

## Real Property Conveyance Fee

### Taxpayer

The real property conveyance fee is paid by persons who make sales of real estate or used manufactured homes.

### Tax Base

The base of the tax is the value of real estate sold or transferred from one person to another.

### Rates

The conveyance fee consists of two parts. A statewide mandatory tax of 1 mill (\$1 per \$1,000 dollars of the value of property sold or transferred) applies in all 88 of Ohio's counties. In addition, counties may also impose a permissive real property transfer tax of up to 3 additional mills. As of 2009, the most recent year for which data is available, 87 of 88 counties levied this additional tax at rates ranging from 1 mill to 3 mills. (The exception was Ross County.)

### Major Exemptions

The tax does not apply:

- to sales or transfers to or from the U.S. government or its agencies, or to or from the state of Ohio or any of its political subdivisions.
- to gifts from one spouse to another, or to children and their spouses.
- to surviving spouses or to a survivorship tenant.
- to sales or transfers to or from a non-profit agency that is exempt from federal income taxation, when the transfer is without consideration and furthers the agency's charitable or public purpose.
- when property is sold to provide or release security for a debt, or for delinquent taxes, or pursuant to a court order.
- when a corporation transfers property to a stockholder in exchange for their shares during a corporate reorganization or dissolution.
- when property is transferred by lease, unless the lease is for a term of years renewable forever.

- to a grantee other than a dealer, solely for the purpose of, and as a step in, the prompt sale to others.
- to sales or transfers to or from a person when no money or other valuable and tangible consideration readily convertible into money is paid or is to be paid for the realty, and the transaction is not a gift.
- to an easement or right-of-way when the value of the interest conveyed is \$1,000 or less.
- to a trustee of a trust, when the grantor of the trust has reserved an unlimited power to revoke the trust.
- to the grantor of a trust by a trustee when the transfer is made pursuant to the grantor's power to revoke the trust or to withdraw trust assets.
- to the beneficiaries of a trust, if the fee was paid on the transfer from the grantor or the trustee or if the transfer is made pursuant to trust provisions that became irrevocable at the death of the grantor.

### Revenue

(In Millions)

Tax Year	Total Taxes
2005	\$152.1
2006	152.7
2007	130.8
2008	99.0
2009	77.7

### Disposition of Revenue

All revenue from the tax is deposited in the general fund of the county where the property is sold or transferred.

### Payment Dates

The fee is paid at the time of the transfer, generally as part of the closing process.

## Special Provisions

- County commissioners may prescribe a lower permissive rate than generally levied in the county for conveyances of property receiving the homestead exemption.
- The tax also applies to transfers of used manufactured homes.
- Persons who purchase residential rental property in counties with populations over 200,000 must register their contact and property information with the county auditor within 60 days of the property transfer. Auditors in these counties must include a statement to this effect when the property is transferred and with the real property tax bill.

## Sections of Ohio Revised Code

Sections 319.202, 319.54, 319.99, 322.01–322.07 and 322.99.

## Responsibility for Administration

County Auditor.

## History of Major Changes

- 1967** The General Assembly enacts a mandatory real property transfer fee of 1 mill and permits county commissioners to impose additional taxes of up to 3 mills on conveyances on or after Jan. 1, 1968. The revenue from both components of the tax are distributed to the county general fund.
- 1969** The General Assembly provides for the repeal of a permissive transfer tax adopted as an emergency by a vote of the electorate.
- 1999** Both the mandatory and permissive taxes are applied to the sale of used manufactured and mobile homes occurring on or after Jan. 1, 2000. Also, county commissioners are permitted to prescribe a lower permissive rate than generally levied in the county for conveyances of property receiving the homestead exemption.

**2007** Owners of residential rental property in counties with populations greater than 200,000 are required to register their contact and property information with the county auditor.

## Comparisons with Other States

(As of September, 2010)

All of the comparison states except **Indiana** and **Texas** levy a similar tax on real estate transfers. This table shows state real estate transfer taxes and the highest permitted local real estate transfer tax for each state. All rates are expressed in mills. Each mill represents \$1 per \$1,000 of value.

State	Minimum Tax (imposed statewide)	Maximum Local Option Tax Rate
California	---	1.1 mills
Florida	7 mills <sup>1</sup>	---
Illinois	1 mill	0.5 mill <sup>2</sup>
Indiana	None	---
Kentucky	1 mill	---
Massachusetts	4.56 mills <sup>3</sup>	---
Michigan	7.5 mills	1.1–1.5 mills
New Jersey	4–12.1 mills <sup>4</sup>	1 mill
New York	4 mills <sup>5 6</sup>	---
Ohio	<b>1 mill</b>	<b>3 mills</b>
Pennsylvania	10 mills	4 mills
Texas	---	---
West Virginia	2.2 mills	2.2 mills

<sup>1</sup> The Miami-Dade County rate is 6 mills.

<sup>2</sup> The Chicago rate is 10.5 mills.

<sup>3</sup> The Barnstable County rate is 6.12 mills.

<sup>4</sup> Rates of 0.5 – 3.4 mills apply to senior citizens, blind or disabled people and in certain other situations. Additional fees apply to transactions valued over \$1 million.

<sup>5</sup> An additional 1 percent (10 mill) tax applies to transfers of more than \$1 million.

<sup>6</sup> The maximum local rate in New York City is 26.25 mills.

## Resort Area Gross Receipts Tax

### Taxpayer

The tax is paid by persons making general sales or providing intrastate transportation within a designated resort area.

### Tax Base

The tax is a business privilege tax measured by gross receipts derived from sales made within the boundaries of a designated resort area as well as intrastate transportation to and from such an area. Gross receipts included in the tax base include those derived from:

- Wholesale and retail sales, including food consumed on the premises.
- Rentals and leases of watercraft, golf carts, bicycles, videos, and fishing tackle.
- Hotel and motel room rentals.
- Sales of repair and installation labor.
- Warranties, maintenance or service contracts.
- Sales of personal and professional services.

### Rates

The tax may be levied at rates of 0.5 percent, 1 percent, or 1.5 percent. Currently, only three jurisdictions impose the tax: the village of Kelley's Island, the village of Put-in-Bay, and the township of Put-in-Bay. Each jurisdiction has set a rate of 1.5 percent.

### Major Exemptions

Gross receipts from the following sources are exempt from the calculation of the tax:

- Food sold for off-premises consumption.
- Installation of improvements to residential or business real property and repair of those installed items.
- Attorney, legal or medical services.
- Charter fishing trips.
- Dockage fees.
- Campsite fees.
- Waste disposal fees.

### Revenue

(In Actual Dollars)

Fiscal Year	Total Taxes
2006	\$672,227
2007	773,161
2008	747,299
2009	801,280
2010	805,536
2011	826,990

### Disposition of Revenue

Receipts from this tax are designated for the general revenue of the township or municipality.

### Payment Dates

There are two semi-annual reporting periods for the tax:

- Returns due July 31 document the period from Jan. 1 through June 30.
- Returns due Jan. 31 document the period from July 1 through Dec. 31.

### Special Provisions

The resort area gross receipts tax is not a sales tax or a tax on transactions. It may not be separately listed on an invoice or receipt to customers and it may not be collected directly from customers.

### Sections of Ohio Revised Code

Sections 5739.101 – 5739.104.

### Responsibility for Administration

Tax Commissioner.