

# \*\*\* DRAFT - NOT YET FILED \*\*\*

5703-9-19

Installment and credit sales.

An "installment sale" is a sale in which the vendor agrees to accept payment of the price in two or more partial payments at intervals over a period of time. A "credit sale" is a sale in which the vendor agrees to accept payment of the price in minimum partial payments over an indefinite period of time.

The vendor must collect from or charge to the customer the entire amount of the tax as computed on the price of an installment or credit sale, irrespective of the amount of the installment or down payment made by the consumer if any. Each installment sale or credit sale and the tax applicable thereto must be reported on the vendor's return covering the period in which the sale occurred. If the account is underpaid in whole or in part by the consumer, the transaction may be treated as a bad debt in accordance with section 5739.121 of the Revised Code and rule 5703-9-44 of the Administrative Code.