic feet of natural gas for the calendar quarter that begins six months before the current calendar quarter, as reported by a publicly available source determined by the commissioner;

(3) For condensate, the average of each day's closing spot price reported for one barrel of Appalachian condensate for the

calendar quarter that begins six months before the current 10867
calendar quarter, as reported by a source determined by the 10868
commissioner; 10869

(4) For natural gas liquids, the average of each day's 10870
closing spot price reported for one million British thermal 10871
units of natural gas plant liquids composite for the calendar 10872
quarter that begins six months before the current calendar 10873
quarter, as reported by a publicly available source determined 10874
by the commissioner. 10875

(M) "Former section 1509.50 of the Revised Code" means 10876
section 1509.50 of the Revised Code as it existed before its 10877
repeal by this act. 10878

Sec. 5749.02. (A) For the purpose of providing revenue to 10879
administer the state's coal mining and reclamation regulatory 10880
program, to meet the environmental and resource management needs 10881
of this state, to provide revenue to the general revenue fund, 10882
and to reclaim land affected by mining, an excise tax is hereby 10883
levied on the privilege of engaging in the severance of natural 10884
resources from the soil or water of this state. The tax shall be 10885
imposed upon the severer at the rates prescribed by this 10886
section: 10887

(1) Ten cents per ton of coal; 10888

(2) Four cents per ton of salt; 10889

(3) Two cents per ton of limestone or dolomite; 10890

(4) Two cents per ton of sand and gravel; 10891

(5) ~~Ten cents per barrel of oil;~~ 10892

~~(6) Two and one half cents per thousand cubic feet of~~ 10893
~~natural gas;~~ 10894

~~(7)~~ Six and one-half per cent of the product of the total volume of oil severed during the calendar quarter multiplied by the average quarterly spot price for oil applicable to that quarter; 10895
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(6) (a) For gas that enters the natural gas distribution system without further processing, six and one-half per cent of the product of the total volume of such gas severed during the calendar quarter multiplied by the average quarter spot price for gas applicable to that quarter; 10899
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(b) For gas other than that described in division (A) (6) (a) of this section, four and one-half per cent of the product of the total volume of such gas after the gas is processed during the calendar quarter, regardless of where the processing facility is located, multiplied by the average quarterly spot price for gas applicable to that quarter. 10904
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(7) Six and one-half per cent of the product of the volume of condensate collected during the calendar quarter at a point other than the wellhead, regardless of where title is transferred, multiplied by the average quarterly spot price for condensate applicable to that quarter; 10910
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(8) Four and one-half per cent of the product of the volume of natural gas liquids collected during the calendar year at a point other than the wellhead, regardless of where title is transferred, multiplied by the average quarterly spot price for natural gas liquids applicable to that quarter; 10915
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(9) One cent per ton of clay, sandstone or conglomerate, shale, gypsum, or quartzite; 10920
10921

~~(8)~~ (10) Except as otherwise provided in this division or in rules adopted by the reclamation forfeiture fund advisory 10922
10923

board under section 1513.182 of the Revised Code, an additional 10924
fourteen cents per ton of coal produced from an area under a 10925
coal mining and reclamation permit issued under Chapter 1513. of 10926
the Revised Code for which the performance security is provided 10927
under division (C) (2) of section 1513.08 of the Revised Code. 10928
Beginning July 1, 2007, if at the end of a fiscal biennium the 10929
balance of the reclamation forfeiture fund created in section 10930
1513.18 of the Revised Code is equal to or greater than ten 10931
million dollars, the rate levied shall be twelve cents per ton. 10932
Beginning July 1, 2007, if at the end of a fiscal biennium the 10933
balance of the fund is at least five million dollars, but less 10934
than ten million dollars, the rate levied shall be fourteen 10935
cents per ton. Beginning July 1, 2007, if at the end of a fiscal 10936
biennium the balance of the fund is less than five million 10937
dollars, the rate levied shall be sixteen cents per ton. 10938
Beginning July 1, 2009, not later than thirty days after the 10939
close of a fiscal biennium, the chief of the division of mineral 10940
resources management shall certify to the tax commissioner the 10941
amount of the balance of the reclamation forfeiture fund as of 10942
the close of the fiscal biennium. Any necessary adjustment of 10943
the rate levied shall take effect on the first day of the 10944
following January and shall remain in effect during the calendar 10945
biennium that begins on that date. 10946

~~(9)-(11)~~ An additional one and two-tenths cents per ton of 10947
coal mined by surface mining methods. 10948

(B) After the director of budget and management transfers 10949
money from the severance tax receipts fund as required in 10950
division (H) of section 5749.06 of the Revised Code, money 10951
remaining in the severance tax receipts fund, ~~except for money~~ 10952
~~in the fund from the amounts due under section 1509.50 of the~~ 10953
~~Revised Code,~~ shall be credited as follows: 10954

(1) All of the moneys in the fund from the tax levied in division (A) (1) of this section shall be credited to the mining regulation and safety fund created in section 1513.30 of the Revised Code.

(2) The money in the fund from the tax levied in division (A) (2) of this section shall be credited to the mining regulation and safety fund.

(3) Of the moneys in the fund from the tax levied in divisions (A) (3) and (4) of this section, seven and five-tenths per cent shall be credited to the geological mapping fund and the remainder shall be credited to the mining regulation and safety fund created in section 1513.30 of the Revised Code.

(4) ~~Of All of the moneys in the fund from the tax levied in divisions (A) (5) and (6) to (8) of this section, ninety per cent shall be credited to the oil and gas well general revenue fund and ten per cent shall be credited to the geological mapping fund.~~

(5) All of the moneys in the fund from the tax levied in division ~~(A) (7)~~ (A) (9) of this section shall be credited to the mining regulation and safety fund.

(6) All of the moneys in the fund from the tax levied in division ~~(A) (8)~~ (A) (10) of this section shall be credited to the reclamation forfeiture fund.

(7) All of the moneys in the fund from the tax levied in division ~~(A) (9)~~ (A) (11) of this section shall be credited to the mining regulation and safety fund.

(C) When, at the close of any fiscal year, the chief finds that the balance of the reclamation forfeiture fund, plus the estimated revenues from the tax levied by division ~~(A) (8)~~ (A)

(10) of this section for the remainder of the calendar year that includes the close of the fiscal year, are sufficient to complete the reclamation of all lands for which the performance security has been provided under division (C) (2) of section 1513.08 of the Revised Code, the purposes for which the tax under division ~~(A) (8)~~ (A) (10) of this section is levied shall be deemed accomplished at the end of that calendar year. The chief, within thirty days after the close of the fiscal year, shall certify those findings to the tax commissioner, and the tax levied under division ~~(A) (8)~~ (A) (10) of this section shall cease to be imposed for the subsequent calendar year after the last day of that calendar year on coal produced under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code if the permittee has made tax payments under division ~~(A) (8)~~ (A) (10) of this section during each of the preceding five full calendar years. Not later than thirty days after the close of a fiscal year, the chief shall certify to the tax commissioner the identity of any permittees who accordingly no longer are required to pay the tax levied under division ~~(A) (8)~~ (A) (10) of this section for the subsequent calendar year.

(D) On or before the last day of the first month of each calendar quarter, the tax commissioner shall certify and post to the department of taxation's web site the average quarterly spot price applicable to oil, gas, condensate, and natural gas liquids for that quarter.

Sec. 5749.04. No severer shall sever or sell a natural resource in this state without first having obtained a permit from or having registered with the department of natural resources.

The commissioner may request that the department of

natural resources revoke the permit or registration of a severer 11014
or owner if the commissioner finds that the severer or owner has 11015
failed to comply with former section 1509.50 or Chapter 5749. of 11016
the Revised Code. 11017

Upon receipt of such a request, that officer may revoke 11018
the permit or registration. 11019

Except as provided in section 5749.03 of the Revised Code, 11020
before severing a natural resource each severer shall file an 11021
application with the commissioner on a form prescribed by the 11022
commissioner to establish a severance tax account. The 11023
application may require the severer to disclose any information 11024
the commissioner considers necessary to establish that account. 11025

Sec. 5749.06. (A) (1) Each severer liable for the tax 11026
imposed by section 5749.02 of the Revised Code ~~and each severer~~ 11027
~~or owner liable for the amounts due under section 1509.50 of the~~ 11028
~~Revised Code, except for any amount due under division (B) (2) of~~ 11029
~~that section,~~ shall make and file returns with the tax 11030
commissioner in the prescribed form and at the prescribed times, 11031
computing and reflecting therein the tax as required by this 11032
chapter ~~and amounts due under section 1509.50 of the Revised~~ 11033
~~Code.~~ 11034

(2) The returns shall be filed for every calendar quarter, 11035
as required by this section, unless a different return period is 11036
prescribed for a taxpayer by the commissioner. 11037

(B) (1) A separate return shall be filed for each calendar 11038
quarter, or other period, or any part thereof, during which the 11039
severer holds a permit or has registered as provided by section 11040
5749.04 of the Revised Code, or is required to hold the permit 11041
or registration, or during which an owner is required to file a 11042

return. The return shall be filed on or before the fifteenth day 11043
of the second month following the end of each return period. The 11044
tax due is payable along with the return. All such returns shall 11045
contain such information as the commissioner may require to 11046
fairly administer the tax. 11047

(2) All returns shall be signed by the severer ~~or owner,~~ 11048
~~as applicable,~~ shall contain the full and complete information 11049
requested, and shall be made under penalty of perjury. 11050

(C) If the commissioner believes that quarterly payments 11051
of tax would result in a delay that might jeopardize the 11052
collection of such tax payments, the commissioner may order that 11053
such payments be made weekly, or more frequently if necessary, 11054
such payments to be made not later than seven days following the 11055
close of the period for which the jeopardy payment is required. 11056
Such an order shall be delivered to the taxpayer in the manner 11057
provided in section 5703.37 of the Revised Code and shall remain 11058
in effect until the commissioner notifies the taxpayer to the 11059
contrary. 11060

(D) Upon good cause the commissioner may extend for thirty 11061
days the period for filing any notice or return required to be 11062
filed under this section, and may remit all or a part of 11063
penalties that may become due under this chapter. 11064

(E) Any tax ~~and any amount due under section 1509.50 of~~ 11065
~~the Revised Code~~ not paid by the day the tax ~~or amount~~ is due 11066
shall bear interest computed at the rate per annum prescribed by 11067
section 5703.47 of the Revised Code ~~on that amount due~~ from the 11068
day that the ~~amount tax~~ was originally required to be paid to 11069
the day of actual payment or to the day an assessment was issued 11070
under section 5749.07 or 5749.10 of the Revised Code, whichever 11071
occurs first. 11072

(F) A severer ~~or owner, as applicable,~~ that fails to file 11073
a complete return or pay the full amount due under this chapter 11074
within the time prescribed, including any extensions of time 11075
granted by the commissioner, shall be subject to a penalty not 11076
to exceed the greater of fifty dollars or ten per cent of the 11077
amount due for the period. 11078

(G) (1) A severer ~~or owner, as applicable,~~ shall remit 11079
payments electronically and, if required by the commissioner, 11080
file each return electronically. The commissioner may require 11081
that the severer ~~or owner~~ use the Ohio business gateway, as 11082
defined in section 718.01 of the Revised Code, or another 11083
electronic means to file returns and remit payments 11084
electronically. 11085

(2) A severer ~~or owner~~ that is required to remit payments 11086
electronically under this section may apply to the commissioner, 11087
in the manner prescribed by the commissioner, to be excused from 11088
that requirement. The commissioner may excuse a severer ~~or owner~~ 11089
from the requirements of division (G) of this section for good 11090
cause. 11091

(3) If a severer ~~or owner~~ that is required to remit 11092
payments or file returns electronically under this section fails 11093
to do so, the commissioner may impose a penalty on the severer 11094
~~or owner~~ not to exceed the following: 11095

(a) For the first or second payment or return the severer 11096
~~or owner~~ fails to remit or file electronically, the greater of 11097
five per cent of the amount of the payment that was required to 11098
be remitted or twenty-five dollars; 11099

(b) For every payment or return after the second that the 11100
severer ~~or owner~~ fails to remit or file electronically, the 11101

greater of ten per cent of the amount of the payment that was 11102
required to be remitted or fifty dollars. 11103

(H) (1) All amounts that the commissioner receives under 11104
this section shall be deemed to be revenue from taxes imposed 11105
under this chapter or from the amount due under former section 11106
1509.50 of the Revised Code, as applicable, and shall be 11107
deposited in the severance tax receipts fund, which is hereby 11108
created in the state treasury. 11109

(2) The director of budget and management shall transfer 11110
from the severance tax receipts fund, as necessary, to the tax 11111
refund fund amounts equal to the refunds certified by the 11112
commissioner under section 5749.08 of the Revised Code. Any 11113
amount transferred under division (H) (2) of this section shall 11114
be derived from receipts of the same tax or other amount from 11115
which the refund arose. 11116

(3) After the director of budget and management makes any 11117
transfer required by division (H) (2) of this section, but not 11118
later than the twenty-fifth day of each month, the commissioner 11119
shall certify to the director the total amount remaining in the 11120
severance tax receipts fund organized according to the amount 11121
attributable to each natural resource and according to the 11122
amount attributable to a tax imposed by this chapter ~~and the~~ 11123
~~amounts due under section 1509.50 of the Revised Code,~~ and shall 11124
provide for payment to the funds specified in division (B) of 11125
section 5749.02 of the Revised Code. 11126

(I) Penalties imposed under this section are in addition 11127
to any other penalty imposed under this chapter and shall be 11128
considered as revenue arising from the tax levied under this 11129
chapter or the amount due under former section 1509.50 of the 11130
Revised Code, as applicable. The commissioner may collect any 11131

penalty or interest imposed under this section in the same 11132
manner as provided for the making of an assessment in section 11133
5749.07 of the Revised Code. The commissioner may abate all or a 11134
portion of such interest or penalties and may adopt rules 11135
governing such abatements. 11136

(J) For purposes of this section: 11137

(1) "Tax imposed by section 5749.02 of the Revised Code" 11138
or "tax" includes amounts due under former section 1509.50 of 11139
the Revised Code. 11140

(2) "Severer" includes an owner as defined in section 11141
1509.01 of the Revised Code, with regard to amounts due from an 11142
owner under former section 1509.50 of the Revised Code. 11143

Sec. 5749.07. (A) If any severer required by this chapter 11144
to make and file returns and pay the tax ~~levied~~imposed by 11145
section 5749.02 of the Revised Code, ~~or any severer or owner~~ 11146
~~liable for the amounts due under section 1509.50 of the Revised~~ 11147
~~Code,~~ fails to make such return or pay such tax ~~or amounts,~~ the 11148
tax commissioner may make an assessment against the severer ~~or~~ 11149
~~owner~~ based upon any information in the commissioner's 11150
possession. 11151

No assessment shall be made or issued against any severer 11152
for any tax imposed by section 5749.02 of the Revised Code ~~or~~ 11153
~~against any severer or owner for any amount due under section~~ 11154
~~1509.50 of the Revised Code~~ more than four years after the 11155
return was due or was filed, whichever is later. This section 11156
does not bar an assessment against a severer ~~or owner~~ who fails 11157
to file a return as required by this chapter, or who files a 11158
fraudulent return. 11159

The commissioner shall give the party assessed written 11160

notice of such assessment in the manner provided in section 11161
5703.37 of the Revised Code. With the notice, the commissioner 11162
shall provide instructions on how to petition for reassessment 11163
and request a hearing on the petition. 11164

(B) Unless the party assessed files with the commissioner 11165
within sixty days after service of the notice of assessment, 11166
either personally or by certified mail, a written petition for 11167
reassessment signed by the party assessed or that party's 11168
authorized agent having knowledge of the facts, the assessment 11169
becomes final and the amount of the assessment is due and 11170
payable from the party assessed to the treasurer of state. The 11171
petition shall indicate the objections of the party assessed, 11172
but additional objections may be raised in writing if received 11173
by the commissioner prior to the date shown on the final 11174
determination. If the petition has been properly filed, the 11175
commissioner shall proceed under section 5703.60 of the Revised 11176
Code. 11177

(C) After an assessment becomes final, if any portion of 11178
the assessment remains unpaid, including accrued interest, a 11179
certified copy of the commissioner's entry making the assessment 11180
final may be filed in the office of the clerk of the court of 11181
common pleas in the county in which the party assessed resides 11182
or in which the party's business is conducted. If the party 11183
assessed maintains no place of business in this state and is not 11184
a resident of this state, the certified copy of the entry may be 11185
filed in the office of the clerk of the court of common pleas of 11186
Franklin county. 11187

Immediately upon the filing of such entry, the clerk shall 11188
enter a judgment for the state against the party assessed in the 11189
amount shown on the entry. The judgment may be filed by the 11190

clerk in a loose-leaf book entitled "special judgments for state severance tax," and shall have the same effect as other judgments. Execution shall issue upon the judgment upon the request of the commissioner, and all laws applicable to sales on execution shall apply to sales made under the judgment.

If the assessment is not paid in its entirety within sixty days after the day the assessment is issued, the portion of the assessment consisting of tax due ~~or amounts due under section 1509.50 of the Revised Code~~ shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the day the commissioner issues the assessment until it is paid or until it is certified to the attorney general for collection under section 131.02 of the Revised Code, whichever comes first. If the unpaid portion of the assessment is certified to the attorney general for collection, the entire unpaid portion of the assessment shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the date of certification until the date it is paid in its entirety. Interest shall be paid in the same manner as the tax and may be collected by the issuance of an assessment under this section.

(D) All money collected by the commissioner under this section shall be paid to the treasurer of state, and when paid shall be considered as revenue arising from the tax imposed by section 5749.02 of the Revised Code ~~and the amount due under section 1509.50 of the Revised Code, as applicable.~~

(E) For purposes of this section:

(1) "Tax imposed by section 5749.02 of the Revised Code" or "tax" includes amounts due under former section 1509.50 of the Revised Code.

(2) "Severer" includes an owner as defined in section 1509.01 of the Revised Code, with regard to amounts due from an owner under former section 1509.50 of the Revised Code. 11220
11221
11222

Sec. 5749.08. The tax commissioner shall refund ~~to~~ 11223
~~taxpayers~~ amounts paid under this chapter or former section 11224
1509.50 of the Revised Code that were paid illegally or 11225
erroneously or paid on an illegal or erroneous assessment. 11226
Applications for refund shall be filed with the commissioner, on 11227
the form prescribed by the commissioner, within four years from 11228
the date of the illegal or erroneous payment. On the filing of 11229
the application, the commissioner shall determine the amount of 11230
refund to which the applicant is entitled, plus interest 11231
computed in accordance with section 5703.47 of the Revised Code 11232
from the date of the payment of an erroneous or illegal 11233
assessment until the date the refund is paid. If the amount is 11234
not less than that claimed, the commissioner shall certify the 11235
amount to the director of budget and management and treasurer of 11236
state for payment from the tax refund fund created by section 11237
5703.052 of the Revised Code. If the amount is less than that 11238
claimed, the commissioner shall proceed in accordance with 11239
section 5703.70 of the Revised Code. 11240

Sec. 5749.10. If the tax commissioner finds that a 11241
~~taxpayer, person~~ liable for tax under this chapter or for any 11242
amount due under former section 1509.50 of the Revised Code is 11243
about to depart from the state, or remove the ~~taxpayer's~~ 11244
person's property therefrom, or conceal ~~the taxpayer's~~ its 11245
person or property, or do any other act tending to prejudice or 11246
to render wholly or partly ineffectual proceedings to collect 11247
such tax or other amount due unless such proceedings are brought 11248
without delay, or if the commissioner believes that the 11249
collection of the tax or amount due from any ~~taxpayer~~ person 11250

will be jeopardized by delay, the commissioner shall give notice 11251
of such findings to ~~such taxpayer~~ the person together with the 11252
demand for an immediate return and immediate payment of such tax 11253
or other amount due, with penalty as provided in section 5749.15 11254
of the Revised Code, whereupon such tax or other amount due 11255
shall become immediately due and payable. In such cases the 11256
commissioner may immediately file an entry with the clerk of the 11257
court of common pleas in the same manner and with the same 11258
effect as provided in section 5749.07 of the Revised Code, 11259
provided that if ~~such taxpayer~~ the person, within five days from 11260
notice of the assessment, furnishes evidence satisfactory to the 11261
commissioner, under ~~the regulations prescribed~~ rules adopted by 11262
the commissioner, that the ~~taxpayer~~ person is not in default in 11263
making returns or paying any tax prescribed by this chapter or 11264
amount due under former section 1509.50 of the Revised Code, or 11265
that the ~~taxpayer~~ person will duly return and pay, or post bond 11266
satisfactory to the commissioner conditioned upon payment of the 11267
tax or other amount finally determined to be due, then such tax 11268
or other amount due shall not be payable prior to the time and 11269
manner otherwise fixed for payment under section 5749.07 of the 11270
Revised Code, and the person assessed shall be restored the 11271
rights granted under such section. Upon satisfaction of the 11272
assessment the commissioner shall order the bond cancelled, 11273
securities released, and judgment vacated. 11274

Any assessment issued under this section shall bear 11275
interest as prescribed under section 5749.07 of the Revised 11276
Code. 11277

Sec. 5749.11. (A) There is hereby allowed a nonrefundable 11278
credit against the taxes imposed under division ~~(A) (8)~~ (A) (10) 11279
of section 5749.02 of the Revised Code for any severer to which 11280
a reclamation tax credit certificate is issued under section 11281

1513.171 of the Revised Code. The credit shall be claimed in the amount shown on the certificate. The credit shall be claimed by deducting the amount of the credit from the amount of the first tax payment due under section 5749.06 of the Revised Code after the certificate is issued.

If the amount of the credit shown on a certificate exceeds the amount of the tax otherwise due with that first payment, the excess shall be claimed against the amount of tax otherwise due on succeeding payment dates until the entire credit amount has been deducted. The total amount of credit claimed against payments shall not exceed the total amount of credit shown on the certificate.

(B) A severer claiming a credit under this section shall retain a reclamation tax credit certificate for not less than four years following the date of the last tax payment against which the credit allowed under that certificate was applied. Severers shall make tax credit certificates available for inspection by the tax commissioner upon the tax commissioner's request.

Sec. 5749.12. Any nonresident of this state who accepts the privilege extended by the laws of this state to nonresidents severing natural resources in this state, and any resident of this state who subsequently becomes a nonresident or conceals the resident's whereabouts, makes the secretary of state of Ohio the person's agent for the service of process or notice in any assessment, action, or proceedings instituted in this state against such person under this chapter or for purposes of amounts due under former section 1509.50 of the Revised Code.

Such process or notice shall be served as provided under section 5703.37 of the Revised Code.

Sec. 5749.13. The tax commissioner may prescribe 11312
requirements as to the keeping of records and other pertinent 11313
documents and the filing of copies of federal income tax returns 11314
and determinations. The commissioner may require any person, by 11315
rule or by notice served on that person, to keep such records as 11316
the commissioner considers necessary to show whether that person 11317
is liable, and the extent of liability, for the tax imposed 11318
under this chapter and the amount due under former section 11319
1509.50 of the Revised Code. Such records and other documents 11320
shall be open during business hours to the inspection of the 11321
commissioner, and shall be preserved for a period of four years 11322
after the date the return was required to be filed or actually 11323
was filed, whichever is later, unless the commissioner, in 11324
writing, consents to their destruction within that period, or by 11325
order requires that they be kept longer. 11326

Sec. 5749.14. The tax commissioner shall enforce and 11327
administer this chapter ~~and applicable provisions of section~~ 11328
~~1509.50 of the Revised Code.~~ In addition to any other powers 11329
conferred upon the commissioner by law, the commissioner may: 11330

(A) Prescribe all forms required to be filed pursuant to 11331
this chapter; 11332

(B) ~~Promulgate~~ Adopt such rules as the commissioner finds 11333
necessary to carry out this chapter ~~and applicable provisions of~~ 11334
~~section 1509.50 of the Revised Code;~~ 11335

(C) Appoint and employ such personnel as may be necessary 11336
to carry out the duties imposed upon the commissioner by this 11337
chapter. 11338

Sec. 5749.15. Any person who fails to file a return or pay 11339
the tax as required under this chapter or other amount due under 11340

former section 1509.50 of the Revised Code who is assessed such 11341
taxes or other amount due pursuant to section 5749.07 or 5749.10 11342
of the Revised Code may be liable for a penalty of up to twenty- 11343
five per cent of the amount assessed. The tax commissioner may 11344
adopt rules relating to the imposition and remission of 11345
penalties imposed under this section. 11346

Sec. 5751.01. As used in this chapter: 11347

(A) "Person" means, but is not limited to, individuals, 11348
combinations of individuals of any form, receivers, assignees, 11349
trustees in bankruptcy, firms, companies, joint-stock companies, 11350
business trusts, estates, partnerships, limited liability 11351
partnerships, limited liability companies, associations, joint 11352
ventures, clubs, societies, for-profit corporations, S 11353
corporations, qualified subchapter S subsidiaries, qualified 11354
subchapter S trusts, trusts, entities that are disregarded for 11355
federal income tax purposes, and any other entities. 11356

(B) "Consolidated elected taxpayer" means a group of two 11357
or more persons treated as a single taxpayer for purposes of 11358
this chapter as the result of an election made under section 11359
5751.011 of the Revised Code. 11360

(C) "Combined taxpayer" means a group of two or more 11361
persons treated as a single taxpayer for purposes of this 11362
chapter under section 5751.012 of the Revised Code. 11363

(D) "Taxpayer" means any person, or any group of persons 11364
in the case of a consolidated elected taxpayer or combined 11365
taxpayer treated as one taxpayer, required to register or pay 11366
tax under this chapter. "Taxpayer" does not include excluded 11367
persons. 11368

(E) "Excluded person" means any of the following: 11369

(1) Any person with not more than one hundred fifty 11370
thousand dollars of taxable gross receipts during the calendar 11371
year. Division (E) (1) of this section does not apply to a person 11372
that is a member of a consolidated elected taxpayer. 11373

(2) A public utility that paid the excise tax imposed by 11374
section 5727.24 or 5727.30 of the Revised Code based on one or 11375
more measurement periods that include the entire tax period 11376
under this chapter, except in the following circumstances: 11377

(a) A public utility that is a combined company is a 11378
taxpayer with regard to the following gross receipts: 11379

(i) Taxable gross receipts directly attributed to a public 11380
utility activity, but not directly attributed to an activity 11381
that is subject to the excise tax imposed by section 5727.24 or 11382
5727.30 of the Revised Code; 11383

(ii) Taxable gross receipts that cannot be directly 11384
attributed to any activity, multiplied by a fraction whose 11385
numerator is the taxable gross receipts described in division 11386
(E) (2) (a) (i) of this section and whose denominator is the total 11387
taxable gross receipts that can be directly attributed to any 11388
activity; 11389

(iii) Except for any differences resulting from the use of 11390
an accrual basis method of accounting for purposes of 11391
determining gross receipts under this chapter and the use of the 11392
cash basis method of accounting for purposes of determining 11393
gross receipts under section 5727.24 of the Revised Code, the 11394
gross receipts directly attributed to the activity of a natural 11395
gas company shall be determined in a manner consistent with 11396
division (D) of section 5727.03 of the Revised Code. 11397

(b) A heating company that became exempt from the excise 11398

tax imposed by section 5727.30 of the Revised Code on May 1, 11399
2023, shall not be an excluded person for tax periods beginning 11400
on or after July 1, 2023. 11401

As used in division (E)(2) of this section, "combined 11402
company" and "public utility" have the same meanings as in 11403
section 5727.01 of the Revised Code. 11404

(3) A financial institution, as defined in section 5726.01 11405
of the Revised Code, that paid the tax imposed by section 11406
5726.02 of the Revised Code based on one or more taxable years 11407
that include the entire tax period under this chapter; 11408

(4) A person directly or indirectly owned by one or more 11409
financial institutions, as defined in section 5726.01 of the 11410
Revised Code, that paid the tax imposed by section 5726.02 of 11411
the Revised Code based on one or more taxable years that include 11412
the entire tax period under this chapter. 11413

For the purposes of division (E)(4) of this section, a 11414
person owns another person under the following circumstances: 11415

(a) In the case of corporations issuing capital stock, one 11416
corporation owns another corporation if it owns fifty per cent 11417
or more of the other corporation's capital stock with current 11418
voting rights; 11419

(b) In the case of a limited liability company, one person 11420
owns the company if that person's membership interest, as 11421
defined in section 1706.01 of the Revised Code, is fifty per 11422
cent or more of the combined membership interests of all persons 11423
owning such interests in the company; 11424

(c) In the case of a partnership, trust, or other 11425
unincorporated business organization other than a limited 11426
liability company, one person owns the organization if, under 11427

the articles of organization or other instrument governing the 11428
affairs of the organization, that person has a beneficial 11429
interest in the organization's profits, surpluses, losses, or 11430
distributions of fifty per cent or more of the combined 11431
beneficial interests of all persons having such an interest in 11432
the organization. 11433

(5) A domestic insurance company or foreign insurance 11434
company, as defined in section 5725.01 of the Revised Code, that 11435
paid the insurance company premiums tax imposed by section 11436
5725.18 or Chapter 5729. of the Revised Code, or an unauthorized 11437
insurance company whose gross premiums are subject to tax under 11438
section 3905.36 of the Revised Code based on one or more 11439
measurement periods that include the entire tax period under 11440
this chapter; 11441

(6) A person that solely facilitates or services one or 11442
more securitizations of phase-in-recovery property pursuant to a 11443
final financing order as those terms are defined in section 11444
4928.23 of the Revised Code. For purposes of this division, 11445
"securitization" means transferring one or more assets to one or 11446
more persons and then issuing securities backed by the right to 11447
receive payment from the asset or assets so transferred. 11448

(7) Except as otherwise provided in this division, a pre- 11449
income tax trust as defined in section 5747.01 of the Revised 11450
Code and any pass-through entity of which such pre-income tax 11451
trust owns or controls, directly, indirectly, or constructively 11452
through related interests, more than five per cent of the 11453
ownership or equity interests. If the pre-income tax trust has 11454
made a qualifying pre-income tax trust election under division 11455
(EE) of section 5747.01 of the Revised Code, then the trust and 11456
the pass-through entities of which it owns or controls, 11457

directly, indirectly, or constructively through related 11458
interests, more than five per cent of the ownership or equity 11459
interests, shall not be excluded persons for purposes of the tax 11460
imposed under section 5751.02 of the Revised Code. 11461

(8) Nonprofit organizations or the state and its agencies, 11462
instrumentalities, or political subdivisions. 11463

(F) Except as otherwise provided in divisions (F) (2), (3), 11464
and (4) of this section, "gross receipts" means the total amount 11465
realized by a person, without deduction for the cost of goods 11466
sold or other expenses incurred, that contributes to the 11467
production of gross income of the person, including the fair 11468
market value of any property and any services received, and any 11469
debt transferred or forgiven as consideration. 11470

(1) The following are examples of gross receipts: 11471

(a) Amounts realized from the sale, exchange, or other 11472
disposition of the taxpayer's property to or with another; 11473

(b) Amounts realized from the taxpayer's performance of 11474
services for another; 11475

(c) Amounts realized from another's use or possession of 11476
the taxpayer's property or capital; 11477

(d) Any combination of the foregoing amounts. 11478

(2) "Gross receipts" excludes the following amounts: 11479

(a) Interest income except interest on credit sales; 11480

(b) Dividends and distributions from corporations, and 11481
distributive or proportionate shares of receipts and income from 11482
a pass-through entity as defined under section 5733.04 of the 11483
Revised Code; 11484

(c) Receipts from the sale, exchange, or other disposition 11485
of an asset described in section 1221 or 1231 of the Internal 11486
Revenue Code, without regard to the length of time the person 11487
held the asset. Notwithstanding section 1221 of the Internal 11488
Revenue Code, receipts from hedging transactions also are 11489
excluded to the extent the transactions are entered into 11490
primarily to protect a financial position, such as managing the 11491
risk of exposure to (i) foreign currency fluctuations that 11492
affect assets, liabilities, profits, losses, equity, or 11493
investments in foreign operations; (ii) interest rate 11494
fluctuations; or (iii) commodity price fluctuations. As used in 11495
division (F) (2) (c) of this section, "hedging transaction" has 11496
the same meaning as used in section 1221 of the Internal Revenue 11497
Code and also includes transactions accorded hedge accounting 11498
treatment under statement of financial accounting standards 11499
number 133 of the financial accounting standards board. For the 11500
purposes of division (F) (2) (c) of this section, the actual 11501
transfer of title of real or tangible personal property to 11502
another entity is not a hedging transaction. 11503

(d) Proceeds received attributable to the repayment, 11504
maturity, or redemption of the principal of a loan, bond, mutual 11505
fund, certificate of deposit, or marketable instrument; 11506

(e) The principal amount received under a repurchase 11507
agreement or on account of any transaction properly 11508
characterized as a loan to the person; 11509

(f) Contributions received by a trust, plan, or other 11510
arrangement, any of which is described in section 501(a) of the 11511
Internal Revenue Code, or to which Title 26, Subtitle A, Chapter 11512
1, Subchapter (D) of the Internal Revenue Code applies; 11513

(g) Compensation, whether current or deferred, and whether 11514

in cash or in kind, received or to be received by an employee, 11515
former employee, or the employee's legal successor for services 11516
rendered to or for an employer, including reimbursements 11517
received by or for an individual for medical or education 11518
expenses, health insurance premiums, or employee expenses, or on 11519
account of a dependent care spending account, legal services 11520
plan, any cafeteria plan described in section 125 of the 11521
Internal Revenue Code, or any similar employee reimbursement; 11522

(h) Proceeds received from the issuance of the taxpayer's 11523
own stock, options, warrants, puts, or calls, or from the sale 11524
of the taxpayer's treasury stock; 11525

(i) Proceeds received on the account of payments from 11526
insurance policies, except those proceeds received for the loss 11527
of business revenue; 11528

(j) Gifts or charitable contributions received; membership 11529
dues received by trade, professional, homeowners', or 11530
condominium associations; payments received for educational 11531
courses, meetings, meals, or similar payments to a trade, 11532
professional, or other similar association; and fundraising 11533
receipts received by any person when any excess receipts are 11534
donated or used exclusively for charitable purposes; 11535

(k) Damages received as the result of litigation in excess 11536
of amounts that, if received without litigation, would be gross 11537
receipts; 11538

(l) Property, money, and other amounts received or 11539
acquired by an agent on behalf of another in excess of the 11540
agent's commission, fee, or other remuneration; 11541

(m) Tax refunds, other tax benefit recoveries, and 11542
reimbursements for the tax imposed under this chapter made by 11543

entities that are part of the same combined taxpayer or 11544
consolidated elected taxpayer group, and reimbursements made by 11545
entities that are not members of a combined taxpayer or 11546
consolidated elected taxpayer group that are required to be made 11547
for economic parity among multiple owners of an entity whose tax 11548
obligation under this chapter is required to be reported and 11549
paid entirely by one owner, pursuant to the requirements of 11550
sections 5751.011 and 5751.012 of the Revised Code; 11551

(n) Pension reversions; 11552

(o) Contributions to capital; 11553

(p) Sales or use taxes collected as a vendor or an out-of- 11554
state seller on behalf of the taxing jurisdiction from a 11555
consumer or other taxes the taxpayer is required by law to 11556
collect directly from a purchaser and remit to a local, state, 11557
or federal tax authority; 11558

(q) In the case of receipts from the sale of cigarettes, 11559
tobacco products, or vapor products by a wholesale dealer, 11560
retail dealer, distributor, manufacturer, vapor distributor, or 11561
seller, all as defined in section 5743.01 of the Revised Code, 11562
an amount equal to the federal and state excise taxes paid by 11563
any person on or for such cigarettes, tobacco products, or vapor 11564
products under subtitle E of the Internal Revenue Code or 11565
Chapter 5743. of the Revised Code; 11566

(r) In the case of receipts from the sale, transfer, 11567
exchange, or other disposition of motor fuel as "motor fuel" is 11568
defined in section 5736.01 of the Revised Code, an amount equal 11569
to the value of the motor fuel, including federal and state 11570
motor fuel excise taxes and receipts from billing or invoicing 11571
the tax imposed under section 5736.02 of the Revised Code to 11572

another person; 11573

(s) In the case of receipts from the sale of beer or 11574
intoxicating liquor, as defined in section 4301.01 of the 11575
Revised Code, by a person holding a permit issued under Chapter 11576
4301. or 4303. of the Revised Code, an amount equal to federal 11577
and state excise taxes paid by any person on or for such beer or 11578
intoxicating liquor under subtitle E of the Internal Revenue 11579
Code or Chapter 4301. or 4305. of the Revised Code; 11580

(t) Receipts realized by a new motor vehicle dealer or 11581
used motor vehicle dealer, as defined in section 4517.01 of the 11582
Revised Code, from the sale or other transfer of a motor 11583
vehicle, as defined in that section, to another motor vehicle 11584
dealer for the purpose of resale by the transferee motor vehicle 11585
dealer, but only if the sale or other transfer was based upon 11586
the transferee's need to meet a specific customer's preference 11587
for a motor vehicle; 11588

(u) Receipts from a financial institution described in 11589
division (E) (3) of this section for services provided to the 11590
financial institution in connection with the issuance, 11591
processing, servicing, and management of loans or credit 11592
accounts, if such financial institution and the recipient of 11593
such receipts have at least fifty per cent of their ownership 11594
interests owned or controlled, directly or constructively 11595
through related interests, by common owners; 11596

(v) Receipts realized from administering anti-neoplastic 11597
drugs and other cancer chemotherapy, biologicals, therapeutic 11598
agents, and supportive drugs in a physician's office to patients 11599
with cancer; 11600

(w) Funds received or used by a mortgage broker that is 11601

not a dealer in intangibles, other than fees or other 11602
consideration, pursuant to a table-funding mortgage loan or 11603
warehouse-lending mortgage loan. Terms used in division (F) (2) 11604
(w) of this section have the same meanings as in section 1322.01 11605
of the Revised Code, except "mortgage broker" means a person 11606
assisting a buyer in obtaining a mortgage loan for a fee or 11607
other consideration paid by the buyer or a lender, or a person 11608
engaged in table-funding or warehouse-lending mortgage loans 11609
that are first lien mortgage loans. 11610

(x) Property, money, and other amounts received by a 11611
professional employer organization, as defined in section 11612
4125.01 of the Revised Code, or an alternate employer 11613
organization, as defined in section 4133.01 of the Revised Code, 11614
from a client employer, as defined in either of those sections 11615
as applicable, in excess of the administrative fee charged by 11616
the professional employer organization or the alternate employer 11617
organization to the client employer; 11618

(y) In the case of amounts retained as commissions by a 11619
permit holder under Chapter 3769. of the Revised Code, an amount 11620
equal to the amounts specified under that chapter that must be 11621
paid to or collected by the tax commissioner as a tax and the 11622
amounts specified under that chapter to be used as purse money; 11623

(z) ~~Qualifying distribution center receipts as determined~~ 11624
Receipts from fees imposed under section 5751.40 sections 128.41 11625
and 128.42 of the Revised Code; 11626

(aa) Receipts of an employer from payroll deductions 11627
relating to the reimbursement of the employer for advancing 11628
moneys to an unrelated third party on an employee's behalf; 11629

(bb) Cash discounts allowed and taken; 11630

(cc) Returns and allowances; 11631

(dd) Bad debts from receipts on the basis of which the tax 11632
imposed by this chapter was paid in a prior quarterly tax 11633
payment period. For the purpose of this division, "bad debts" 11634
means any debts that have become worthless or uncollectible 11635
between the preceding and current quarterly tax payment periods, 11636
have been uncollected for at least six months, and that may be 11637
claimed as a deduction under section 166 of the Internal Revenue 11638
Code and the regulations adopted under that section, or that 11639
could be claimed as such if the taxpayer kept its accounts on 11640
the accrual basis. "Bad debts" does not include repossessed 11641
property, uncollectible amounts on property that remains in the 11642
possession of the taxpayer until the full purchase price is 11643
paid, or expenses in attempting to collect any account 11644
receivable or for any portion of the debt recovered. 11645

(ee) Any amount realized from the sale of an account 11646
receivable to the extent the receipts from the underlying 11647
transaction giving rise to the account receivable were included 11648
in the gross receipts of the taxpayer; 11649

(ff) Any receipts directly attributed to a transfer 11650
agreement or to the enterprise transferred under that agreement 11651
under section 4313.02 of the Revised Code; 11652

(gg) Qualified uranium receipts as determined under 11653
section 5751.41 of the Revised Code; 11654

(hh) In the case of amounts collected by a licensed casino 11655
operator from casino gaming, amounts in excess of the casino 11656
operator's gross casino revenue. In this division, "casino 11657
operator" and "casino gaming" have the meanings defined in 11658
section 3772.01 of the Revised Code, and "gross casino revenue" 11659

has the meaning defined in section 5753.01 of the Revised Code. 11660

(ii) Receipts realized from the sale of agricultural 11661
commodities by an agricultural commodity handler, both as 11662
defined in section 926.01 of the Revised Code, that is licensed 11663
by the director of agriculture to handle agricultural 11664
commodities in this state; 11665

(jj) Qualifying integrated supply chain receipts as 11666
determined under section 5751.42 of the Revised Code; 11667

(kk) In the case of a railroad company described in 11668
division (D)(9) of section 5727.01 of the Revised Code that 11669
purchases dyed diesel fuel directly from a supplier as defined 11670
by section 5736.01 of the Revised Code, an amount equal to the 11671
product of the number of gallons of dyed diesel fuel purchased 11672
directly from such a supplier multiplied by the average 11673
wholesale price for a gallon of diesel fuel as determined under 11674
section 5736.02 of the Revised Code for the period during which 11675
the fuel was purchased multiplied by a fraction, the numerator 11676
of which equals the rate of tax levied by section 5736.02 of the 11677
Revised Code less the rate of tax computed in section 5751.03 of 11678
the Revised Code, and the denominator of which equals the rate 11679
of tax computed in section 5751.03 of the Revised Code; 11680

(ll) Receipts realized by an out-of-state disaster 11681
business from disaster work conducted in this state during a 11682
disaster response period pursuant to a qualifying solicitation 11683
received by the business. Terms used in division (F)(2)(ll) of 11684
this section have the same meanings as in section 5703.94 of the 11685
Revised Code. 11686

(mm) In the case of receipts from the sale or transfer of 11687
a mortgage-backed security or a mortgage loan by a mortgage 11688

lender holding a valid certificate of registration issued under 11689
Chapter 1322. of the Revised Code or by a person that is a 11690
member of the mortgage lender's consolidated elected taxpayer 11691
group, an amount equal to the principal balance of the mortgage 11692
loan; 11693

(nn) Amounts of excess surplus of the state insurance fund 11694
received by the taxpayer from the Ohio bureau of workers' 11695
compensation pursuant to rules adopted under section 4123.321 of 11696
the Revised Code; 11697

(oo) Except as otherwise provided in division (B) of 11698
section 5751.091 of the Revised Code, receipts of a megaproject 11699
supplier from sales of tangible personal property directly to a 11700
megaproject operator in this state for use at the site of the 11701
megaproject operator's megaproject, provided that the sale 11702
occurs during the period that the megaproject operator has an 11703
agreement with the tax credit authority for the megaproject 11704
under division (D) of section 122.17 of the Revised Code that 11705
remains in effect and has not expired or been terminated, and 11706
provided the megaproject supplier holds a certificate for such 11707
megaproject issued under section 5751.052 of the Revised Code 11708
for the calendar year in which the sales are made and, if the 11709
megaproject supplier meets the requirements described in 11710
division (A) (13) (b) of section 122.17 of the Revised Code, the 11711
megaproject supplier holds a certificate for such megaproject 11712
issued under division (D) (11) of section 122.17 of the Revised 11713
Code on the first day of that calendar year; 11714

(pp) Receipts from the sale of each new piece of capital 11715
equipment that has a cost in excess of one hundred million 11716
dollars and that is used at the site of a megaproject that 11717
satisfies the criteria described in division (A) (11) (a) (ii) of 11718

section 122.17 of the Revised Code, provided that the sale 11719
occurs during the period that a megaproject operator has an 11720
agreement for that megaproject with the tax credit authority 11721
under division (D) of section 122.17 of the Revised Code that 11722
remains in effect and has not expired or been terminated; 11723

(qq) In the case of amounts collected by a sports gaming 11724
proprietor from sports gaming, amounts in excess of the 11725
proprietor's sports gaming receipts. As used in this division, 11726
"sports gaming proprietor" has the same meaning as in section 11727
3775.01 of the Revised Code and "sports gaming receipts" has the 11728
same meaning as in section 5753.01 of the Revised Code. 11729

(rr) Amounts received from any federal, state, or local 11730
grant, and amounts of indebtedness discharged or forgiven 11731
pursuant to federal, state, or local law, for providing or 11732
expanding access to broadband service in this state. As used in 11733
this division, "broadband service" has the same meaning as in 11734
section 188.01 of the Revised Code. 11735

(ss) Receipts provided to a taxpayer to compensate for 11736
lost business resulting from the train derailment near the city 11737
of East Palestine on February 3, 2023, by any of the following: 11738

(i) A federal, state, or local government agency; 11739

(ii) A railroad company, as that term is defined in 11740
section 5727.01 of the Revised Code; 11741

(iii) Any subsidiary, insurer, or agent of a railroad 11742
company or any related person. 11743

(tt) An amount equal to the fee imposed by section 3743.22 11744
of the Revised Code billed to the purchaser, collected by the 11745
taxpayer, and remitted to the fire marshal during the tax 11746
period, provided that the fee is separately stated on the 11747

invoice, bill of sale, or similar document given to the 11748
purchaser of 1.4G fireworks in this state;~~i~~ 11749

(uu) Any receipts for which the tax imposed by this 11750
chapter is prohibited by the constitution or laws of the United 11751
States or the constitution of this state;~~r~~ 11752

~~(vv) Receipts from fees imposed under sections 128.41 and~~ 11753
~~128.42 of the Revised Code.~~ 11754

(3) In the case of a taxpayer when acting as a real estate 11755
broker, "gross receipts" includes only the portion of any fee 11756
for the service of a real estate broker, or service of a real 11757
estate salesperson associated with that broker, that is retained 11758
by the broker and not paid to an associated real estate 11759
salesperson or another real estate broker. For the purposes of 11760
this division, "real estate broker" and "real estate 11761
salesperson" have the same meanings as in section 4735.01 of the 11762
Revised Code. 11763

(4) A taxpayer's method of accounting for gross receipts 11764
for a tax period shall be the same as the taxpayer's method of 11765
accounting for federal income tax purposes for the taxpayer's 11766
federal taxable year that includes the tax period. If a 11767
taxpayer's method of accounting for federal income tax purposes 11768
changes, its method of accounting for gross receipts under this 11769
chapter shall be changed accordingly. 11770

(G) "Taxable gross receipts" means gross receipts sitused 11771
to this state under section 5751.033 of the Revised Code. 11772

(H) A person has "substantial nexus with this state" if 11773
any of the following applies. The person: 11774

(1) Owns or uses a part or all of its capital in this 11775
state; 11776

(2) Holds a certificate of compliance with the laws of this state authorizing the person to do business in this state;	11777 11778
(3) Has bright-line presence in this state;	11779
(4) Otherwise has nexus with this state to an extent that the person can be required to remit the tax imposed under this chapter under the Constitution of the United States.	11780 11781 11782
(I) A person has "bright-line presence" in this state for a reporting period and for the remaining portion of the calendar year if any of the following applies. The person:	11783 11784 11785
(1) Has at any time during the calendar year property in this state with an aggregate value of at least fifty thousand dollars. For the purpose of division (I)(1) of this section, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge.	11786 11787 11788 11789 11790
(2) Has during the calendar year payroll in this state of at least fifty thousand dollars. Payroll in this state includes all of the following:	11791 11792 11793
(a) Any amount subject to withholding by the person under section 5747.06 of the Revised Code;	11794 11795
(b) Any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state; and	11796 11797 11798
(c) Any amount the person pays for services performed in this state on its behalf by another.	11799 11800
(3) Has during the calendar year taxable gross receipts of at least five hundred thousand dollars;	11801 11802
(4) Has at any time during the calendar year within this	11803

state at least twenty-five per cent of the person's total 11804
property, total payroll, or total gross receipts; 11805

(5) Is domiciled in this state as an individual or for 11806
corporate, commercial, or other business purposes. 11807

(J) "Tangible personal property" has the same meaning as 11808
in section 5739.01 of the Revised Code. 11809

(K) "Internal Revenue Code" means the Internal Revenue 11810
Code of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. Any term 11811
used in this chapter that is not otherwise defined has the same 11812
meaning as when used in a comparable context in the laws of the 11813
United States relating to federal income taxes unless a 11814
different meaning is clearly required. Any reference in this 11815
chapter to the Internal Revenue Code includes other laws of the 11816
United States relating to federal income taxes. 11817

(L) "Calendar quarter" means a three-month period ending 11818
on the thirty-first day of March, the thirtieth day of June, the 11819
thirtieth day of September, or the thirty-first day of December. 11820

(M) "Tax period" means the calendar quarter on the basis 11821
of which a taxpayer is required to pay the tax imposed under 11822
this chapter. 11823

(N) "Agent" means a person authorized by another person to 11824
act on its behalf to undertake a transaction for the other, 11825
including any of the following: 11826

(1) A person receiving a fee to sell financial 11827
instruments; 11828

(2) A person retaining only a commission from a 11829
transaction with the other proceeds from the transaction being 11830
remitted to another person; 11831

(3) A person issuing licenses and permits under section 1533.13 of the Revised Code;	11832 11833
(4) A lottery sales agent holding a valid license issued under section 3770.05 of the Revised Code;	11834 11835
(5) A person acting as an agent of the division of liquor control under section 4301.17 of the Revised Code.	11836 11837
(O) "Received" includes amounts accrued under the accrual method of accounting.	11838 11839
(P) "Reporting person" means a person in a consolidated elected taxpayer or combined taxpayer group that is designated by that group to legally bind the group for all filings and tax liabilities and to receive all legal notices with respect to matters under this chapter, or, for the purposes of section 5751.04 of the Revised Code, a separate taxpayer that is not a member of such a group.	11840 11841 11842 11843 11844 11845 11846
(Q) "Megaproject," "megaproject operator," and "megaproject supplier" have the same meanings as in section 122.17 of the Revised Code.	11847 11848 11849
(R) "Exclusion amount" means three million dollars beginning in 2024 and six million dollars beginning in 2025.	11850 11851
Sec. 5751.20. No determinations, computations, certifications, or payments shall be made under this section after June 30, 2015.	11852 11853 11854
(A) As used in sections 5751.20 to 5751.22 of the Revised Code:	11855 11856
(1) "School district," "joint vocational school district," "local taxing unit," "recognized valuation," "fixed-rate levy," and "fixed-sum levy" have the same meanings as used in section	11857 11858 11859

5727.84 of the Revised Code. 11860

(2) "State education aid" for a school district means the 11861
following: 11862

(a) For fiscal years prior to fiscal year 2010, the sum of 11863
state aid amounts computed for the district under the following 11864
provisions, as they existed for the applicable fiscal year: 11865
division (A) of section 3317.022 of the Revised Code, including 11866
the amounts calculated under former section 3317.029 and section 11867
3317.0217 of the Revised Code; divisions (C) (1), (C) (4), (D), 11868
(E), and (F) of section 3317.022; divisions (B), (C), and (D) of 11869
section 3317.023; divisions (L) and (N) of section 3317.024; 11870
section 3317.0216; and any unit payments for gifted student 11871
services paid under section 3317.05 and former sections 3317.052 11872
and 3317.053 of the Revised Code; except that, for fiscal years 11873
2008 and 2009, the amount computed for the district under 11874
Section 269.20.80 of H.B. 119 of the 127th general assembly and 11875
as that section subsequently may be amended shall be substituted 11876
for the amount computed under division (D) of section 3317.022 11877
of the Revised Code, and the amount computed under Section 11878
269.30.80 of H.B. 119 of the 127th general assembly and as that 11879
section subsequently may be amended shall be included. 11880

(b) For fiscal years 2010 and 2011, the sum of the amounts 11881
computed under former sections 3306.052, 3306.12, 3306.13, 11882
3306.19, 3306.191, and 3306.192 of the Revised Code; 11883

(c) For fiscal years 2012 and 2013, the sum of the amounts 11884
paid under Sections 267.30.50, 267.30.53, and 267.30.56 of H.B. 11885
153 of the 129th general assembly; 11886

(d) For fiscal year 2014 and each fiscal year thereafter, 11887
the sum of state amounts computed for the district under section 11888

3317.022 of the Revised Code; except that, for fiscal years 2014 11889
and 2015, the amount computed for the district under the section 11890
of this act entitled "TRANSITIONAL AID FOR CITY, LOCAL, AND 11891
EXEMPTED VILLAGE SCHOOL DISTRICTS" shall be included. 11892

(3) "State education aid" for a joint vocational school 11893
district means the following: 11894

(a) For fiscal years prior to fiscal year 2010, the sum of 11895
the state aid computed for the district under division (N) of 11896
section 3317.024 and former section 3317.16 of the Revised Code, 11897
except that, for fiscal years 2008 and 2009, the amount computed 11898
under Section 269.30.80 of H.B. 119 of the 127th general 11899
assembly and as that section subsequently may be amended shall 11900
be included. 11901

(b) For fiscal years 2010 and 2011, the amount paid in 11902
accordance with Section 265.30.50 of H.B. 1 of the 128th general 11903
assembly. 11904

(c) For fiscal years 2012 and 2013, the amount paid in 11905
accordance with Section 267.30.60 of H.B. 153 of the 129th 11906
general assembly. 11907

(d) For fiscal year 2014 and each fiscal year thereafter, 11908
the amount computed for the district under section 3317.16 of 11909
the Revised Code; except that, for fiscal years 2014 and 2015, 11910
the amount computed for the district under the section of this 11911
act entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL 11912
DISTRICTS" shall be included. 11913

(4) "State education aid offset" means the amount 11914
determined for each school district or joint vocational school 11915
district under division (A) (1) of section 5751.21 of the Revised 11916
Code. 11917

- (5) "Machinery and equipment property tax value loss" 11918
means the amount determined under division (C) (1) of this 11919
section. 11920
- (6) "Inventory property tax value loss" means the amount 11921
determined under division (C) (2) of this section. 11922
- (7) "Furniture and fixtures property tax value loss" means 11923
the amount determined under division (C) (3) of this section. 11924
- (8) "Machinery and equipment fixed-rate levy loss" means 11925
the amount determined under division (D) (1) of this section. 11926
- (9) "Inventory fixed-rate levy loss" means the amount 11927
determined under division (D) (2) of this section. 11928
- (10) "Furniture and fixtures fixed-rate levy loss" means 11929
the amount determined under division (D) (3) of this section. 11930
- (11) "Total fixed-rate levy loss" means the sum of the 11931
machinery and equipment fixed-rate levy loss, the inventory 11932
fixed-rate levy loss, the furniture and fixtures fixed-rate levy 11933
loss, and the telephone company fixed-rate levy loss. 11934
- (12) "Fixed-sum levy loss" means the amount determined 11935
under division (E) of this section. 11936
- (13) "Machinery and equipment" means personal property 11937
subject to the assessment rate specified in division (F) of 11938
section 5711.22 of the Revised Code. 11939
- (14) "Inventory" means personal property subject to the 11940
assessment rate specified in division (E) of section 5711.22 of 11941
the Revised Code. 11942
- (15) "Furniture and fixtures" means personal property 11943
subject to the assessment rate specified in division (G) of 11944

section 5711.22 of the Revised Code.	11945
(16) "Qualifying levies" are levies in effect for tax year 2004 or applicable to tax year 2005 or approved at an election conducted before September 1, 2005. For the purpose of determining the rate of a qualifying levy authorized by section 5705.212 or 5705.213 of the Revised Code, the rate shall be the rate that would be in effect for tax year 2010.	11946 11947 11948 11949 11950 11951
(17) "Telephone property" means tangible personal property of a telephone, telegraph, or interexchange telecommunications company subject to an assessment rate specified in section 5727.111 of the Revised Code in tax year 2004.	11952 11953 11954 11955
(18) "Telephone property tax value loss" means the amount determined under division (C)(4) of this section.	11956 11957
(19) "Telephone property fixed-rate levy loss" means the amount determined under division (D)(4) of this section.	11958 11959
(20) "Taxes charged and payable" means taxes charged and payable after the reduction required by section 319.301 of the Revised Code but before the reductions <u>any reduction</u> required by sections 319.302 and section <u>section</u> 323.152 of the Revised Code.	11960 11961 11962 11963
(21) "Median estate tax collections" means, in the case of a municipal corporation to which revenue from the taxes levied in Chapter 5731. of the Revised Code was distributed in each of calendar years 2006, 2007, 2008, and 2009, the median of those distributions. In the case of a municipal corporation to which no distributions were made in one or more of those years, "median estate tax collections" means zero.	11964 11965 11966 11967 11968 11969 11970
(22) "Total resources," in the case of a school district, means the sum of the amounts in divisions (A)(22)(a) to (h) of this section less any reduction required under division (A)(32)	11971 11972 11973

or (33) of this section.	11974
(a) The state education aid for fiscal year 2010;	11975
(b) The sum of the payments received by the school district in fiscal year 2010 for current expense levy losses pursuant to division (C) (2) of section 5727.85 and divisions (C) (8) and (9) of section 5751.21 of the Revised Code, excluding the portion of such payments attributable to levies for joint vocational school district purposes;	11976 11977 11978 11979 11980 11981
(c) The sum of fixed-sum levy loss payments received by the school district in fiscal year 2010 pursuant to division (E) (1) of section 5727.85 and division (E) (1) of section 5751.21 of the Revised Code for fixed-sum levies charged and payable for a purpose other than paying debt charges;	11982 11983 11984 11985 11986
(d) Fifty per cent of the school district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2008, including taxes charged and payable from emergency levies charged and payable under section 5709.194 of the Revised Code and excluding taxes levied for joint vocational school district purposes;	11987 11988 11989 11990 11991 11992 11993
(e) Fifty per cent of the school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses for tax year 2009, including taxes charged and payable from emergency levies and excluding taxes levied for joint vocational school district purposes;	11994 11995 11996 11997 11998 11999
(f) The school district's taxes charged and payable against all property on the general tax list of personal property for current expenses for tax year 2009, including taxes	12000 12001 12002

charged and payable from emergency levies;	12003
(g) The amount certified for fiscal year 2010 under	12004
division (A) (2) of section 3317.08 of the Revised Code;	12005
(h) Distributions received during calendar year 2009 from	12006
taxes levied under section 718.09 of the Revised Code.	12007
(23) "Total resources," in the case of a joint vocational	12008
school district, means the sum of amounts in divisions (A) (23)	12009
(a) to (g) of this section less any reduction required under	12010
division (A) (32) of this section.	12011
(a) The state education aid for fiscal year 2010;	12012
(b) The sum of the payments received by the joint	12013
vocational school district in fiscal year 2010 for current	12014
expense levy losses pursuant to division (C) (2) of section	12015
5727.85 and divisions (C) (8) and (9) of section 5751.21 of the	12016
Revised Code;	12017
(c) Fifty per cent of the joint vocational school	12018
district's taxes charged and payable against all property on the	12019
tax list of real and public utility property for current expense	12020
purposes for tax year 2008;	12021
(d) Fifty per cent of the joint vocational school	12022
district's taxes charged and payable against all property on the	12023
tax list of real and public utility property for current	12024
expenses for tax year 2009;	12025
(e) Fifty per cent of a city, local, or exempted village	12026
school district's taxes charged and payable against all property	12027
on the tax list of real and public utility property for current	12028
expenses of the joint vocational school district for tax year	12029
2008;	12030

(f) Fifty per cent of a city, local, or exempted village school district's taxes charged and payable against all property on the tax list of real and public utility property for current expenses of the joint vocational school district for tax year 2009;

(g) The joint vocational school district's taxes charged and payable against all property on the general tax list of personal property for current expenses for tax year 2009.

(24) "Total resources," in the case of county mental health and disability related functions, means the sum of the amounts in divisions (A) (24) (a) and (b) of this section less any reduction required under division (A) (32) of this section.

(a) The sum of the payments received by the county for mental health and developmental disability related functions in calendar year 2010 under division (A) (1) of section 5727.86 and divisions (A) (1) and (2) of section 5751.22 of the Revised Code as they existed at that time;

(b) With respect to taxes levied by the county for mental health and developmental disability related purposes, the taxes charged and payable for such purposes against all property on the tax list of real and public utility property for tax year 2009.

(25) "Total resources," in the case of county senior services related functions, means the sum of the amounts in divisions (A) (25) (a) and (b) of this section less any reduction required under division (A) (32) of this section.

(a) The sum of the payments received by the county for senior services related functions in calendar year 2010 under division (A) (1) of section 5727.86 and divisions (A) (1) and (2)

of section 5751.22 of the Revised Code as they existed at that 12060
time; 12061

(b) With respect to taxes levied by the county for senior 12062
services related purposes, the taxes charged and payable for 12063
such purposes against all property on the tax list of real and 12064
public utility property for tax year 2009. 12065

(26) "Total resources," in the case of county children's 12066
services related functions, means the sum of the amounts in 12067
divisions (A) (26) (a) and (b) of this section less any reduction 12068
required under division (A) (32) of this section. 12069

(a) The sum of the payments received by the county for 12070
children's services related functions in calendar year 2010 12071
under division (A) (1) of section 5727.86 and divisions (A) (1) 12072
and (2) of section 5751.22 of the Revised Code as they existed 12073
at that time; 12074

(b) With respect to taxes levied by the county for 12075
children's services related purposes, the taxes charged and 12076
payable for such purposes against all property on the tax list 12077
of real and public utility property for tax year 2009. 12078

(27) "Total resources," in the case of county public 12079
health related functions, means the sum of the amounts in 12080
divisions (A) (27) (a) and (b) of this section less any reduction 12081
required under division (A) (32) of this section. 12082

(a) The sum of the payments received by the county for 12083
public health related functions in calendar year 2010 under 12084
division (A) (1) of section 5727.86 and divisions (A) (1) and (2) 12085
of section 5751.22 of the Revised Code as they existed at that 12086
time; 12087

(b) With respect to taxes levied by the county for public 12088

health related purposes, the taxes charged and payable for such 12089
purposes against all property on the tax list of real and public 12090
utility property for tax year 2009. 12091

(28) "Total resources," in the case of all county 12092
functions not included in divisions (A) (24) to (27) of this 12093
section, means the sum of the amounts in divisions (A) (28) (a) to 12094
(d) of this section less any reduction required under division 12095
(A) (32) or (33) of this section. 12096

(a) The sum of the payments received by the county for all 12097
other purposes in calendar year 2010 under division (A) (1) of 12098
section 5727.86 and divisions (A) (1) and (2) of section 5751.22 12099
of the Revised Code as they existed at that time; 12100

(b) The county's percentage share of county undivided 12101
local government fund allocations as certified to the tax 12102
commissioner for calendar year 2010 by the county auditor under 12103
division (J) of section 5747.51 of the Revised Code or division 12104
(F) of section 5747.53 of the Revised Code multiplied by the 12105
total amount actually distributed in calendar year 2010 from the 12106
county undivided local government fund; 12107

(c) With respect to taxes levied by the county for all 12108
other purposes, the taxes charged and payable for such purposes 12109
against all property on the tax list of real and public utility 12110
property for tax year 2009, excluding taxes charged and payable 12111
for the purpose of paying debt charges; 12112

(d) The sum of the amounts distributed to the county in 12113
calendar year 2010 for the taxes levied pursuant to sections 12114
5739.021 and 5741.021 of the Revised Code. 12115

(29) "Total resources," in the case of a municipal 12116
corporation, means the sum of the amounts in divisions (A) (29) 12117

(a) to (g) of this section less any reduction required under	12118
division (A) (32) or (33) of this section.	12119
(a) The sum of the payments received by the municipal	12120
corporation in calendar year 2010 for current expense levy	12121
losses under division (A) (1) of section 5727.86 and divisions	12122
(A) (1) and (2) of section 5751.22 of the Revised Code as they	12123
existed at that time;	12124
(b) The municipal corporation's percentage share of county	12125
undivided local government fund allocations as certified to the	12126
tax commissioner for calendar year 2010 by the county auditor	12127
under division (J) of section 5747.51 of the Revised Code or	12128
division (F) of section 5747.53 of the Revised Code multiplied	12129
by the total amount actually distributed in calendar year 2010	12130
from the county undivided local government fund;	12131
(c) The sum of the amounts distributed to the municipal	12132
corporation in calendar year 2010 pursuant to section 5747.50 of	12133
the Revised Code;	12134
(d) With respect to taxes levied by the municipal	12135
corporation, the taxes charged and payable against all property	12136
on the tax list of real and public utility property for current	12137
expenses, defined in division (A) (35) of this section, for tax	12138
year 2009;	12139
(e) The amount of admissions tax collected by the	12140
municipal corporation in calendar year 2008, or if such	12141
information has not yet been reported to the tax commissioner,	12142
in the most recent year before 2008 for which the municipal	12143
corporation has reported data to the commissioner;	12144
(f) The amount of income taxes collected by the municipal	12145
corporation in calendar year 2008, or if such information has	12146

not yet been reported to the tax commissioner, in the most 12147
recent year before 2008 for which the municipal corporation has 12148
reported data to the commissioner; 12149

(g) The municipal corporation's median estate tax 12150
collections. 12151

(30) "Total resources," in the case of a township, means 12152
the sum of the amounts in divisions (A) (30) (a) to (c) of this 12153
section less any reduction required under division (A) (32) or 12154
(33) of this section. 12155

(a) The sum of the payments received by the township in 12156
calendar year 2010 pursuant to division (A) (1) of section 12157
5727.86 of the Revised Code and divisions (A) (1) and (2) of 12158
section 5751.22 of the Revised Code as they existed at that 12159
time, excluding payments received for debt purposes; 12160

(b) The township's percentage share of county undivided 12161
local government fund allocations as certified to the tax 12162
commissioner for calendar year 2010 by the county auditor under 12163
division (J) of section 5747.51 of the Revised Code or division 12164
(F) of section 5747.53 of the Revised Code multiplied by the 12165
total amount actually distributed in calendar year 2010 from the 12166
county undivided local government fund; 12167

(c) With respect to taxes levied by the township, the 12168
taxes charged and payable against all property on the tax list 12169
of real and public utility property for tax year 2009 excluding 12170
taxes charged and payable for the purpose of paying debt 12171
charges. 12172

(31) "Total resources," in the case of a local taxing unit 12173
that is not a county, municipal corporation, or township, means 12174
the sum of the amounts in divisions (A) (31) (a) to (e) of this 12175

section less any reduction required under division (A) (32) of 12176
this section. 12177

(a) The sum of the payments received by the local taxing 12178
unit in calendar year 2010 pursuant to division (A) (1) of 12179
section 5727.86 of the Revised Code and divisions (A) (1) and (2) 12180
of section 5751.22 of the Revised Code as they existed at that 12181
time; 12182

(b) The local taxing unit's percentage share of county 12183
undivided local government fund allocations as certified to the 12184
tax commissioner for calendar year 2010 by the county auditor 12185
under division (J) of section 5747.51 of the Revised Code or 12186
division (F) of section 5747.53 of the Revised Code multiplied 12187
by the total amount actually distributed in calendar year 2010 12188
from the county undivided local government fund; 12189

(c) With respect to taxes levied by the local taxing unit, 12190
the taxes charged and payable against all property on the tax 12191
list of real and public utility property for tax year 2009 12192
excluding taxes charged and payable for the purpose of paying 12193
debt charges; 12194

(d) The amount received from the tax commissioner during 12195
calendar year 2010 for sales or use taxes authorized under 12196
sections 5739.023 and 5741.022 of the Revised Code; 12197

(e) For institutions of higher education receiving tax 12198
revenue from a local levy, as identified in section 3358.02 of 12199
the Revised Code, the final state share of instruction 12200
allocation for fiscal year 2010 as calculated by the chancellor 12201
of higher education and reported to the state controlling board. 12202

(32) If a fixed-rate levy that is a qualifying levy is not 12203
charged and payable in any year after tax year 2010, "total 12204

resources" used to compute payments to be made under division 12205
(C) (12) of section 5751.21 or division (A) (1) (b) or (c) of 12206
section 5751.22 of the Revised Code in the tax years following 12207
the last year the levy is charged and payable shall be reduced 12208
to the extent that the payments are attributable to the fixed- 12209
rate levy loss of that levy as would be computed under division 12210
(C) (2) of section 5727.85, division (A) (1) of section 5727.85, 12211
divisions (C) (8) and (9) of section 5751.21, or division (A) (1) 12212
of section 5751.22 of the Revised Code. 12213

(33) In the case of a county, municipal corporation, 12214
school district, or township with fixed-rate levy losses 12215
attributable to a tax levied under section 5705.23 of the 12216
Revised Code, "total resources" used to compute payments to be 12217
made under division (C) (3) of section 5727.85, division (A) (1) 12218
(d) of section 5727.86, division (C) (12) of section 5751.21, or 12219
division (A) (1) (c) of section 5751.22 of the Revised Code shall 12220
be reduced by the amounts described in divisions (A) (34) (a) to 12221
(c) of this section to the extent that those amounts were 12222
included in calculating the "total resources" of the school 12223
district or local taxing unit under division (A) (22), (28), 12224
(29), or (30) of this section. 12225

(34) "Total library resources," in the case of a county, 12226
municipal corporation, school district, or township public 12227
library that receives the proceeds of a tax levied under section 12228
5705.23 of the Revised Code, means the sum of the amounts in 12229
divisions (A) (34) (a) to (c) of this section less any reduction 12230
required under division (A) (32) of this section. 12231

(a) The sum of the payments received by the county, 12232
municipal corporation, school district, or township public 12233
library in calendar year 2010 pursuant to sections 5727.86 and 12234

5751.22 of the Revised Code, as they existed at that time, for 12235
fixed-rate levy losses attributable to a tax levied under 12236
section 5705.23 of the Revised Code for the benefit of the 12237
public library; 12238

(b) The public library's percentage share of county 12239
undivided local government fund allocations as certified to the 12240
tax commissioner for calendar year 2010 by the county auditor 12241
under division (J) of section 5747.51 of the Revised Code or 12242
division (F) of section 5747.53 of the Revised Code multiplied 12243
by the total amount actually distributed in calendar year 2010 12244
from the county undivided local government fund; 12245

(c) With respect to a tax levied pursuant to section 12246
5705.23 of the Revised Code for the benefit of the public 12247
library, the amount of such tax that is charged and payable 12248
against all property on the tax list of real and public utility 12249
property for tax year 2009 excluding any tax that is charged and 12250
payable for the purpose of paying debt charges. 12251

(35) "Municipal current expense property tax levies" means 12252
all property tax levies of a municipality, except those with the 12253
following levy names: airport resurfacing; bond or any levy name 12254
including the word "bond"; capital improvement or any levy name 12255
including the word "capital"; debt or any levy name including 12256
the word "debt"; equipment or any levy name including the word 12257
"equipment," unless the levy is for combined operating and 12258
equipment; employee termination fund; fire pension or any levy 12259
containing the word "pension," including police pensions; 12260
fireman's fund or any practically similar name; sinking fund; 12261
road improvements or any levy containing the word "road"; fire 12262
truck or apparatus; flood or any levy containing the word 12263
"flood"; conservancy district; county health; note retirement; 12264

sewage, or any levy containing the words "sewage" or "sewer"; 12265
park improvement; parkland acquisition; storm drain; street or 12266
any levy name containing the word "street"; lighting, or any 12267
levy name containing the word "lighting"; and water. 12268

(36) "Current expense TPP allocation" means, in the case 12269
of a school district or joint vocational school district, the 12270
sum of the payments received by the school district in fiscal 12271
year 2011 pursuant to divisions (C) (10) and (11) of section 12272
5751.21 of the Revised Code to the extent paid for current 12273
expense levies. In the case of a municipal corporation, "current 12274
expense TPP allocation" means the sum of the payments received 12275
by the municipal corporation in calendar year 2010 pursuant to 12276
divisions (A) (1) and (2) of section 5751.22 of the Revised Code 12277
to the extent paid for municipal current expense property tax 12278
levies as defined in division (A) (35) of this section, excluding 12279
any such payments received for current expense levy losses 12280
attributable to a tax levied under section 5705.23 of the 12281
Revised Code. If a fixed-rate levy that is a qualifying levy is 12282
not charged and payable in any year after tax year 2010, 12283
"current expense TPP allocation" used to compute payments to be 12284
made under division (C) (12) of section 5751.21 or division (A) 12285
(1) (b) or (c) of section 5751.22 of the Revised Code in the tax 12286
years following the last year the levy is charged and payable 12287
shall be reduced to the extent that the payments are 12288
attributable to the fixed-rate levy loss of that levy as would 12289
be computed under divisions (C) (10) and (11) of section 5751.21 12290
or division (A) (1) of section 5751.22 of the Revised Code. 12291

(37) "TPP allocation" means the sum of payments received 12292
by a local taxing unit in calendar year 2010 pursuant to 12293
divisions (A) (1) and (2) of section 5751.22 of the Revised Code, 12294
excluding any such payments received for fixed-rate levy losses 12295

attributable to a tax levied under section 5705.23 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "TPP allocation" used to compute payments to be made under division (A) (1) (b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under division (A) (1) of that section.

(38) "Total TPP allocation" means, in the case of a school district or joint vocational school district, the sum of the amounts received in fiscal year 2011 pursuant to divisions (C) (10) and (11) and (D) of section 5751.21 of the Revised Code. In the case of a local taxing unit, "total TPP allocation" means the sum of payments received by the unit in calendar year 2010 pursuant to divisions (A) (1), (2), and (3) of section 5751.22 of the Revised Code. If a fixed-rate levy that is a qualifying levy is not charged and payable in any year after tax year 2010, "total TPP allocation" used to compute payments to be made under division (C) (12) of section 5751.21 or division (A) (1) (b) or (c) of section 5751.22 of the Revised Code in the tax years following the last year the levy is charged and payable shall be reduced to the extent that the payments are attributable to the fixed-rate levy loss of that levy as would be computed under divisions (C) (10) and (11) of section 5751.21 or division (A) (1) of section 5751.22 of the Revised Code.

(39) "Non-current expense TPP allocation" means the difference of total TPP allocation minus the sum of current expense TPP allocation and the portion of total TPP allocation constituting reimbursement for debt levies, pursuant to division (D) of section 5751.21 of the Revised Code in the case of a

school district or joint vocational school district and pursuant 12327
to division (A) (3) of section 5751.22 of the Revised Code in the 12328
case of a municipal corporation. 12329

(40) "TPP allocation for library purposes" means the sum 12330
of payments received by a county, municipal corporation, school 12331
district, or township public library in calendar year 2010 12332
pursuant to section 5751.22 of the Revised Code for fixed-rate 12333
levy losses attributable to a tax levied under section 5705.23 12334
of the Revised Code. If a fixed-rate levy authorized under 12335
section 5705.23 of the Revised Code that is a qualifying levy is 12336
not charged and payable in any year after tax year 2010, "TPP 12337
allocation for library purposes" used to compute payments to be 12338
made under division (A) (1) (d) of section 5751.22 of the Revised 12339
Code in the tax years following the last year the levy is 12340
charged and payable shall be reduced to the extent that the 12341
payments are attributable to the fixed-rate levy loss of that 12342
levy as would be computed under division (A) (1) of section 12343
5751.22 of the Revised Code. 12344

(41) "Threshold per cent" means, in the case of a school 12345
district or joint vocational school district, two per cent for 12346
fiscal year 2012 and four per cent for fiscal years 2013 and 12347
thereafter. In the case of a local taxing unit or public library 12348
that receives the proceeds of a tax levied under section 5705.23 12349
of the Revised Code, "threshold per cent" means two per cent for 12350
tax year 2011, four per cent for tax year 2012, and six per cent 12351
for tax years 2013 and thereafter. 12352

(B) (1) The commercial activities tax receipts fund is 12353
hereby created in the state treasury and shall consist of money 12354
arising from the tax imposed under this chapter. Eighty-five 12355
one-hundredths of one per cent of the money credited to that 12356

fund shall be credited to the revenue enhancement fund and shall 12357
 be used to defray the costs incurred by the department of 12358
 taxation in administering the tax imposed by this chapter and in 12359
 implementing tax reform measures. The remainder of the money in 12360
 the commercial activities tax receipts fund shall first be 12361
 credited to the commercial activity tax motor fuel receipts 12362
 fund, pursuant to division (B) (2) of this section, and the 12363
 remainder shall be credited in the following percentages each 12364
 fiscal year to the general revenue fund, to the school district 12365
 tangible property tax replacement fund, which is hereby created 12366
 in the state treasury for the purpose of making the payments 12367
 described in section 5751.21 of the Revised Code, and to the 12368
 local government tangible property tax replacement fund, which 12369
 is hereby created in the state treasury for the purpose of 12370
 making the payments described in section 5751.22 of the Revised 12371
 Code, in the following percentages: 12372

12373

	1	2	3	4
A	Fiscal year	General Revenue Fund	School District Tangible Property Tax Replacement Fund	Local Government Tangible Property Tax Replacement Fund
B	2006	67.7%	22.6%	9.7%
C	2007	0%	70.0%	30.0%

D	2008	0%	70.0%	30.0%
E	2009	0%	70.0%	30.0%
F	2010	0%	70.0%	30.0%
G	2011	0%	70.0%	30.0%
H	2012	25.0%	52.5%	22.5%
I	2013 and thereafter	50.0%	35.0%	15.0%

(2) Not later than the twentieth day of February, May, 12374
 August, and November of each year, the commissioner shall 12375
 provide for payment from the commercial activities tax receipts 12376
 fund to the commercial activity tax motor fuel receipts fund an 12377
 amount that bears the same ratio to the balance in the 12378
 commercial activities tax receipts fund that (a) the taxable 12379
 gross receipts attributed to motor fuel used for propelling 12380
 vehicles on public highways as indicated by returns filed by the 12381
 tenth day of that month for a liability that is due and payable 12382
 on or after July 1, 2013, for a tax period ending before July 1, 12383
 2014, bears to (b) all taxable gross receipts as indicated by 12384
 those returns for such liabilities. 12385

(C) Not later than September 15, 2005, the tax 12386
 commissioner shall determine for each school district, joint 12387
 vocational school district, and local taxing unit its machinery 12388
 and equipment, inventory property, furniture and fixtures 12389
 property, and telephone property tax value losses, which are the 12390
 applicable amounts described in divisions (C) (1), (2), (3), and 12391
 (4) of this section, except as provided in division (C) (5) of 12392

this section:	12393
(1) Machinery and equipment property tax value loss is the taxable value of machinery and equipment property as reported by taxpayers for tax year 2004 multiplied by:	12394
	12395
	12396
(a) For tax year 2006, thirty-three and eight-tenths per cent;	12397
	12398
(b) For tax year 2007, sixty-one and three-tenths per cent;	12399
	12400
(c) For tax year 2008, eighty-three per cent;	12401
(d) For tax year 2009 and thereafter, one hundred per cent.	12402
	12403
(2) Inventory property tax value loss is the taxable value of inventory property as reported by taxpayers for tax year 2004 multiplied by:	12404
	12405
	12406
(a) For tax year 2006, a fraction, the numerator of which is five and three-fourths and the denominator of which is twenty-three;	12407
	12408
	12409
(b) For tax year 2007, a fraction, the numerator of which is nine and one-half and the denominator of which is twenty-three;	12410
	12411
	12412
(c) For tax year 2008, a fraction, the numerator of which is thirteen and one-fourth and the denominator of which is twenty-three;	12413
	12414
	12415
(d) For tax year 2009 and thereafter a fraction, the numerator of which is seventeen and the denominator of which is twenty-three.	12416
	12417
	12418
(3) Furniture and fixtures property tax value loss is the	12419

taxable value of furniture and fixture property as reported by	12420
taxpayers for tax year 2004 multiplied by:	12421
(a) For tax year 2006, twenty-five per cent;	12422
(b) For tax year 2007, fifty per cent;	12423
(c) For tax year 2008, seventy-five per cent;	12424
(d) For tax year 2009 and thereafter, one hundred per	12425
cent.	12426
The taxable value of property reported by taxpayers used	12427
in divisions (C) (1), (2), and (3) of this section shall be such	12428
values as determined to be final by the tax commissioner as of	12429
August 31, 2005. Such determinations shall be final except for	12430
any correction of a clerical error that was made prior to August	12431
31, 2005, by the tax commissioner.	12432
(4) Telephone property tax value loss is the taxable value	12433
of telephone property as taxpayers would have reported that	12434
property for tax year 2004 if the assessment rate for all	12435
telephone property for that year were twenty-five per cent,	12436
multiplied by:	12437
(a) For tax year 2006, zero per cent;	12438
(b) For tax year 2007, zero per cent;	12439
(c) For tax year 2008, zero per cent;	12440
(d) For tax year 2009, sixty per cent;	12441
(e) For tax year 2010, eighty per cent;	12442
(f) For tax year 2011 and thereafter, one hundred per	12443
cent.	12444
(5) Division (C) (5) of this section applies to any school	12445

district, joint vocational school district, or local taxing unit 12446
in a county in which is located a facility currently or formerly 12447
devoted to the enrichment or commercialization of uranium or 12448
uranium products, and for which the total taxable value of 12449
property listed on the general tax list of personal property for 12450
any tax year from tax year 2001 to tax year 2004 was fifty per 12451
cent or less of the taxable value of such property listed on the 12452
general tax list of personal property for the next preceding tax 12453
year. 12454

In computing the fixed-rate levy losses under divisions 12455
(D) (1), (2), and (3) of this section for any school district, 12456
joint vocational school district, or local taxing unit to which 12457
division (C) (5) of this section applies, the taxable value of 12458
such property as listed on the general tax list of personal 12459
property for tax year 2000 shall be substituted for the taxable 12460
value of such property as reported by taxpayers for tax year 12461
2004, in the taxing district containing the uranium facility, if 12462
the taxable value listed for tax year 2000 is greater than the 12463
taxable value reported by taxpayers for tax year 2004. For the 12464
purpose of making the computations under divisions (D) (1), (2), 12465
and (3) of this section, the tax year 2000 valuation is to be 12466
allocated to machinery and equipment, inventory, and furniture 12467
and fixtures property in the same proportions as the tax year 12468
2004 values. For the purpose of the calculations in division (A) 12469
of section 5751.21 of the Revised Code, the tax year 2004 12470
taxable values shall be used. 12471

To facilitate the calculations required under division (C) 12472
of this section, the county auditor, upon request from the tax 12473
commissioner, shall provide by August 1, 2005, the values of 12474
machinery and equipment, inventory, and furniture and fixtures 12475
for all single-county personal property taxpayers for tax year 12476

2004.	12477
(D) Not later than September 15, 2005, the tax	12478
commissioner shall determine for each tax year from 2006 through	12479
2009 for each school district, joint vocational school district,	12480
and local taxing unit its machinery and equipment, inventory,	12481
and furniture and fixtures fixed-rate levy losses, and for each	12482
tax year from 2006 through 2011 its telephone property fixed-	12483
rate levy loss. Except as provided in division (F) of this	12484
section, such losses are the applicable amounts described in	12485
divisions (D) (1), (2), (3), and (4) of this section:	12486
(1) The machinery and equipment fixed-rate levy loss is	12487
the machinery and equipment property tax value loss multiplied	12488
by the sum of the tax rates of fixed-rate qualifying levies.	12489
(2) The inventory fixed-rate loss is the inventory	12490
property tax value loss multiplied by the sum of the tax rates	12491
of fixed-rate qualifying levies.	12492
(3) The furniture and fixtures fixed-rate levy loss is the	12493
furniture and fixture property tax value loss multiplied by the	12494
sum of the tax rates of fixed-rate qualifying levies.	12495
(4) The telephone property fixed-rate levy loss is the	12496
telephone property tax value loss multiplied by the sum of the	12497
tax rates of fixed-rate qualifying levies.	12498
(E) Not later than September 15, 2005, the tax	12499
commissioner shall determine for each school district, joint	12500
vocational school district, and local taxing unit its fixed-sum	12501
levy loss. The fixed-sum levy loss is the amount obtained by	12502
subtracting the amount described in division (E) (2) of this	12503
section from the amount described in division (E) (1) of this	12504
section:	12505

(1) The sum of the machinery and equipment property tax value loss, the inventory property tax value loss, and the furniture and fixtures property tax value loss, and, for 2008 through 2010, the telephone property tax value loss of the district or unit multiplied by the sum of the fixed-sum tax rates of qualifying levies. For 2006 through 2010, this computation shall include all qualifying levies remaining in effect for the current tax year and any school district levies charged and payable under section 5705.194 or 5705.213 of the Revised Code that are qualifying levies not remaining in effect for the current year. For 2011 through 2017 in the case of school district levies charged and payable under section 5705.194 or 5705.213 of the Revised Code and for all years after 2010 in the case of other fixed-sum levies, this computation shall include only qualifying levies remaining in effect for the current year. For purposes of this computation, a qualifying school district levy charged and payable under section 5705.194 or 5705.213 of the Revised Code remains in effect in a year after 2010 only if, for that year, the board of education levies a school district levy charged and payable under section 5705.194, 5705.199, 5705.213, or 5705.219 of the Revised Code for an annual sum at least equal to the annual sum levied by the board in tax year 2004 less the amount of the payment certified under this division for 2006.

(2) The total taxable value in tax year 2004 less the sum of the machinery and equipment, inventory, furniture and fixtures, and telephone property tax value losses in each school district, joint vocational school district, and local taxing unit multiplied by one-half of one mill per dollar.

(3) For the calculations in divisions (E) (1) and (2) of this section, the tax value losses are those that would be

calculated for tax year 2009 under divisions (C) (1), (2), and 12537
(3) of this section and for tax year 2011 under division (C) (4) 12538
of this section. 12539

(4) To facilitate the calculation under divisions (D) and 12540
(E) of this section, not later than September 1, 2005, any 12541
school district, joint vocational school district, or local 12542
taxing unit that has a qualifying levy that was approved at an 12543
election conducted during 2005 before September 1, 2005, shall 12544
certify to the tax commissioner a copy of the county auditor's 12545
certificate of estimated property tax millage for such levy as 12546
required under division (B) of section 5705.03 of the Revised 12547
Code, which is the rate that shall be used in the calculations 12548
under such divisions. 12549

If the amount determined under division (E) of this 12550
section for any school district, joint vocational school 12551
district, or local taxing unit is greater than zero, that amount 12552
shall equal the reimbursement to be paid pursuant to division 12553
(E) of section 5751.21 or division (A) (3) of section 5751.22 of 12554
the Revised Code, and the one-half of one mill that is 12555
subtracted under division (E) (2) of this section shall be 12556
apportioned among all contributing fixed-sum levies in the 12557
proportion that each levy bears to the sum of all fixed-sum 12558
levies within each school district, joint vocational school 12559
district, or local taxing unit. 12560

(F) If a school district levies a tax under section 12561
5705.219 of the Revised Code, the fixed-rate levy loss for 12562
qualifying levies, to the extent repealed under that section, 12563
shall equal the sum of the following amounts in lieu of the 12564
amounts computed for such levies under division (D) of this 12565
section: 12566

(1) The sum of the rates of qualifying levies to the extent so repealed multiplied by the sum of the machinery and equipment, inventory, and furniture and fixtures tax value losses for 2009 as determined under that division;

(2) The sum of the rates of qualifying levies to the extent so repealed multiplied by the telephone property tax value loss for 2011 as determined under that division.

The fixed-rate levy losses for qualifying levies to the extent not repealed under section 5705.219 of the Revised Code shall be as determined under division (D) of this section. The revised fixed-rate levy losses determined under this division and division (D) of this section first apply in the year following the first year the district levies the tax under section 5705.219 of the Revised Code.

(G) Not later than October 1, 2005, the tax commissioner shall certify to the department of education for every school district and joint vocational school district the machinery and equipment, inventory, furniture and fixtures, and telephone property tax value losses determined under division (C) of this section, the machinery and equipment, inventory, furniture and fixtures, and telephone fixed-rate levy losses determined under division (D) of this section, and the fixed-sum levy losses calculated under division (E) of this section. The calculations under divisions (D) and (E) of this section shall separately display the levy loss for each levy eligible for reimbursement.

(H) Not later than October 1, 2005, the tax commissioner shall certify the amount of the fixed-sum levy losses to the county auditor of each county in which a school district, joint vocational school district, or local taxing unit with a fixed-sum levy loss reimbursement has territory.

(I) Not later than the twenty-eighth day of February each year beginning in 2011 and ending in 2014, the tax commissioner shall certify to the department of education for each school district first levying a tax under section 5705.219 of the Revised Code in the preceding year the revised fixed-rate levy losses determined under divisions (D) and (F) of this section.

(J) (1) There is hereby created in the state treasury the commercial activity tax motor fuel receipts fund.

(2) (a) On or before June 15, 2014, the director of the Ohio public works commission shall certify to the director of budget and management the amount of debt service paid from the general revenue fund in fiscal years 2013 and 2014 on bonds issued to finance or assist in the financing of the cost of local subdivision public infrastructure capital improvement projects, as provided for in Sections 2k, 2m, 2p, and 2s of Article VIII, Ohio Constitution, that are attributable to costs for construction, reconstruction, maintenance, or repair of public highways and bridges and other statutory highway purposes. That certification shall allocate the total amount of debt service paid from the general revenue fund and attributable to those costs in each of fiscal years 2013 and 2014 according to the applicable section of the Ohio Constitution under which the bonds were originally issued.

(b) On or before June 30, 2014, the director of budget and management shall determine an amount up to but not exceeding the amount certified under division (J) (2) (a) of this section and shall reserve that amount from the cash balance in the commercial activity tax motor fuel receipts fund for transfer to the general revenue fund at times and in amounts to be determined by the director. The director shall transfer the cash

balance in the commercial activity tax motor fuel receipts fund 12627
in excess of the amount so reserved to the highway operating 12628
fund on or before June 30, 2014. 12629

(3) (a) On or before the fifteenth day of June of each 12630
fiscal year beginning with fiscal year 2015, the director of the 12631
Ohio public works commission shall certify to the director of 12632
budget and management the amount of debt service paid from the 12633
general revenue fund in the current fiscal year on bonds issued 12634
to finance or assist in the financing of the cost of local 12635
subdivision public infrastructure capital improvement projects, 12636
as provided for in Sections 2k, 2m, and 2p of Article VIII, Ohio 12637
Constitution, that are attributable to costs for construction, 12638
reconstruction, maintenance, or repair of public highways and 12639
bridges and other statutory highway purposes. That certification 12640
shall allocate the total amount of debt service paid from the 12641
general revenue fund and attributable to those costs in the 12642
current fiscal year according to the applicable section of the 12643
Ohio Constitution under which the bonds were originally issued. 12644

(b) On or before the thirtieth day of June of each fiscal 12645
year beginning with fiscal year 2015, the director of budget and 12646
management shall determine an amount up to but not exceeding the 12647
amount certified under division (J) (3) (a) of this section and 12648
shall reserve that amount from the cash balance in the petroleum 12649
activity tax public highways fund or the commercial activity tax 12650
motor fuel receipts fund for transfer to the general revenue 12651
fund at times and in amounts to be determined by the director. 12652
The director shall transfer the cash balance in the petroleum 12653
activity tax public highways fund or the commercial activity tax 12654
motor fuel receipts fund in excess of the amount so reserved to 12655
the highway operating fund on or before the thirtieth day of 12656
June of the current fiscal year. 12657

Section 2. That existing sections 122.175, 131.44, 131.51, 12658
319.30, 319.301, 321.24, 323.08, 323.152, 323.155, 323.158, 12659
351.01, 351.021, 353.06, 718.83, 1509.01, 1509.02, 1509.11, 12660
1509.34, 1513.08, 1513.182, 3301.91, 3313.819, 3354.24, 3354.25, 12661
4503.06, 4503.065, 5703.021, 5703.052, 5703.19, 5703.80, 12662
5709.92, 5709.93, 5715.19, 5715.30, 5739.01, 5739.02, 5739.03, 12663
5739.05, 5739.08, 5739.09, 5739.091, 5741.01, 5747.01, 5747.02, 12664
5747.03, 5747.031, 5747.08, 5747.38, 5747.41, 5747.71, 5747.98, 12665
5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 12666
5749.11, 5749.12, 5749.13, 5749.14, 5749.15, 5751.01, and 12667
5751.20 of the Revised Code are hereby repealed. 12668

Section 3. That sections 319.302, 1509.50, 5739.41, and 12669
5751.40 of the Revised Code are hereby repealed. 12670

Section 4. Within thirty days after the effective date of 12671
this section, the Director of Budget and Management shall 12672
transfer the cash balance of the Expanded Sales Tax Holiday Fund 12673
to the Income Tax Reduction Fund. Upon completion of the 12674
transfer, the Expanded Sales Tax Holiday Fund is abolished. 12675

Section 5. That Section 259.30 of H.B. 33 of the 135th 12676
General Assembly be amended to read as follows: 12677

Sec. 259.30. MINORITY BUSINESS BONDING FUND 12678

Notwithstanding Chapters 122., 169., and 175. of the 12679
Revised Code, the Director of Development may, upon the 12680
recommendation of the Minority Development Financing Advisory 12681
Board, pledge up to \$10,000,000 in the biennium ending June 30, 12682
2025, of unclaimed funds administered by the Director of 12683
Commerce and allocated to the Minority Business Bonding Program 12684
under section 169.05 of the Revised Code. 12685

If needed for the payment of losses arising from the 12686

Minority Business Bonding Program, the Director of Budget and Management may, at the request of the Director of Development, request that the Director of Commerce transfer unclaimed funds that have been reported by holders of unclaimed funds under section 169.05 of the Revised Code to the Minority Bonding Fund (Fund 4490). The transfer of unclaimed funds shall only occur after proceeds of the initial transfer of \$2,700,000 by the Controlling Board to the Minority Business Bonding Program have been used for that purpose. If expenditures are required for payment of losses arising from the Minority Business Bonding Program, such expenditures shall be made from appropriation item 195658, Minority Business Bonding Contingency in the Minority Business Bonding Fund, and such amounts are hereby appropriated.

BUSINESS ASSISTANCE PROGRAMS

The foregoing appropriation item 195649, Business Assistance Programs, shall be used for administrative expenses associated with the operation of loan incentives.

STATE SPECIAL PROJECTS

The State Special Projects Fund (Fund 4F20), may be used for the deposit of private-sector funds from utility companies and for the deposit of other miscellaneous state funds. State moneys so deposited may also be used to match federal funding and to support programs of the Community Service Division and Business Services Division.

MINORITY BUSINESS ENTERPRISE LOAN

The foregoing appropriation item 195646, Minority Business Enterprise Loan, shall be used for awards under the Minority Business Enterprise Loan Program and to cover operating expenses of the Minority Business Development Division. All repayments

from the Minority Development Financing Advisory Board Loan 12716
Program shall be deposited in the state treasury to the credit 12717
of the Minority Business Enterprise Loan Fund (Fund 4W10). 12718

BROADBAND POLE REPLACEMENT AND UNDERGROUNDING PROGRAM 12719

The foregoing appropriation item 1956G9, Broadband Pole 12720
Replacement and Undergrounding Program, shall be used by the 12721
Department of Development to support the Broadband Pole 12722
Replacement and Undergrounding Program under section 191.27 of 12723
the Revised Code. 12724

ONE TIME PRIORITY PROJECTS 12725

(A) Of the foregoing appropriation item 1956H2, One Time 12726
Priority Projects, \$10,000,000 in each fiscal year shall be 12727
allocated to the Foundation for Appalachian Ohio. 12728

(B) Of the foregoing appropriation item 1956H2, One Time 12729
Priority Projects, \$9,500,000 in each fiscal year shall be 12730
allocated for the GRIT program to be administered by the 12731
Governor's Office of Appalachia and the Department of 12732
Development. The program shall expand the qualified worker 12733
pipeline, remove barriers to fill local and remote jobs, and 12734
promote entrepreneurial endeavors in economically distressed and 12735
at-risk areas within the Appalachian region of Ohio, as defined 12736
in section 107.21 of the Revised Code, and other like counties 12737
within the state. The amount set aside for the GRIT program 12738
under this division shall be used for the following: 12739

(1) In collaboration with private businesses and public 12740
sector partners, to establish virtual workforce development 12741
centers and supportive resources and to place unemployed and 12742
underemployed youth and adults into jobs; 12743

(2) To support the assessment, coaching, wraparound 12744

services, and other career development and training activities 12745
for both high school youth and adults. 12746

The amount set aside for the GRIT program under this 12747
division may be used for operating costs. 12748

(C) Of the foregoing appropriation item 1956H2, One Time 12749
Priority Projects, \$3,000,000 in fiscal year 2024 shall be used 12750
to support the Mentor Erosion Mitigation Project. Any funds 12751
distributed for this project under this division shall be 12752
matched in an amount equal to \$500,000 using city or county 12753
funding sources. 12754

(D) Of the foregoing appropriation item 1956H2, One Time 12755
Priority Projects, \$1,835,000 in fiscal year 2024 shall be 12756
allocated to the Tuscarawas County Commissioners for 12757
infrastructure improvements or demolition in Tuscarawas County. 12758
An amount equal to the unexpended, unencumbered portion of the 12759
amount allocated to Tuscarawas County Commissioners in this 12760
division at the end of fiscal year 2024 is hereby reappropriated 12761
for the same purpose in fiscal year 2025. 12762

(E) Of the foregoing appropriation item 1956H2, One Time 12763
Priority Projects, \$1,000,000 in fiscal year 2024 shall be 12764
allocated to the Ohio Manufacturing and Innovation Center. 12765

(F) Of the foregoing appropriation item 1956H2, One Time 12766
Priority Projects, \$500,000 in fiscal year 2024 shall be 12767
allocated to Mercer County to support the construction of the 12768
Market Hall. 12769

(G) Of the foregoing appropriation item 1956H2, One Time 12770
Priority Projects, \$500,000 in fiscal year 2024 shall be used to 12771
support a study, including the acquisition of any necessary 12772
equipment, to determine an estimate of storage capacity and 12773

maximum annual yield of the network of aquifers that are in the 12774
state of Ohio and north of the Maumee River, but that may also 12775
cross into other states. 12776

(H) Of the foregoing appropriation item 1956H2, One Time 12777
Priority Projects, \$300,000 in each fiscal year shall be used to 12778
support the Camp James A. Garfield Joint Military Training 12779
Center and the Youngstown Air Reserve Station. 12780

(I) Of the foregoing appropriation item 1956H2, One Time 12781
Priority Projects, \$300,000 in fiscal year 2024 and \$125,000 in 12782
fiscal year 2025 shall be allocated to the Buckeye Lake Region 12783
Corporation for operating expenses associated with community 12784
development activities in the Buckeye Lake region, including, 12785
but not limited to, development planning, technical assistance 12786
for small businesses, and community clean energy projects. 12787

(J) Of the foregoing appropriation item 1956H2, One Time 12788
Priority Projects, \$200,000 in each fiscal year shall be 12789
allocated to Flying HIGH Inc., in partnership with a local 12790
economic development organization, to operate integrated 12791
workforce development services for regional in-demand jobs. This 12792
portion of the appropriation shall be used for services 12793
including career coaching, support services to overcome 12794
employment barriers, primary and behavioral health care, housing 12795
assistance, pre-apprenticeship vocational training, job 12796
placement, and post-placement follow-up. 12797

(K) Of the foregoing appropriation item 1956H2, One Time 12798
Priority Projects, \$200,000 in fiscal year 2024 shall be 12799
allocated to West Chester Township to support security costs at 12800
the Voices of America Country Music Fest located in the 12801
township. 12802

(L) Of the foregoing appropriation item 1956H2, One Time Priority Projects, \$200,000 in fiscal year 2024 shall be used for Eldora Speedway located in Darke County for improvements or assisting with operations.

(M) Of the foregoing appropriation item 1956H2, One Time Priority Projects, \$30,000 in fiscal year 2024 shall be used for the Armstrong Air and Space Museum.

(N) Of the foregoing appropriation item 1956H2, One Time Priority Projects, \$4,000,000 in fiscal year 2024 shall be allocated to the Cleveland Water Alliance Sustainable Water Technologies Initiative.

(O) Of the foregoing appropriation item 1956H2, One Time Priority Projects, \$3,000,000 in FY 2024 shall be used to support runway improvements and extensions for the Youngstown-Warren Regional Airport in Trumbull County. An amount equal to the unexpended, unencumbered portion of this appropriation at the end of fiscal year 2024 is hereby reappropriated for the same purposes in fiscal year 2025.

(P) Of the foregoing appropriation item 1956H2, One Time Priority Projects, \$250,000 in each fiscal year shall be allocated to Heritage Ohio to support the Ohio Community Revitalization Program.

WELCOME HOME OHIO PROGRAM

The foregoing appropriation item 1956H3, Welcome Home Ohio Program, shall be used for grants under the Welcome Home Ohio Program established in sections 122.631 through 122.633 of the Revised Code. Of the foregoing appropriation item 1956H3, Welcome Home Ohio Program, \$25,000,000 in each fiscal year shall be used to distribute grants for land banks to purchase

residential property at foreclosure sales under section 122.631 12832
of the Revised Code. Of the foregoing appropriation item 1956H3, 12833
Welcome Home ~~Ohio~~ Ohio Program, \$25,000,000 in each fiscal year 12834
shall be used to distribute grants to rehabilitate or construct 12835
residential property for income-restricted owners under section 12836
122.632 of the Revised Code. 12837

On July 1, 2024, or as soon as possible thereafter, the 12838
Director of Development shall certify to the Director of Budget 12839
and Management the unexpended, unencumbered balance of the 12840
appropriation item 1956H3, Welcome Home Ohio Program, at the end 12841
of fiscal year 2024 to be reappropriated in fiscal year 2025. 12842
The amount certified is hereby reappropriated to the same 12843
appropriation item for the same purpose in fiscal year 2025. 12844

WATER AND SEWER QUALITY PROGRAM 12845

The foregoing appropriation item 1956A1, Water and Sewer 12846
Quality Program, shall be used to award grants under the Water 12847
and Sewer Quality Program established in Section 259.30 of H.B. 12848
168 of the 134th General Assembly. This appropriation shall be 12849
used to fund a new round of grants under which all political 12850
subdivisions may apply for water and sewer improvements under 12851
the program. 12852

COUNTY AND INDEPENDENT FAIRS GRANT 12853

The foregoing appropriation item 1956H4, County and 12854
Independent Fairs Grant, shall be used to award grants to county 12855
and independent fairs to increase fair access or economic 12856
impact. The Department of Development shall set an application 12857
deadline and distribute grants evenly among all grant 12858
applicants. 12859

BROADBAND DEVELOPMENT GRANTS 12860

On July 1, 2023, or as soon as possible thereafter, the 12861
Director of Development shall certify to the Director of Budget 12862
and Management the unexpended, unencumbered balance of the 12863
appropriation item 195550, Broadband Development Grants, at the 12864
end of fiscal year 2023 to be reappropriated in fiscal year 12865
2024. The amount certified is hereby reappropriated to the same 12866
appropriation item for the same purpose in fiscal year 2024. 12867

On July 1, 2024, or as soon as possible thereafter, the 12868
Director of Development shall certify to the Director of Budget 12869
and Management the unexpended, unencumbered balance of the 12870
appropriation item 195550, Broadband Development Grants, at the 12871
end of fiscal year 2024 to be reappropriated in fiscal year 12872
2025. The amount certified is hereby reappropriated to the same 12873
appropriation item for the same purpose in fiscal year 2025. 12874

ADVANCED ENERGY LOAN PROGRAMS 12875

The foregoing appropriation item 195660, Advanced Energy 12876
Loan Programs, shall be used to provide financial assistance to 12877
customers for eligible advanced energy projects for residential, 12878
commercial, and industrial business, local government, 12879
educational institution, nonprofit, and agriculture customers. 12880
The appropriation item may be used to match federal grant 12881
funding and to pay for the program's administrative costs as 12882
provided in sections 4928.61 to 4928.63 of the Revised Code and 12883
rules adopted by the Director of Development. 12884

SPORTS EVENTS GRANTS 12885

The foregoing appropriation item 195496, Sports Events 12886
Grants, shall be used for grants as described in sections 122.12 12887
and 122.121 of the Revised Code. 12888

On July 1, 2024, or as soon as possible thereafter, the 12889

Director of Development shall certify to the Director of Budget and Management the amount of the unexpended, unencumbered balance of appropriation item 195496, Sports Events Grants, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2025.

WOMEN OWNED BUSINESS LOAN

The foregoing appropriation item 195632, Women Owned Business Loan, shall be used to operate the Women Owned Business Loan Program.

MINORITY BUSINESS MICRO-LOAN

The foregoing appropriation item 195694, Micro-Loan, shall be used to operate the Minority Business Micro-Loan Program.

TRANSFER FROM THE STATE SMALL BUSINESS CREDIT INITIATIVE FUND TO THE MBD FINANCIAL ASSISTANCE FUND

On July 1, 2023, or as soon as possible thereafter, the Director of Budget and Management may transfer \$15,000,000 cash from the State Small Business Credit Initiative Fund (Fund 3FJ0) to the MBD Financial Assistance Fund (Fund 5XH0). All repayments of loans issued under Fund 5XH0 shall be credited to the fund.

Upon the completion of the original Collateral Enhancement Program, the Director of Development shall certify to the Director of Budget and Management the remaining cash balance in the State Small Business Credit Initiative Fund (Fund 3FJ0). The Director of Budget and Management may transfer the certified amount from Fund 3FJ0 to the MBD Financial Assistance Fund (Fund 5XH0).

ALL OHIO FUTURE FUND

The foregoing appropriation item 195576, All Ohio Future Fund, shall be used for the purposes enumerated in section 126.62 of the Revised Code. 12918
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MEAT PROCESSING INVESTMENT PROGRAM 12921

The foregoing appropriation item 195408, Meat Processing Investment Program, shall be used by the Department of Development to award grants under the Ohio Meat Processing Grant Program to custom processors of food animals from farms. The grants shall be used to support the construction of new, or improvements at existing, processing facilities. 12922
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BROWNFIELD REMEDIATION 12928

The appropriation item 1956A2, Brownfield Remediation, shall be used to award grants under the Brownfield Remediation Program as described in section 122.6511 of the Revised Code. An amount up to two and one-half per cent of the appropriation item 1956A2, Brownfield Remediation, may be used to pay the administrative costs of the program. 12929
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On July 1, 2023, or as soon as possible thereafter, the Director of Development shall certify the unexpended, unencumbered balance of appropriation item 1956A2, Brownfield Remediation, at the end of fiscal year 2023 to be reappropriated in fiscal year 2024. The amount certified is hereby reappropriated to the same appropriation item for the same purpose in fiscal year 2024. 12935
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On July 1, 2024, or as soon as possible thereafter, the Director of Development shall certify to the Director of Budget and Management the unexpended, unencumbered balance of appropriation item 1956A2, Brownfield Remediation, at the end of fiscal year 2024 to be reappropriated in fiscal year 2025. The 12942
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amount certified is hereby reappropriated to the same 12947
appropriation item for the same purpose in fiscal year 2025. 12948

DEMOLITION AND SITE REVITALIZATION 12949

The appropriation item 1956A3, Demolition and Site 12950
Revitalization, shall be used to award grants under the Building 12951
Demolition and Site Revitalization Program as described in 12952
section 122.6512 of the Revised Code. An amount up to two and 12953
one-half per cent of the appropriation item 1956A3, Demolition 12954
and Site Revitalization, may be used to pay the administrative 12955
costs of the program. 12956

On July 1, 2023, or as soon as possible thereafter, the 12957
Director of Development shall certify to the Director of Budget 12958
and Management the unexpended, unencumbered balance of 12959
appropriation item 1956A3, Demolition and Site Revitalization, 12960
at the end of fiscal year 2023 to be reappropriated in fiscal 12961
year 2024. The amount certified is hereby reappropriated to the 12962
same appropriation item for the same purpose in fiscal year 12963
2024. 12964

On July 1, 2024, or as soon as possible thereafter, the 12965
Director of Development shall certify to the Director of Budget 12966
and Management the unexpended, unencumbered balance of 12967
appropriation item 1956A3, Demolition and Site Revitalization, 12968
at the end of fiscal year 2024 to be reappropriated in fiscal 12969
year 2025. The amount certified is hereby reappropriated to the 12970
same appropriation item for the same purpose in fiscal year 12971
2025. 12972

INNOVATION HUBS 12973

The foregoing appropriation item 1956F8, Innovation Hubs, 12974
shall be allocated to eligible innovation hubs as defined by the 12975

Department of Development. Innovation hubs located within an 12976
existing innovation district, as defined by the Department of 12977
Development, are ineligible to receive funding under the 12978
foregoing appropriation item. 12979

Funding awarded to innovation hubs under the foregoing 12980
appropriation item may be used for, but not limited to, capital 12981
expenses to establish an innovation hub near a research-oriented 12982
anchor institution, recruiting or providing research and 12983
development opportunities within an innovation hub, or creating 12984
new or preserving existing jobs and employment opportunities, 12985
any of which would improve the economic welfare to the 12986
innovation hub's region. 12987

On July 1, 2024, or as soon as possible thereafter, the 12988
Director of Development shall certify to the Director of Budget 12989
and Management the unexpended, unencumbered balance of 12990
appropriation item 1956F8, Innovation Hubs, at the end of fiscal 12991
year 2024 to be reappropriated in fiscal year 2025. The amount 12992
certified is hereby reappropriated to the same appropriation 12993
item for the same purpose in fiscal year 2025. 12994

VOLUME CAP ADMINISTRATION 12995

The foregoing appropriation item 195654, Volume Cap 12996
Administration, shall be used for expenses related to the 12997
administration of the Volume Cap Program. Revenues received by 12998
the Volume Cap Administration Fund (Fund 6170) shall consist of 12999
application fees, forfeited deposits, and interest earned from 13000
the custodial account held by the Treasurer of State. 13001

LOW- AND MODERATE- INCOME HOUSING PROGRAMS 13002

The foregoing appropriation item 195638, Low- and 13003
Moderate- Income Housing Programs, shall be used to support 13004

housing activities described under Chapter 174. of the Revised Code. The Director of Development shall spend not less than \$65,000,000 in fiscal year 2025 for these purposes. 13005
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On June 30, 2025, or as soon as possible thereafter, the Director of Budget and Management shall certify an amount equal to the difference of the fiscal year 2025 appropriation for appropriation item 195638, Low- and Moderate- Income Housing Programs, and the revenue deposited to the credit of the Low- and Moderate-income Housing Trust Fund (Fund 6460) in fiscal year 2025. If the revenue deposited to the credit of Fund 6460 is less than the appropriation for fiscal year 2025, the Director of Budget and Management shall transfer the certified amount from the General Revenue Fund to Fund 6460. Cash transfers from the GRF to Fund 6460 do not constitute revenue credited to the fund for purposes of this section. 13008
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Section 6. That existing Section 259.30 of H.B. 33 of the 135th General Assembly is hereby repealed. 13020
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Section 7. (A) The amendment by this act of sections 131.44, 5739.02, 5739.03, and 5739.05 of the Revised Code and the portion of section 5739.01 of the Revised Code that relates to a sales tax holiday applies on the first day of the first month beginning after the effective date of this section. 13022
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(B) The amendment by this act of sections 1509.01, 1509.02, 1509.11, 1509.34, 1513.08, 1513.182, 5703.052, 5703.19, 5749.01, 5749.02, 5749.04, 5749.06, 5749.07, 5749.08, 5749.10, 5749.11, 5749.12, 5749.13, 5749.14, and 5749.15 of the Revised Code applies on and after the first day of the first calendar quarter beginning on or after the effective date of this section. 13027
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(C) The amendment or enactment by this act of division (C) 13034
of section 5739.091 and sections 351.01, 351.021, 353.06, 13035
5739.08, and 5739.09 of the Revised Code applies on and after 13036
the first day of the first month beginning thirty or more days 13037
after the effective date of this section. 13038

(D) The amendment by this act of section 5741.01 of the 13039
Revised Code and the portion of section 5739.01 of the Revised 13040
Code not described in division (A) of this section applies on 13041
and after the first day of the first month beginning thirty or 13042
more days after the effective date of this section. 13043

(E) The amendment by this act of sections 319.30, 319.301, 13044
321.24, 323.08, 323.152, 323.155, 323.158, 718.83, 3354.24, 13045
3354.25, 4503.06, 4503.065, 5703.021, 5703.80, 5709.92, 5709.93, 13046
5715.19, 5715.30, 5747.03, and 5751.20 of the Revised Code 13047
applies, with respect to real property, to tax years ending on 13048
or after the effective date of this section and, with respect to 13049
manufactured and mobile homes, to tax years beginning on or 13050
after the effective date of this section. 13051

(F) The amendment by this act of sections 5747.01, 13052
5747.02, 5747.031, 5747.38, and 5747.41 of the Revised Code 13053
applies to taxable years ending on or after the effective date 13054
of this section. 13055

(G) The amendment by this act of section 5747.71 of the 13056
Revised Code applies to taxable years beginning on or after 13057
January 1, 2025. 13058

(H) The enactment by this act of section 5747.86 of the 13059
Revised Code applies to claim years, as defined in that section, 13060
ending on or after the effective date of this section. 13061

Section 8. The amendment or repeal by this act of sections 13062

319.302, 5751.01, and 5751.40 of the Revised Code takes effect 13063
on January 1, 2026. 13064

The repeal by this act of section 1509.50 of the Revised 13065
Code takes effect on the first day of the first calendar quarter 13066
beginning on or after the effective date of this section. 13067

The repeal by this act of section 5739.41 of the Revised 13068
Code takes effect on the first day of the first month beginning 13069
on or after the effective date of this section. 13070

The amendment of section 131.51 of the Revised Code by 13071
this act takes effect July 1, 2025. 13072

Section 9. The General Assembly, applying the principle 13073
stated in division (B) of section 1.52 of the Revised Code that 13074
amendments are to be harmonized if reasonably capable of 13075
simultaneous operation, finds that the following sections, 13076
presented in this act as composites of the sections as amended 13077
by the acts indicated, are the resulting versions of the 13078
sections in effect prior to the effective date of the sections 13079
as presented in this act: 13080

Section 323.152 of the Revised Code as amended by both 13081
H.B. 33 and S.B. 43 of the 135th General Assembly. 13082

Section 4503.065 of the Revised Code as amended by both 13083
H.B. 33 and S.B. 43 of the 135th General Assembly. 13084

Section 5747.03 of the Revised Code as amended by both 13085
H.B. 281 and S.B. 246 of the 134th General Assembly. 13086

Section 10. This act shall be known as A Good Deal for 13087
Ohio. 13088