Wireless 9-1-1 Charge

Wireless 9-1-1 charge provides state level funding for local wireless 9-1-1 service. Recently enacted legislation made substantive changes to the state's 9-1-1 service law. Responsibility for collection of wireless 9-1-1 charges was transferred to the Department of Taxation (ODT) from the Public Utilities Commission of Ohio effective Jan. 1, 2014. The administration of state 9-1-1 service law was transferred to the newly created Statewide Emergency Services Internet Protocol Network Steering Committee (Steering Committee) from the Department of Public Safety.

Current law imposes a wireless 9-1-1 charge on each wireless phone number at the rate of 25 cents per month and on the purchase of prepaid wireless services at the rate of 0.005% of the purchase price. Revenue from the wireless 9-1-1 charges are distributed as follows:

- Ninety-seven percent to the wireless 9-1-1 government assistance fund. ODT disburses moneys from this fund to the counties.
- Two percent to the wireless 9-1-1 program fund to defray the Steering Committee's cost of administering the 9-1-1 system.
- One percent to the wireless administration fund to defray ODT's cost of collecting and administering the 9-1-1 charge.

Any excess remaining after distributions to the counties or the administrative funds is transferred to the next generation 9-1-1 fund. ODT disburses money from the next generation 9-1-1 fund in accordance with guidelines established by the Steering Committee.

In fiscal year 2014, a total of almost $15.8 million was deposited into the three funds associated with this charge: $15.3 million to the wireless 9-1-1 government assistance fund; $0.3 million to the 9-1-1 program fund and $0.2 million for the wireless 9-1-1 administrative fund. For fiscal year 2014, counties received the same amount as received in the corresponding month during calendar year (CY) 2013 from the 9-1-1 government assistance fund.

Taxpayer

(Ohio Revised Code 128.42)

The charge is imposed on the consumer of the wireless calling service. Wireless service providers and resellers add the charge to post-paid wireless calling service in Ohio. The charge is collected by the retailer at the point of sale for prepaid wireless service.

Tax Base

(R.C. 128.42)

For prepaid wireless service, it is the sale price. For post-paid wireless service, it is each wireless phone number with an Ohio billing address.

Rates

(R.C. 128.42)

For prepaid wireless service, the charge is 0.005% of the retail price. For post-paid wireless service, the charge is $0.25 per each wireless phone number.

Special Provisions

(R.C. 128.44; 128.46)

The taxpayer may retain three percent of the wireless 9-1-1 charges collected as a collection fee. Taxpayers must remit returns and payments electronically, except upon a showing of good cause to ODT. ODT must provide 30 days advance notice to known wireless service providers, resellers, and sellers of prepaid wireless calling services of any increase or decrease in wireless 9-1-1 charges imposed under R.C. 128.46.

Filing and Payment Dates

(R.C. 128.46)

Returns and payments are due on the 23rd day of each month.

Disposition of Revenue

(R.C. 128.54, 128.55, 128.57)

The revenue from the charge is allocated as follows:

- 97 percent to the Wireless 9-1-1 Government Assistance Fund.
- 2 percent to the 9-1-1 Program Fund (Steering Committee's administration fund).
- 1 percent to the Wireless 9-1-1 Administration Fund (Department of Taxation's administration fund).

Counties receive a monthly distribution from the Wireless 9-1-1 Government Assistance Fund. The distribution is to occur by the end of each month. The counties receive the same amount as they did in the corresponding month during CY 2013. In the event of insufficient moneys to

make the month's distributions, each county would receive a distribution in proportion to the county's share during the corresponding month in CY 2013. The Next Generation 9-1-1 Fund is to receive from the Wireless 9-1-1 Government Assistance Fund any moneys in excess of amounts necessary to make monthly distributions to counties. Additionally, at the end of each fiscal year, any remainder in either administration fund is transferred to the Next Generation 9-1-1 Fund.

Administration

(R.C. 128.02; 128.42 et seq.)

The Statewide Steering Committee administers the 9-1-1 service law. ODT administers the collection of wireless 9-1-1 charges.

Ohio Revised Code Citations

Chapter 128

Recent Legislation

Am. Sub. HB 483, 130th General Assembly (September 15, 2014).

The bill permitted refunds of erroneously or illegally paid 9-1-1 wireless charges under RC 5703.052.

Am. Sub. HB 59, 130th General Assembly (Effective June 30, 2013).

The bill vested collection and disbursement responsibilities for the wireless 9-1-1 charge in ODT effective January 1, 2014. The act codified 9-1-1 service law in Chapter 128 of the Ohio Revised Code.

Am. Sub. HB 472, 129th General Assembly.

This bill delayed the implementation of the collection of the prepaid wireless 9-1-1 charge at the point of sale until January 1, 2014. Until January 1, 2014, wireless service providers and resellers continued to remit the 9-1-1 charge on prepaid wireless.

Sub. HB 360, 129th General Assembly.

The bill decreased the post-paid monthly wireless 9-1-1 charge from 28 cents to 25 cents and imposed a 9-1-1 charge of 0.005% on prepaid wireless collected at the point of sale.

History of Major Changes

2004	Am. Sub. H.B. 361 (125th General Assembly) established a service charge of 32 cents per month to be billed to each wireless number in the state.
2008	Am. Sub. S.B. 129 (127th General Assembly) reduced the wireless 9-1-1 charge from 32 cents per month to 28 cents.
2012	Sub. HB 360 (129th General Assembly) decreased the post-paid monthly wireless 9-1-1 charge from 28 cents to 25 cents. The bill required the prepaid wireless charge to be 0.005% of the retail price imposed at the point of sale.
2012	Sub. H.B. 472 (129th General Assembly) required the monthly wireless 9-1-1 charge to be continuously imposed on prepaid subscribers until the new prepaid charge imposed at the point of sale took effect on January 1, 2014.
2013	Am. Sub. HB 59 (130th General Assembly) codified 9-1-1 service law into Chapter 128 of the Ohio Revised Code.
2014	Am. Sub. H.B. 483 (130th General Assembly) added the wireless 9-1-1 charge to the list of taxes and fees that can be refunded from the refund fund.

Comparisons with Other States

(As of July 1, 2014)

State	Charge
Georgia	Prepaid $0.75; Post-paid $1.00-$1.50.
Indiana	Prepaid $0.50; Post-paid $0.80.
Kentucky	$0.70 Pre- and Post-paid.
Michigan	Prepaid 1.92 percent of sale price; Post-paid $0.19 state fee and county fee ranges from $0.00-$3.00.
North Carolina	$0.60 for Pre- and Post-paid.
Ohio	Prepaid 0.005 percent of the sale price; Post-paid $0.25.
Pennsylvania	$1.00 Pre- and Post-paid.
Tennessee	Prepaid $0.53; Post-paid $1.00.
Texas	Prepaid 2 percent of sale price; Post-paid $0.50.
West Virginia	Prepaid 6 percent of sale price; Post-paid $3.00

Table 1

Wireless 9-1-1 Government Assistance Fund distributions for FY 2014[1]

County	Amount	County	Amount	County	Amount
Adams	$45,000.00	Guernsey	$47,429.04	Muskingum	$93,202.72
Allen	$120,471.26	Hamilton	$1,181,862.87	Noble	$45,000.00
Ashland	$56,544.54	Hancock	$87,113.70	Ottawa	$48,564.26
Ashtabula	$113,974.16	Hardin	$45,000.00	Paulding	$45,000.00
Athens	$57,868.75	Harrison	$45,000.00	Perry	$45,000.00
Auglaize	$53,825.06	Henry	$45,000.00	Pickaway	$58,520.03
Belmont	$70,186.47	Highland	$47,137.71	Pike	$45,000.00
Brown	$45,767.74	Hocking	$45,000.00	Portage	$161,454.06
Butler	$377,159.39	Holmes	$45,000.00	Preble	$45,797.84
Carroll	$45,000.00	Huron	$68,793.62	Putnam	$44,999.99
Champaign	$44,999.99	Jackson	$45,000.00	Richland	$130,064.20
Clark	$146,393.38	Jefferson	$70,265.92	Ross	$78,826.45
Clermont	$201,555.71	Knox	$64,658.42	Sandusky	$66,030.80
Clinton	$52,376.83	Lake	$252,729.32	Scioto	$74,371.02
Columbiana	$110,763.95	Lawrence	$62,493.92	Seneca	$62,530.04
Coshocton	$45,000.00	Licking	$175,423.04	Shelby	$54,012.85
Crawford	$49,586.32	Logan	$53,374.82	Stark	$421,021.00
Cuyahoga	$1,495,800.62	Lorain	$324,020.68	Summit	$621,375.79
Darke	$55,752.40	Lucas	$499,121.38	Trumbull	$219,926.68
Defiance	$45,631.71	Madison	$45,000.00	Tuscarawas	$96,551.82
Delaware	$317,138.87	Mahoning	$270,167.12	Union	$66,330.56
Erie	$85,967.65	Marion	$74,620.22	Van Wert	$45,000.00
Fairfield	$154,057.59	Medina	$184,024.31	Vinton	$45,000.00
Fayette	$45,000.00	Meigs	$45,000.00	Warren	$229,128.41
Franklin	$1,312,019.35	Mercer	$45,287.41	Washington	$69,003.09
Fulton	$48,583.54	Miami	$106,901.30	Wayne	$113,793.50
Gallia	$45,000.00	Monroe	$45,000.00	Williams	$44,999.99
Geauga	$93,621.67	Montgomery	$630,224.00	Wood	$131,829.17
Greene	$162,927.91	Morgan	$45,000.00	Wyandot	$45,000.00
		Morrow	$45,000.00	Total	**$13,485,957.93**

Source: Ohio Department of Taxation

[1] Represents distributions from January-June 2014.