

# REPLACEMENT TIRE FEE

The Replacement Tire fee provides revenue to defray the cost of regulating the various scrap tire facilities, to abate accumulations of scrap tires, to provide funding for grants to promote research regarding alternative methods of recycling scrap tires, and to provide funding for loans to promote the recycling or recovery of energy from scrap tires. This fee was enacted by the Ohio Legislature and became effective December 1, 1993. In Fiscal Year 2002, \$6.4 million was collected.

## TAX BASE (R.C. 3734.90, 3734.901):

The fee applies to the sale of new tires with rims of 13 inches or more designed for use on a motor vehicle and sold as replacements. Tires that are used, retreaded, or tires on a new motor vehicle are not subject to the fee.

## RATE (R.C. 3734.901):

\$1.00 per tire.

## TAXPAYER (R.C. 3734.903):

Any wholesale distributor of replacement tires or any retail dealer acquiring tires on which the fee has not been paid.

## FILING AND PAYMENT DATES (R.C. 3734.904):

The twentieth day of each month.

## SPECIAL PROVISIONS (R.C. 3734.904):

If the return and total fees due are filed and paid on or before the day they are due, then the taxpayer is entitled to a discount of four percent on the total amount owed.

## DISPOSITION OF REVENUE (R.C. 3734.9010):

Four percent of the revenue collected is deposited directly to the Tire Fee Administration Fund, for appropriation to the Department of Taxation to cover the costs to administer the fee. The remainder of the revenue collected is deposited to the Scrap Tire Management Fund.

## OHIO REVISED CODE CITATIONS:

Sections 3734.90 – 3734.9014.

## RECENT LEGISLATION:

**Amended Substitute House Bill 94; Effective January 1, 2003. R.C. 3734.904** – Transfers tax payment functions previously assigned to the Treasurer of State to the Tax Commissioner.

**Substitute House Bill 94; Effective July 1, 2001. R.C. 3734.901** – Increases the fee by an additional \$0.50 cents per tire.

**House Bill 283; Effective June 30, 1999 (Biennial Budget Bill). R.C. 3734.901** – Extends the Replacement Tire fee through June 30, 2006.

## Replacement Tire Fee Revenue Fiscal Years 1998 – 2002

Fiscal Year	Scrap Tire Management Fund	Administration Fund	Total
1998	\$3,328,397	\$138,683	\$3,467,080
1999	3,381,432	140,893	3,522,325
2000	3,568,201	148,675	3,716,876
2001	3,709,221	154,551	3,863,772
2002*	6,184,306	257,679	6,441,985

\*Fee increased from \$.50 to \$1.00 per tire July 1, 2001.  
Source: Department of Taxation, as reported on tax returns.