

5703-29-07

Qualified foreign trade zone area.

- (A) Uncodified section 557.09.09 of Am. Sub. H.B. 66 of the 126th General Assembly provides that receipts from shipments into and shipments out of a qualified foreign trade zone area are excluded from gross receipts that are subject to the commercial activity tax. Pursuant to uncodified section 690.06 of Am. Sub. H.B. 530, the foreign trade zone area exclusion defined in uncodified section 557.09.09 will have no effect after December 31, 2006.

- (B) The qualified foreign trade zone area must include a qualified intermodal facility, as defined in uncodified division (B) of section 557.09.09 of Am. Sub. H.B. 66 of the 126th General Assembly. The exemption applies after the commencement of the construction of each of a rail, highway and air transportation components of the facility that are capable of receiving and shipping freight. Furthermore, the shipments must be to or from a warehouse or facility that is located within one mile of an international airport and that is located, in whole or in part, within a foreign trade zone as defined in division (A)(2) of section 5709.44 of the Revised Code.

- (C) In order to determine whether gross receipts qualify for exclusion, a taxpayer must ascertain if the warehouse or facility into which or from which goods are shipped is located within one mile of the boundary of an international airport. The tax commissioner may post on the department of taxation's Internet website, if available, maps of those international airports that meet the qualifications of uncodified section 557.09.09 of Am. Sub. H.B. 66 of the 126th General Assembly. Any warehouse or facility that is shown on this map to be within one mile of the airport boundary and that is located, in whole or in part, within a foreign trade zone as defined in division (A)(2) of section 5709.44 of the Revised Code is deemed to meet the requirements of the exclusion. For any warehouse or facility that does not appear on this map to be within the one mile boundary, the taxpayer has the burden of proving that the warehouse or facility is within the one mile boundary.