

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 General Assembly and became effective December 1, 1993. In FY 2003, approximately \$7.0 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 20th 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 4 percent on the total amount owed.

DISPOSITION OF REVENUE (R.C. 3734.9010):

Of the total revenue collected, 4 percent is distributed directly to the Tire Fee Administration Fund, for appropriation to the Department of Taxation to cover the costs of administering the fee. The remainder of the revenue is distributed to the Scrap Tire Management Fund.

OHIO REVISED CODE CITATIONS:

Sections 3734.90 – 3734.9014.

RECENT LEGISLATION:

Am. Sub. H.B. 94, 124th General Assembly (effective July 1, 2001, FY 2002-2003 Biennial Budget Bill).

R.C. 3734.904, effective January 1, 2003 – Transferred tax payment functions previously assigned to the Treasurer of State to the Tax Commissioner.

R.C. 3734.901 – Increased the fee by an additional \$0.50 cents per tire.

Table
Replacement Tire Fee Revenue
Fiscal Years 1999 – 2003

Fiscal Year	Scrap Tire Management Fund	Administration Fund	Total
2003	\$6,777,997	\$282,417	\$7,060,414
2002*	6,184,306	257,679	6,441,985
2001	3,709,221	154,551	3,863,772
2000	3,568,201	148,675	3,716,876
1999	3,381,432	140,893	3,522,325

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