



## SALES AND USE TAX

The Ohio sales and use tax underwent major changes at the beginning of Fiscal Year 2004 with the enactment of the state's two-year budget (see **Recent Legislation**). The 125<sup>th</sup> General Assembly passed House Bill 95, the FY 2004-2005 Biennium Budget Bill, on June 26, 2003. This bill temporarily increased the statewide sales and use tax rate to 6.0 percent from 5.0 percent as of July 1, 2003, to remain in effect until June 30, 2005. Another key provision expanded the tax base, effective August 1, 2003, to include a number of additional services. The bill also adopted many of the provisions necessary to bring Ohio into compliance with the multi-state Streamlined Sales and Use Tax Agreement.

The sales and use tax is the second largest revenue producer for the state, exceeding \$7.8 billion in FY 2004. Of this amount, 3.4 percent or \$263.6 million is distributed to the Local Government Fund, 0.5 percent or \$37.7 million to the Local Government Revenue Assistance Fund, and 96.1 percent or \$7.5 billion is distributed to the General Revenue Fund.

The Ohio sales and use tax initially took effect in January 1935. The sales tax rate was 3.0 percent until 1967, when a 4.0 percent rate was adopted. After imposing a temporary 5.0 percent sales tax during the period of January through June 1981, a permanent 5.0 percent rate was adopted in November 1981. The sales and use tax was originally restricted to the sale or rental of tangible personal property, but was later extended to a number of services (see **Tax Base**).

In 1967, the General Assembly authorized counties to levy a permissive sales and use tax of 0.5 percent, in addition to the state sales and use tax, for the purpose of providing additional county general revenue. The tax is levied pursuant to a resolution of the county commissioners and is subject to repeal by a majority vote of the county electorate. In January

1982, counties were given the option of levying a full 1.0 percent permissive tax.

In 1986, the General Assembly further authorized counties to levy an additional 0.5 percent sales tax subject to voter approval for one or more of the following purposes:

- (a) payment of bonds issued for a convention facility;
- (b) revenue for a transit authority;
- (c) additional county general revenue;
- (d) revenue for permanent improvements; and
- (e) implementation and operation of a 9-1-1 system.

calendar year 2003, the state collected \$1,141.0 million for county governments.

In 1974, the General Assembly authorized transit authorities to levy a permissive sales and use tax to be collected in addition to the state sales and use tax and county permissive sales and use tax for the purpose of providing revenues for public mass transit systems. The tax is levied pursuant to a resolution of the transit authority and subsequent approval by a majority of the voters at a special or general election. The tax can be levied at a rate of up to 1.5 percent in 0.25 percent increments. As of

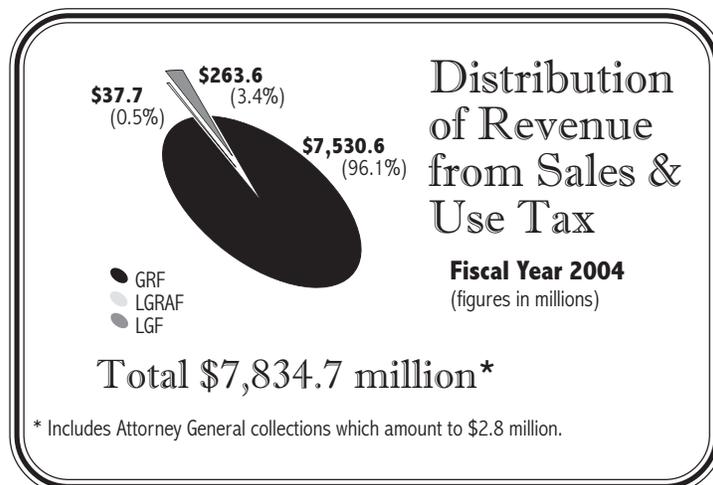
June 30, 2004, the Greater Cleveland, Central Ohio, LakeTran, Greater Dayton, Stark Area, Summit County Metro, and Portage Area regional transit authorities levied a permissive sales and use tax. In calendar year 2003, the state collected approximately \$272.6 million for the transit authorities.

The state collects the combined state and local tax and returns the local share directly to the counties and transit authorities. The same exemptions and exceptions,

credits, and payment dates apply to the permissive taxes as to the state tax.

In 2002, the 124<sup>th</sup> General Assembly passed Senate Bill 143, which adopted the Simplified Sales and Use Tax Act. This bill allows Ohio to participate with other states in the Streamlined Sales and Use Tax Agreement, commonly referred to as the Streamlined Sales Tax Project. The streamlined system is a multi-state effort to make the states' sales and use tax laws more uniform and to provide simplified registration, reporting, and remittance requirements.

The 125<sup>th</sup> General Assembly passed H.B. 40 in 2003. This bill created advance payment requirements for taxpayers required to remit taxes by electronic funds transfer (EFT).



If the additional levy is solely for general revenue, the county commissioners may levy it pursuant to a resolution, but it is subject to repeal by a majority vote of the county electorate.

In July 1987, counties were granted authority to levy the permissive sales and use tax in quarter-percent increments. Then, in 1993, the General Assembly authorized counties to levy the sales tax to provide revenue for the operation and maintenance of a detention facility. Legislation in 1995 authorized the use of the additional county sales tax for construction or renovation of a sports facility, and acquisition of agricultural easements was added in 2001.

As of June 30, 2004, all 88 counties in Ohio levied a county permissive sales and use tax. In

## Description of Taxpayers (R.C. 5739.17):

Taxpayer	Cost of License	Description
Vendor	\$25	Each person or business establishment located in Ohio making retail sales.
Service vendor	\$25	Person or business that provides automatic data processing, computer services, and electronic information services; telecommunications services; mobile telecommunications services; lawn care and landscaping services; private investigation and security services; building maintenance and janitorial services; employment and employment placement services; exterminating services; satellite broadcasting services; and snow removal services. The license is valid throughout the state.
Transient vendor	\$25	Retailer who makes sales in any county in which they have no fixed place of business. The license is valid statewide.
Delivery vendor	\$25	Retailer who maintains no store, showroom, or similar place of business where merchandise is offered for sale, or who has no location where merchandise displayed in catalogues may be selected or picked up by customers.
Seller	No fee	Retailer located outside of Ohio who makes retail sales of property or services for storage, use, or consumption in Ohio.
Direct pay permit holder	No fee	Consumers authorized by the Tax Commissioner to remit tax directly to the state instead of to the vendor. This authority can only be issued upon application if the Commissioner determines that granting the authority would improve compliance and increase the efficiency of the administration of the tax.
Clerks of Court	No fee	Dealers remit taxes collected on sales of motor vehicles, watercraft, and outboard motors to county Clerks of Court when a title is issued. Clerks of Court also collect the tax on casual sales of motor vehicles, and sales of watercraft and outboard motors required to be titled. Clerks of Court remit these receipts to the state.
Division of Liquor Control	No fee	Collects and remits sales tax paid on state-controlled spiritous liquor sold in state-contracted liquor agencies.
Consumers use tax account	No fee	Purchasers who have not paid the tax to a vendor or seller (in most cases for out-of-state transactions) make payments directly to the state.

### Taxpayer (Ohio Revised Code 5739.01, 5739.03, 5739.031, 5739.17, 5741.01):

Any person, retailer, business, organization, etc. making retail sales or making taxable purchases on which the tax has not been paid is required to file a return and remit the tax due.

### Tax Base (R.C. 5739.01, 5741.01):

The state, county, and transit authority sales and use taxes apply to all retail sales of tangible personal property that are not specifically exempt. Retail sales also include the rental of tangible personal property, the rental of hotel rooms by transient guests, and the sales of the following specified services:

- (a) repair of tangible personal property;
- (b) installation of tangible personal property;
- (c) washing, cleaning, waxing, polishing, and painting of a motor vehicle;
- (d) laundry and dry cleaning services;
- (e) automatic data processing, computer services, and electronic information services used in business;
- (f) telecommunications service;
- (g) lawn care and landscaping;

- (h) private investigation and security;
- (i) building maintenance and janitorial services;
- (j) employment services and employment placement services;
- (k) exterminating services;
- (l) physical fitness facility services;
- (m) recreation and sports club services;
- (n) mobile telecommunications service;
- (o) satellite broadcasting service;
- (p) personal care services;
- (q) transportation of persons by motor vehicle or aircraft entirely within this state;
- (r) motor vehicle towing service; and
- (s) snow removal service.

Retail sales also include all transactions by which a warranty, maintenance, or service contract is or is to be provided and all transactions by which tangible personal property is or is to be stored.

The county and transit authority use taxes apply to purchases made outside of the state and to purchases made from vendors located in an area which does not have the permissive sales and use tax, or levies it at a lower rate, when the property or service is used in an area that levies a permissive sales and use tax.

**Rates (R.C. 5739.02, 5739.021, 5739.023, 5739.025, 5739.026, 5739.033, 5741.02, 5741.021, 5741.022, 5741.023):**

The state sales and use tax rate was 6.0 percent during FY 2004. The rate is scheduled to revert to 5.0 percent on July 1, 2005. Counties and transit authorities are authorized to levy additional permissive sales and use taxes at rates of 0.25

percent to 1.5 percent in 0.25 percent increments.

The following are the number of jurisdictions (counties) at each tax rate as of October 1, 2004 (FY 2005).

Total Rate	Number of Jurisdictions
8.0%	1
7.5	30
7.25	11
7.0	35
6.75	7
6.5	4

(A bracket system is specified in R.C. 5739.025 for each of the above rates.)

The sales tax rate for most taxable sales during FY 2004 was the rate applicable at the location of the vendor. Generally, the applicable use tax rate for all taxable sales is based on the location of the purchaser.

During FY 2004, the sales or use tax rate on taxable services is the location of the purchaser where the service is performed or received.

Some of the provisions (described above) are scheduled to change effective July 1, 2005, when, under H.B. 95 as amended by H.B. 127 and H.B. 204, the sourcing rules of the Streamlined Sales and Use Tax Agreement will be adopted for all sales. These rules adopt a destination-based structure for determining which jurisdiction's tax a vendor or seller is to collect. Over-the-counter sales will be sourced to the location where the consumer takes possession of the item sold. If the product is delivered to the consumer, the sale is sourced to the delivery location. If neither of the above situations apply, the sale is sourced to the location of an address the vendor or seller has for the consumer that is available from the vendor or seller's records or that is obtained during the transaction. Special sourcing rules are also put in place for certain sales of digital goods or software delivered electronically that are concurrently available for use by the consumer in multiple locations, for certain types of direct mail, for telecommunications services, and for leases.

Under H.B. 204, vendors and sellers may voluntarily begin using the new sourcing

provisions on January 1, 2005. All vendors must apply the new sourcing by July 1, 2005.

**Exemptions and Exceptions (R.C. 5709.25, 5709.50, 5739.01, 5739.011, 5739.02, 5741.02, 6111.31, 6121.16, 6123.041):**

1. Copyrighted motion picture films unless solely used for advertising;
2. Service transactions in which tangible personal property is an inconsequential element for which no separate charge is made except for the services that are specifically taxable (see **Tax Base**);
3. The value of motor vehicles traded in on new motor vehicles sold by licensed new motor vehicle dealers;
4. Tangible personal property or the benefit of a taxable service to be resold in the form received;
5. The refundable deposit paid on returnable beverage containers, cartons, and cases; and
6. Tangible personal property used or consumed in commercial fishing.
7. Direct use exemptions:
  - (a) material incorporated as a component part of tangible personal property produced for sale by manufacturing, assembling, processing, or refining;
  - (b) material used or consumed directly in the production of tangible personal property by mining, farming, agriculture, horticulture, floriculture, or used in the production of and exploration for crude oil and natural gas;
  - (c) tangible personal property used directly in rendering a public utility service;
  - (d) tangible personal property used or consumed in the preparation for sale of printed and other reproduced material and magazines distributed as controlled circulation publications; and
  - (e) certain property used in making retail sales including:
    - advertising material or catalogues used or consumed in making retail sales that price and describe property; preliminary materials sold to direct marketing



- vendors that will be used in printing advertising material; printed matter that offers free merchandise or chances to win sweepstakes prizes and includes advertising material; equipment primarily used to accept orders for direct marketing retail sales; and certain automatic food vending machines.
8. Tangible personal property used primarily in a manufacturing operation to produce a product for sale. The primary use exemption includes, but is not necessarily limited to, the following items:
    - (a) production machinery and equipment that act upon the product;
    - (b) handling and transportation equipment (except licensed motor vehicles) used in moving property in or between plants during the production process;
    - (c) property used in producing property that is used or consumed in the production of a final product (use on use);
    - (d) coke, gas, water, steam, and similar substances used in the manufacturing operation;
    - (e) catalysts, solvents, water, acids, oil, and similar consumables that interact with the product and are an integral part of the manufacturing operation; and
    - (f) property that is used to control, physically support, or is otherwise necessary for functioning of machinery and equipment and continuation of the manufacturing operation.
  9. Sales to U.S. government agencies;
  10. Sales to the state or any of its political subdivisions;
  11. Food for human consumption off the premises where sold;
  12. Food sold to students in a dormitory, cafeteria, fraternity, or sorority;
  13. Newspapers;
  14. Magazine subscriptions or magazines distributed as controlled circulation publications;
  15. Motor vehicle fuel subject to the state motor fuel excise tax;
  16. Gas, water, and steam delivered through pipes or conduits by a utility company and electricity delivered through wires;
  17. Communications services provided by telegraph companies;
  18. Casual sales except for motor vehicles, titled watercraft and outboard motors, snowmobiles, and all-purpose-vehicles;
  19. Sales by churches and nonprofit organizations (excluding motor vehicles) provided that the number of sales does not exceed six days each year;
  20. Transportation of persons or property, except the transportation of persons specifically taxed as a service;
  21. Sales to churches, nonprofit organizations included under Internal Revenue Code (I.R.C.) 501(c)(3), nonprofit scientific research organizations, and to other nonprofit charitable organizations;
  22. Sales to nonprofit hospitals and to those privately-held homes for the aged and hospital facilities that are financed with public hospital bonds;
  23. Building and construction material sold to contractors for incorporation into real property constructed for federal, state, or local governments; for religious and certain other nonprofit charitable institutions; for horticulture and livestock structures; and for other specified organizations and industries;
  24. Ships and rail rolling stock used in interstate or foreign commerce and material used for repair, alteration, or propelling such vessels;
  25. Material, machinery, equipment, and other items used in packaging property to be sold at retail;
  26. All drugs for a human being dispensed pursuant to a prescription; urine and blood testing materials used by diabetics or persons with hypoglycemia; medical oxygen and medical oxygen equipment for personal use; hospital beds for personal use; and epoetin alfa for persons with a medical disease.
  27. Prosthetic devices, durable medical equipment for home use, or mobility enhancing equipment sold pursuant to a prescription for use by a human being;
  28. Emergency and fire protection vehicles used exclusively by nonprofit organizations in providing emergency and fire protection services for political subdivisions;
  29. Sales to nonprofit community centers and to producers offering presentations in music, dramatics, the arts, and related fields to foster public interest and education;
  30. Motor vehicles sold in Ohio to nonresidents for titling and use outside the state;
  31. Property used in the preparation of eggs for sale;
  32. Sales of property for use in agricultural production;
  33. Property manufactured in Ohio and immediately shipped outside the state for use in retail business, if sold by the manufacturer to the retailer and shipped in vehicles owned by the retailer;
  34. Sales to noncommercial, educational broadcasting stations;
  35. Sales of animals by nonprofit animal shelters and county humane societies;
  36. Items used in preserving, preparing, or serving food, or material used in maintaining or cleaning these items in a commercial food service operation;
  37. Tangible personal property used in air, noise, or water pollution control facilities or in energy conversion, solid waste energy conversion, or thermal efficiency improvement facilities, by holders of exempt facility certificates issued by the Tax Commissioner;
  38. Bulk water for residential use;
  39. Sales of equipment used in qualified research and development;
  40. Sales and installation of agricultural land tile and the sale and installation of portable grain bins to farmers;
  41. Fees paid for the inspection of emission control equipment on motor vehicles;
  42. Sales, leases, repairs, and maintenance of motor vehicles used primarily in providing highway transportation for hire;
  43. Sales to state headquarters of veterans' organizations chartered by Congress or recognized by the U.S. Department of Veterans Affairs;
  44. Normally taxable food items sold to persons using food stamps;
  45. Sales of tangible personal property and services used directly in providing a telecommunications service, mobile telecommunications service, and satellite broadcasting service;
  46. Investment metal bullion and investment coins;
  47. Trade-ins on purchases of new or used watercraft or outboard motors sold by licensed boat dealers;
  48. Property and labor used to fulfill a warranty or service contract;
  49. Property used to store and handle purchased sales inventory in a warehouse or similar facility, when the inventory is primarily distributed outside Ohio to retail stores of the person who owns or controls the warehouse, to retail stores of an affiliated group of which the owner of the warehouse is a member, or by means of direct marketing;
  50. Sales of computer equipment used for

- educational purposes made to qualifying certified teachers;
51. Sales of certain tangible personal property made to qualified motor racing teams;
  52. Twenty-five percent sales tax refund for qualified computer purchases for providers of electronic information services;
  53. Sales of used manufactured and mobile homes;
  54. Sales of coin-operated car washes;
  55. The provision of self-service laundry or dry cleaning facilities;
  56. Intrastate transportation of persons by transit bus or ambulance or by a person that holds a Certificate of Public Convenience and Necessity under 49 United States Code (U.S.C.) 41102;
  57. Sales of telecommunications services used directly and primarily to perform the functions of a call center;
  58. Sales of personal property and services used directly and primarily in providing taxable intrastate transportation of persons;
  59. Repair and replacement parts and repair and maintenance services for aircraft used primarily in a fractional aircraft ownership program; and
  60. Tax in excess of \$800 on any aircraft sold as a fractional share aircraft.
3. **Pre-determined agreements** (R.C. 5739.05 and Rule 5703-9-08). Vendors, such as coin-operated vending machine operators, whose business is of a nature that the collection of the tax from consumers would impose an unreasonable burden, may be authorized by the Tax Commissioner to pay the tax at a pre-determined rate based on an analysis of sales and prices.
  4. **Construction contractors** (R.C. 5739.01). Construction contractors are considered to be the consumers of property incorporated into the construction of or improvement to real property and, thus, are responsible for paying the tax on such property.
  5. **Resort area tax** (R.C. 5739.101 – 5739.105). Qualified municipal corporations or townships are authorized to levy a tax at the rate of 0.5 percent, 1.0 percent, or 1.5 percent on gross receipts from general sales made in or intrastate transportation primarily provided to and from the resort area. Receipts from this tax are for the general revenue of the township or municipality. The tax is administered by the Department of Taxation.

## Special Provisions:

1. **Cumulative filing** (R.C. 5739.12, Rule 5703-9-09). The Tax Commissioner may require a vendor that operates from multiple locations or has multiple vendors' licenses to report all liabilities on one consolidated return. Vendors who have two or more places of business in Ohio may, upon approval by the Tax Commissioner, file a single monthly consolidated return reporting on one form the information that normally is required to be reported from each location.
2. **Pre-arranged agreements** (R.C. 5739.05). Vendors, such as fast food outlets, whose business is of a nature that keeping records of which sales are taxable and which are exempt would impose an unreasonable burden, may be authorized by the Tax Commissioner to pay an amount based on a test check conducted to determine the proportion of taxable sales to total sales. Businesses electing this method of payment still collect the tax from customers at the time of purchase.
6. **Lodging tax** (R.C. 5739.09). In addition to the state sales tax, municipal corporations, townships, and counties may levy an excise tax on hotel and motel room rentals at a rate not exceeding 3.0 percent. Total combined local levies cannot exceed 6.0 percent. In certain cases, a portion of the receipts are earmarked for convention centers and visitors bureaus. County convention facility authorities were permitted between June 29, 1988 and December 31, 1988 to enact an additional 4.0 percent lodging tax for convention facility or sports center construction. This tax is in addition to the combined maximum 6.0 percent rate for county, township, or municipal lodging taxes, thereby allowing a combined local rate of 10.0 percent.
7. **Payment by EFT** (R.C. 5739.032, 5739.122, 5741.121). Payment of tax returns is required to be made by EFT in cases where a taxpayer's annual liability exceeds \$75,000 per calendar year. Taxpayers required to use this payment method will be so notified. Taxpayers with lesser liabilities

may request the authorization to remit tax payments via EFT from the Treasurer of State.

8. **Accelerated tax payment** (R.C. 5739.032, 5739.122, 5741.121). Vendors required to remit tax by EFT are required to make advance payments of each month's tax on the 15<sup>th</sup> and 25<sup>th</sup> of that month.

## Discount (R.C. 5739.12, 5741.12):

Payment on or before the date a return is required to be filed entitles the vendor to a discount of 0.9 percent of the amount due for returns required to be filed after July 1, 2003 and before June 30, 2005. (Example: \$5,000 tax due - \$45 discount = \$4,955 next tax due.) For returns filed after June 30, 2005, the discount reverts to 0.75 percent.

## Disposition of Revenue:

1. **State sales and use tax** (R.C. 5739.21, 5741.03): The Local Government Fund receives 4.2 percent, the Local Government Revenue Assistance Fund 0.6 percent, and the General Revenue Fund 95.2 percent of sales and use tax collections.
 

**(Note:** H.B. 94, 124<sup>th</sup> General Assembly, FY 2002-2003 Biennial Budget Bill, temporarily replaced the revenue distribution described above. During each month of the July 2001 – May 2002 period, the Local Government Fund and the Local Government Revenue Assistance Fund received the same amount they each received during the corresponding month of the July 2000 – May 2001 period. In June 2002 and June 2003, the funds received the same amount they received in June 2000. H.B. 95, 125<sup>th</sup> General Assembly, FY 2004-2005 Biennial Budget Bill, continued this freeze in FY 2004-2005. During each month of the July 2003 – June 2004 period and the July 2004 – June 2005 period, the Local Government Fund and Local Government Revenue Assistance Fund receive the same amount they received during the corresponding month of the July 2002 – June 2003 period. However, the June 2004 distributions were reduced by the July 2003 H.B. 405 adjustment (\$25.3 million for LGF and \$3.7 million for LGRAF); but these amounts were added back to the July 2004 distribution and will be added back to the July 2005 distribution.)
2. **County Permissive Sales and Use Tax** (R.C. 5739.21, 5743.03):
  - (a) One percent credited to the Local Sales

Filing and Payment Dates (R.C. 5739.031, 5739.12,  
5739.17, 5741.12, Rule 5703-9-10):

Type of Return	Taxpayer	Payment Date
Weekly	Clerks of Court	Payment on Monday for taxes collected during the preceding week on motor vehicles, watercraft and outboard motors titled.
Semi-monthly	Division of Liquor Control	By the 15 <sup>th</sup> day of the month for the tax collected during the last 15 days of the previous month, and by the last day of the month for the tax collected during the first 15 days of the month, on spiritous liquor sold in state-contracted liquor agency stores.
Monthly	Vendors, sellers, service vendors, transient vendors, delivery vendors, direct pay permit holders, consumers use tax accounts	By the 23 <sup>rd</sup> day of the month following the close of the reporting period.
Quarterly	Direct pay permit holders, consumers use tax accounts	By the 23 <sup>rd</sup> day of January, April, July and October for their tax liability during the preceding three months; this method of payment may be authorized for accounts with less than \$5,000 in quarterly tax liability.
Semi-annual	Vendors, sellers, service vendors, transient vendors, delivery vendors	By the 23 <sup>rd</sup> day of the month following the close of each semi-annual period (pre-determined by filing schedule) for the tax collected during the preceding six-month period; this method of payment may be authorized for vendors and sellers whose tax liability is less than \$1,200 per six-month period.
Special payment requirements	All taxpayers	Payment must be received by the 23 <sup>rd</sup> day of the month following the close of the reporting period. Taxpayers whose annual liability in a prior year exceeded \$75,000 are required to pay by EFT. These same taxpayers are required to make accelerated payments during each month.

Tax Administrative Fund for the use of the Tax Commissioner in defraying costs of administration;

(b) Remainder to the county general fund.

3. **County Additional Permissive Sales and Use Tax** (R.C. 5739.21, 5741.03):

(a) One percent credited to the Local Sales Tax Administrative Fund for the use of the Tax Commissioner in defraying costs of administration;

(b) Remainder to the special purpose fund for which the additional tax is levied.

4. **Transit Authority Sales and Use Tax** (R.C. 306.31, 5739.21, 5741.03):

(a) One percent credited to the Local Sales Tax Administrative Fund for the use of the Tax Commissioner in defraying the costs of administration;

(b) Remainder to the general revenue of the transit authority for the purpose of acquiring, constructing, operating, maintaining, replacing, improving, and extending transit facilities.

5. **Resort Area Tax** (R.C. 5739.102):

(a) One percent credited to the state General Revenue Fund for the cost of administering the tax;

(b) Remainder to the appropriate taxing entity.

### Administration:

The Tax Commissioner administers the sales and use tax for the state, for counties, and for transit authorities.

### Ohio Revised Code Citations:

Chapters 306, 307, 351, 5709, 5739, 5741, and 6111.

## Recent Legislation:

### H.B. 127, 125<sup>th</sup> General Assembly (effective March 11, 2004). R.C. 5735.01:

Revised the definition of a "transit bus" expanding the exception allowed under R.C. 5739.01(B)(3)(s) from the definition of a taxable transportation service.

### R.C. 5739.033:

Postpones the effective date of the Streamlined Sales and Use Tax Agreement sourcing provisions until January 1, 2005.

### H.B. 204, 125<sup>th</sup> General Assembly (effective November 5, 2004, some provisions effective August 5, 2004). R.C. 5739.033:

Postpones the effective date of the Streamlined Sales and Use Tax Agreement sourcing rules to July 1, 2005. Provides that vendors who wish to begin using the Streamlined Sales Tax sourcing rules may begin to do so on or after January 1, 2005.

### S.B. 37, 125<sup>th</sup> General Assembly (effective October 21, 2003). R.C. 5739.01, 5739.02:

Clarified the application of sales tax to purchases of packaging material by providers of highway transportation for hire.

### H.B. 95, 125<sup>th</sup> General Assembly (FY 2004-2005 Biennial Budget Bill, all provisions effective July 1, 2003 unless otherwise noted). R.C. 307.676:

Provided that a county with a population of one million or more may, by resolution adopted on or before August 30, 2004, levy a tax on sales of food and beverages for consumption on the premises where sold to provide money for constructing, improving, expanding, equipping, financing, or operating a convention center.

### R.C. 5739.02, 5739.025, and 5741.02:

Sales tax increased to 6.0 percent for the period July 1, 2003 through June 30, 2005.

### R.C. 5739.12:

Increased the vendor discount to nine-tenths of 1.0 percent for returns filed between July 1, 2003 and June 30, 2005.

### R.C. 5739.01:

On and after August 1, 2003, levied sales and use tax on storage, laundry and dry cleaning services, satellite broadcasting services, personal care services, the intrastate transportation of persons by motor vehicle or aircraft, motor vehicle towing service, and snow removal service.

### R.C. 5739.01:

On and after January 1, 2004, levied sales tax on telecommunications services provided by a local exchange carrier.

### R.C. 5739.01, 5739.02:

Removed sales tax exception for WATS, 800, and private communications services.

### R.C. 5739.01:

Revised the definitions of "price" and "lease and rental" to conform to definitions in the Streamlined Sales and Use Tax Agreement. Adopted other Streamlined definitions such as: tangible personal property, sales price, drug, durable medical equipment, mobility enhancing equipment, and prescriptions. Revised the definition of "food" to conform with the Streamlined Sales and Use Tax Agreement effective July 1, 2004.

### R.C. 5739.02:

Created new exemptions for telecommunications services used primarily to perform the functions of a call center, for equipment used in providing taxable intrastate transportation of persons, for electricity delivered through wires, and for parts and labor used for the repair, modification, and maintenance of aircraft used primarily in a fractional ownership program. Revised the exemption for drugs and medical equipment to incorporate Streamlined Sales and Use Tax Agreement definitions. Repealed exemptions for equipment used in reclamation of mined land and for motor vehicles used exclusively in vanpool ridesharing agreements.

### R.C. 5739.021, 5739.023, and 5739.026:

Effective January 1, 2004, revised the time period between adoption of a county or transit authority tax rate change and the effective date of the tax.

### R.C. 5739.025:

Provided that the maximum sales tax applicable to the sale of an aircraft used primarily in a fractional ownership program is \$800.

### R.C. 5739.032, 5739.122, and 541.121:

Increased the threshold amount of annual tax liability to require a vendor

## Table 1: Sales and Use Tax — Collections By Type of Payments (Includes State and Local Permissive Tax) For Fiscal Year 2004

Vendor's Sales	\$6,542,665,873
Motor Vehicle and Watercraft (from Clerks of Court)	1,404,563,670
Seller's Use	932,525,342
Consumer Use	311,518,609
Direct Payment	200,548,051
Liquor Sales by Division of Liquor Control	24,917,699
Attorney General Sales and Use Tax Collections	<u>22,223,332</u>
TOTAL State and Local Collections	\$9,438,962,575
Less Local Sales and Use Tax Collections	<u>1,464,425,658</u>
<b>Total State Collections</b>	<b>\$7,974,536,917</b>

Source: Ohio Department of Taxation records and Office of Budget and Management's Monthly Accounting Reports. Figures represent gross collections and therefore include collections from assessments and penalties. Refunds are not subtracted out. Figures are prior to any distribution to any state fund or to county and permissive transit authorities. Local sales and use tax collections are inclusive of the Local Sales Tax Administration Fund of \$14,737,564 (Permissive data shown above are from collection months. These are subtracted out from the state collections of same period).

to remit tax by EFT from \$60,000 to \$75,000. Reduced the number of advance payments such taxpayers must make to two: one on the 15<sup>th</sup> of the month and one on the 25<sup>th</sup> of the month.

**R.C. 5739.033:**

Postponed the effective date of adopting the Streamlined Sales and Use Tax Agreement's sourcing provisions until January 1, 2004. Adopted language regarding the sourcing of direct mail materials and leases and rentals.

**R.C. 5739.034:**

Adopted the Streamlined Sales and Use Tax Agreement's sourcing rules for telecommunications transactions.

**R.C. 5739.09:**

Allowed county commissioners to increase lodging tax or to designate a portion of previously enacted lodging tax to pay the expenses of a port authority military-use facility. Allowed counties with a population of one million or more to extend an existing lodging tax levy or, by resolution adopted on or before August 1, 2004, to increase the rate of a lodging tax to provide money for constructing, improving, expanding, equipping, financing, or operating a convention center.

**R.C. 5739.121:**

Revised the bad debt deduction to conform to the Streamlined Sales and Use Tax Agreement.

**R.C. 5739.21:**

Clarified that the monthly amounts of permissive sales tax returned to counties and transit authorities are reduced by the amount of refunds of the same tax paid during the same month. This bill also provided for the distribution of permissive tax money when the Tax Commissioner does not have sufficient information to associate the tax money with a particular jurisdiction.

**R.C. 5739.33:**

Clarified that responsible officers and employees of direct payment permit holders are personally responsible for the failure of the direct payment permit holder to file returns or remit taxes due.

**R.C. 5741.25:**

Imposed personal responsibility on responsible officers or employees of out-of-state sellers for failure to file returns or remit taxes due.

**H.B. 40, 125<sup>th</sup> General Assembly (effective March 7, 2003).**

**R.C. 5739.032, 5739.122, and 5741.121:**

Provided that taxpayers required to make payments of sales or use tax by EFT must make advance payments of tax on the 11<sup>th</sup>, 18<sup>th</sup>, and 25<sup>th</sup> of each month. This was subsequently revised by H.B. 95 to require twice-monthly payments (see **H.B. 95, R.C. 5739.032, 5739.122, and 541.121**, above).

This bill also provided a temporary increase in the discount allowed to vendors and out-of-state sellers for returns due and timely filed in May and June 2003 to 1.1 percent.

**Recent Significant Court Decisions:**

***General Motors Corp. v. Wilkins* (2004), 102 Ohio St.3d 33, 2004-Ohio-1869.**

The Court affirmed the Tax Commissioner's findings that purchases of parts and services made by an automaker provided to its Ohio dealers to repair motor vehicles under the automaker's warranty and special policy repair programs were taxable according to R.C. 5739.01 (B) and 5741.02. The court reached this conclusion for four specific reasons. First, motor vehicles are personal property for purposes of sales and use taxes. Second, the automaker owned and possessed the repair parts in question. Third, the automaker received a benefit in Ohio for these repair services. Finally, the court concluded that the automaker was the consumer of the tangible personal property and services used in performing the warranty repairs. An exemption for items used in the performance of a warranty was enacted by the 120<sup>th</sup> General Assembly effective July 22, 1994.

***Dairy Farmers of Am., Inc. v. Wilkins* (2004), 101 Ohio St.3d 100, 2004-Ohio-321.**

The Court found that an agricultural cooperative that bought raw milk from its member farmers and processed it into dairy products was engaged in agriculture or in rendering agricultural services for others. The Court found that the term "agriculture", as defined in R. C. 1.61, includes "dairy production". The processing of raw milk into saleable products by an agricultural cooperative is agriculture or the rendition of agricultural services. The cleaning compounds that were used by an agricultural cooperative to clean and disinfect containers, and machinery and

equipment used to process milk into dairy products, were exempt from Ohio use tax because they were used directly in rendering agricultural services within the meaning of R.C. 5739.01(E)(2) [now R.C. 5739.02(B)(43)(a)]. Not all the cleaning compounds were used on the containers, equipment, and machinery that were used to process dairy products. The cleaning compounds that were used to clean the floors and walls of the processing plant were not used in agriculture and therefore, were not exempt from Ohio use tax.

***H.R. Options, Inc. v. Zaino* (2004), 100 Ohio St.3d 373, 2004-Ohio-1; *H.R. Options, Inc. v. Wilkins* (2004), 102 Ohio St.3d 1214, 2004-Ohio-2085.**

The services provided by a California-based human resources firm for clients in Ohio were subject to sales tax because they constituted an employment service under R.C. 5739.01(JJ). The firm contended that it did not recruit employees and, therefore, it was not providing or supplying personnel in a manner that constituted an employment service. The Court found that the firm was providing and supplying personnel to perform work for its clients. The personnel supplied by the firm were the firm's employees and they received compensation from the firm. A review of the actual employment contracts between the firm and its clients was made to determine whether an employee was assigned for a definite or indefinite term. This was required because transactions in which an employee is being assigned on a permanent basis are excluded from the definition of "employment service" and, therefore, from taxation, according to R.C. 5739.01(JJ)(3). However, most of the contracts examined referred to the employee positions as seasonal. As such, these employees could not be considered as being assigned on a permanent basis.

***Standards Testing Laboratories, Inc. v. Zaino* (2003), 100 Ohio St.3d 240, 2003-Ohio-5804.**

The taxpayer's purchases of tires and special parts were entitled to the sale-for-resale exception of R.C. 5739.01(E)(1) [now R.C. 5739.01(E)] because they were purchased with the primary intent to resell them in the same form as received. The taxpayer was in the business of testing tire rims and tires. It made agreements with its customers that it would purchase tires and special parts and then sell them to the customer so that the items could be furnished to

the taxpayer for its use in the testing requested by the customer. Generally, the customer never took physical possession of the tires and special parts. When the taxpayer took delivery from its vendor, it also simultaneously completed its

performance and delivery to its customer under their agreement. Once the taxpayer took delivery under the agreement, title passed to the customer. Therefore, there was a transfer of title to the items from the taxpayer to its customer for

consideration, and the taxpayer was entitled to except its initial purchase as a sale for resale. However, a sale-for-resale exception was not allowed for purchases of the wheels because there was no evidence to indicate whether the wheels had been resold.

**Table 2**  
**Sales and Use Tax – Number of Accounts, By Type and Payment Schedule (As of June 30, 2004)**

Accounts	Payment Schedule			
	Semi-Annual	Monthly	Quarterly	Total
Vendors	124,159	82,648		206,807
Masters	153	3,640		3,793
Transient	29,708	4,169		33,877
Service	11,128	9,888		21,016
Delivery	5,985	1,251		7,236
Consumers		1,438	12,447	13,885
Direct Pay		388	309	697
Sellers	7,185	7,794		14,979
<b>TOTAL</b>	<b>178,318</b>	<b>111,216</b>	<b>12,756</b>	<b>302,290</b>



**Table 3**  
**County and Transit Authority Permissive Sales Tax Collections**  
**Calendar Years 1999 - 2003**

County	Tax Rate 12/31/03	Amount of Tax Collections					Initial Enactment	Effective Date of Current Rate
		1999	2000	2001	2002	2003		
ADAMS	1.50	\$1,714,927	\$1,709,172	\$2,508,419	\$2,735,086	\$2,888,832	June 1, 1991	Jan. 1, 2001
ALLEN	1.00	12,396,517	12,931,861	12,609,819	13,133,787	13,229,392	May 1, 1970	June 1, 1987
ASHLAND	1.25	4,827,163	4,978,702	5,177,525	5,220,317	5,155,880	Mar. 1, 1971	Jan. 1, 1998
ASHTABULA	1.00	7,552,178	7,943,877	7,741,939	7,986,904	7,977,386	Apr. 1, 1977	July 1, 1985
ATHENS	1.25	4,739,315	4,924,924	5,015,813	5,233,606	5,403,916	Feb. 1, 1982	Jan. 1, 1994
AUGLAIZE	1.50	5,567,391	5,814,614	5,577,880	5,503,873	5,829,385	Nov. 1, 1973	June 1, 1996
BELMONT	1.50	10,293,024	10,919,635	11,005,566	11,324,956	11,551,272	May 1, 1985	Jan. 1, 1995
BROWN	1.25	2,573,458	2,666,335	2,933,412	2,909,963	3,038,463	Aug. 1, 1979	Jan. 1, 1996
BUTLER	0.50	14,231,493	15,907,481	16,327,018	16,623,304	17,112,675	June 1, 1985	Feb. 1, 1995
CARROLL	1.00	1,486,349	1,504,183	1,547,391	1,581,707	1,585,981	Sep. 1, 1985	June 1, 1996
CHAMPAIGN	1.50	2,428,019	2,487,111	2,568,349	2,586,881	3,100,915	Jan. 1, 1986	July 1, 2003
CLARK	1.00	11,237,543	12,089,114	12,430,551	17,344,078	12,243,342	Nov. 1, 1972	Nov. 1, 2002
CLERMONT	1.00	17,028,404	18,149,686	18,959,109	19,513,566	20,068,148	Aug. 1, 1979	Oct. 1, 1983
CLINTON	1.00	3,696,335	3,732,794	3,758,093	3,941,549	4,138,079	May 1, 1972	Nov. 1, 1988
COLUMBIANA	1.50	4,092,246	3,213	6,487,295	8,365,728	11,531,316	Aug. 1, 1985	Sep. 1, 2002
COSHOCTON	1.00	2,716,038	2,326,158	2,485,860	2,558,793	2,615,900	June 1, 1971	Mar. 1, 1985
CRAWFORD	1.50	4,544,496	5,013,096	4,492,005	4,647,342	4,857,314	May 1, 1978	July 1, 1994
CUYAHOGA	1.00	151,304,357	161,909,936	157,747,011	156,713,498	158,633,995	Sep. 1, 1969	Oct. 1, 1987
DARKE	1.00	4,015,919	4,284,155	4,485,850	4,281,463	4,415,874	July 1, 1975	Jan. 1, 1988
DEFIANCE	1.00	4,156,527	4,224,370	4,331,193	4,658,543	4,254,886	Feb. 1, 1987	Feb. 1, 1987
DELAWARE	1.25	14,453,215	18,211,040	20,406,106	26,069,586	29,110,737	Jan. 1, 1972	Oct. 1, 1996
ERIE	1.00	10,173,486	10,640,936	10,457,954	10,801,348	11,452,269	Mar. 1, 1977	May 1, 1993
FAIRFIELD	0.75	9,043,396	9,341,568	9,328,600	9,988,803	9,978,566	Sep. 1, 1981	Aug. 1, 1995
FAYETTE	1.00	3,812,525	3,944,328	4,009,709	4,194,940	3,948,848	Mar. 1, 1983	July 1, 1988
FRANKLIN	0.50	79,029,545	82,900,256	81,139,049	79,621,688	81,681,821	Sep. 1, 1985	Sep. 1, 1985
FULTON	1.00	3,741,901	3,932,599	3,713,217	3,900,824	3,959,266	May 1, 1972	Feb. 1, 1987
GALLIA	1.25	3,323,068	3,206,415	3,300,565	3,480,707	3,596,869	Dec. 1, 1981	Feb. 1, 1995
GAUGA	0.50	3,886,833	4,106,539	4,187,169	4,383,695	4,809,116	Aug. 1, 1987	Feb. 1, 1998
GREENE	1.00	15,771,384	16,663,041	17,721,787	18,228,212	18,393,495	Mar. 1, 1971	Feb. 1, 1987
GUERNSEY	1.50	4,751,472	4,693,966	4,849,472	5,303,637	5,223,689	Feb. 1, 1971	Aug. 1, 1993
HAMILTON	1.00	120,294,237	120,817,937	118,656,334	119,722,909	122,212,469	June 1, 1970	June 1, 1996
HANCOCK	0.75	4,519,494	4,996,051	4,923,237	4,865,680	6,074,558	Feb. 1, 1979	July 1, 2003
HARDIN	1.00	1,964,520	2,129,093	1,961,237	2,016,990	1,913,787	Oct. 1, 1985	Mar. 1, 1990
HARRISON	1.50	1,056,460	1,045,888	1,059,708	1,109,957	1,174,339	Dec. 1, 1985	June 1, 1994
HENRY	1.00	1,970,309	1,922,753	2,033,158	2,262,060	2,283,066	Mar. 1, 1972	June 1, 1986
HIGHLAND	1.00	2,658,210	2,764,093	2,813,126	2,908,287	3,040,302	May 1, 1979	Mar. 1, 1993
HOCKING	1.25	1,959,342	2,026,495	2,079,129	2,519,146	2,819,259	Apr. 1, 1979	Jan. 1, 1998
HOLMES	1.00	3,444,413	3,591,111	3,615,131	3,894,484	4,171,202	July 1, 1977	Jan. 1, 1998
HURON	1.50	6,704,027	6,936,405	6,781,287	6,977,054	7,213,260	Feb. 1, 1978	Jan. 1, 1996
JACKSON	1.50	3,629,450	3,788,268	3,860,057	3,915,326	4,055,626	Apr. 1, 1982	Jan. 1, 1998
JEFFERSON	1.50	7,959,072	8,212,471	8,070,683	8,566,108	8,837,082	June 1, 1973	Nov. 1, 1994
KNOX	1.00	3,913,759	4,129,387	4,084,907	4,261,652	4,360,941	May 1, 1971	Feb. 1, 1994
LAKE	0.50	13,467,122	14,271,275	14,359,797	14,466,920	14,882,380	July 1, 1969	Aug. 1, 1988
LAWRENCE	1.50	5,888,298	5,907,330	5,977,278	6,372,556	5,751,625	June 1, 1986	June 1, 1998
LICKING	1.00	13,270,782	14,255,769	14,686,190	14,873,722	15,400,816	Feb. 1, 1971	Feb. 1, 1984
LOGAN	1.50	5,945,219	6,490,540	6,737,920	6,832,540	7,053,319	Jan. 1, 1974	July 1, 1997
LORAIN	0.75	17,691,695	18,596,540	19,346,425	20,506,375	20,611,361	July 1, 1985	July 1, 1995
LUCAS	1.25	66,617,121	67,926,364	67,081,391	68,211,381	67,006,778	Feb. 1, 1971	Jan. 1, 1993
MADISON	1.25	3,084,714	3,574,666	3,508,994	3,668,161	3,891,232	Mar. 1, 1983	July 1, 1999
MAHONING	1.00	12,506,251	23,935,036	25,388,374	25,819,561	26,657,490	Apr. 1, 1980	Jan. 1, 2000
MARION	1.00	5,802,959	6,094,993	6,018,733	6,187,872	6,235,262	Sep. 1, 1985	Apr. 1, 1992
MEDINA	0.50	7,173,100	7,564,323	7,701,566	8,137,853	8,465,661	Apr. 1, 1971	Apr. 1, 1971
MEIGS	1.00	1,194,290	1,178,407	1,150,382	1,119,751	1,101,934	Feb. 1, 1987	Feb. 1, 1987
MERCER	1.00	3,051,125	3,117,588	3,078,404	3,151,037	3,301,439	Nov. 1, 1971	July 1, 1987
MIAMI	1.00	10,662,813	9,048,808	9,145,706	9,613,548	9,648,601	Dec. 1, 1969	Nov. 1, 1999
MONROE	1.50	1,207,193	1,280,453	1,295,895	1,150,584	970,935	Oct. 1, 1986	Nov. 1, 1994
MONTGOMERY	1.00	62,860,529	64,101,822	63,935,967	62,952,069	64,564,376	Jan. 1, 1971	July 1, 1989
MORGAN	1.50	\$1,000,399	\$966,051	\$974,991	\$988,948	\$967,301	Feb. 1, 1972	Apr. 1, 1990

(Cont'd.)

**Table 3**  
**County and Transit Authority Permissive Sales Tax Collections**  
**Calendar Years 1999 - 2003**

County	Tax Rate 12/31/03	Amount of Tax Collections					Initial Enactment	Effective Date of Current Rate
		1999	2000	2001	2002	2003		
MORROW	1.50	\$2,080,515	\$2,219,450	\$2,336,313	\$2,320,573	\$2,424,705	July 1, 1971	July 1, 1995
MUSKINGUM	1.50	12,556,814	13,430,005	13,217,016	13,620,339	13,816,527	May 1, 1971	Apr. 1, 1993
NOBLE	1.50	835,295	847,078	875,360	881,894	919,946	Jan. 1, 1971	Feb. 1, 1995
OTTAWA	1.00	4,279,923	4,260,423	4,299,825	4,522,532	4,674,287	Oct. 1, 1973	Jan. 1, 1998
PAULDING	1.50	1,840,801	1,528,235	1,535,789	1,500,731	1,522,795	Apr. 1, 1984	Nov. 1, 1991
PERRY	1.00	1,470,176	1,505,218	1,467,299	1,573,349	1,580,310	Mar. 1, 1971	May 1, 1982
PICKAWAY	1.50	3,289,231	3,359,463	3,455,616	5,229,953	5,399,205	Oct. 1, 1983	Dec. 1, 2001
PIKE	1.00	2,129,841	2,014,065	1,891,196	2,041,571	2,041,142	May 1, 1988	May 1, 1988
PORTAGE	1.00	14,601,152	12,170,365	12,364,275	12,629,466	13,187,643	Apr. 1, 1971	Dec. 1, 1999
PREBLE	1.50	3,722,785	3,965,676	3,932,793	3,788,124	4,002,410	Nov. 1, 1979	May 1, 1994
PUTNAM	1.25	2,198,501	2,379,539	2,697,284	2,896,552	2,982,285	Jan. 1, 1974	June 1, 2001
RICHLAND	1.50	14,132,541	18,222,205	17,825,117	18,196,319	21,207,635	June 1, 1979	Mar. 1, 2003
ROSS	1.50	9,413,899	10,010,337	10,023,413	10,250,454	10,235,264	Jan. 1, 1980	Oct. 1, 1993
SANDUSKY	1.00	5,207,216	5,638,000	5,784,111	5,757,414	5,913,822	Aug. 1, 1979	Aug. 1, 1995
SCIOTO	1.50	5,320,502	5,402,810	7,113,715	8,233,430	8,250,582	May 1, 1979	May 1, 2001
SENECA	1.50	4,126,466	4,266,521	4,221,049	4,405,538	5,189,772	Oct. 1, 1983	Aug. 1, 2003
SHELBY	1.50	6,172,722	6,310,388	6,452,038	6,875,897	7,426,472	Mar. 1, 1971	Jan. 1, 1998
STARK	0.25	11,845,685	954,655	69,556	278,927	4,363,537	Jan. 1, 1987	July 1, 2003
SUMMIT	0.50	30,544,906	33,231,970	32,216,548	33,081,046	33,994,904	Mar. 1, 1973	Nov. 1, 1995
TRUMBULL	1.00	12,376,412	10,347,754	10,112,719	10,856,884	17,563,200	June 1, 1985	Apr. 1, 2003
TUSCARAWAS	1.00	8,365,581	8,550,283	8,516,440	8,690,202	8,692,703	Apr. 1, 1971	July 1, 1998
UNION	1.00	4,590,268	4,535,799	7,281,115	5,724,615	8,358,356	Apr. 1, 1989	Apr. 1, 1989
VAN WERT	1.50	3,314,168	3,009,268	3,179,041	3,163,301	3,364,282	Mar. 1, 1972	Mar. 1, 1991
VINTON	1.50	675,798	704,755	711,818	742,621	729,160	May 1, 1985	Mar. 1, 1992
WARREN	1.00	17,402,616	18,609,304	20,075,961	20,487,452	21,535,675	Jan. 1, 1972	Jan. 1, 1992
WASHINGTON	1.50	7,906,355	8,057,457	8,202,263	8,542,670	8,601,829	Oct. 1, 1983	Jan. 1, 1990
WAYNE	0.75	7,052,063	7,515,034	7,424,116	7,633,464	7,812,025	Mar. 1, 1971	Jan. 1, 1992
WILLIAMS	1.50	3,128,191	3,166,060	2,924,291	3,023,943	3,266,628	Dec. 1, 1977	Oct. 1, 2003
WOOD	1.00	11,770,403	11,981,660	12,465,150	13,063,171	13,619,983	June 1, 1971	Nov. 1, 1987
WYANDOT	1.00	1,516,358	1,612,759	1,639,128	1,623,637	1,813,228	Feb. 1, 1985	Jan. 1, 1988
<b>County Total</b>		<b>\$1,023,952,612</b>	<b>\$1,061,637,557</b>	<b>\$1,071,940,085</b>	<b>\$1,101,546,982</b>	<b>\$1,140,944,340</b>		
Cleveland RTA (Cuyahoga Co.)	1.00	\$151,405,646	\$161,991,565	\$157,823,888	\$156,735,486	\$158,653,957	Oct. 1, 1975	Oct 1, 1975
Central Ohio TA (Franklin Co.)	0.25	40,163,579	42,128,119	41,601,224	41,334,523	43,205,469	Sep. 1, 1980	Feb. 1, 1990
LakeTran TA (Lake Co.)	0.25	6,731,568	7,130,985	7,175,596	7,202,698	7,440,529	Aug. 1, 1988	Aug. 1, 1988
Greater Dayton RTA (Montgomery Co.)	0.50	31,445,584	32,078,659	31,968,728	31,433,081	32,290,326	July 1, 1980	July 1, 1980
Portage Area RTA (Portage Co.)	0.25	-	-	-	2,564,174	3,281,207	Feb. 1, 2002	Feb. 1, 2002
Stark Area RTA (Stark Co.)	0.25	9,876,829	10,323,125	10,175,541	10,607,899	10,689,964	July 1, 1997	July 1, 1997
Metro TA (Summit Co.)	0.25	15,283,091	16,548,007	16,078,157	16,484,481	16,995,514	Feb. 1, 1991	Feb. 1, 1991
<b>Transit Authority Total</b>		<b>\$254,906,296</b>	<b>\$270,200,460</b>	<b>\$264,823,134</b>	<b>\$266,362,341</b>	<b>\$272,556,965</b>		
<b>TOTAL</b>		<b>\$1,278,858,908</b>	<b>\$1,331,838,017</b>	<b>\$1,336,763,219</b>	<b>\$1,367,909,324</b>	<b>\$1,413,501,305</b>		

**Note:** Some counties and transit authorities have repealed and then re-enacted the tax, or have changed the tax rate since the first enactment.

Source: Department of Taxation, Revenue Accounting Division.