
Opinion of the Tax Commissioner

Date Issued: September 26, 1991

Opinion No: 91-0020

Tax: Sales/Use

XXXX
XXXX
XXXX

Subject: Advertising

This request for an opinion of the Tax Commissioner was received on 5 August 1991. Specifically, it concerns the application of the sales and use tax to the services provided by the above named entity.

XXXX has alleged the following factual circumstances:

- 1) That it owns an electronic display board located at approximately the intersection of Route XXXX and XXXX.
- 2) That it sells advertising time on the electronic display board to customers wishing to advertise through this media.

QUESTIONS FOR WHICH OPINIONS ARE REQUESTED

- (1) Are the services provided by XXXX a sale subject to the Ohio sales and use tax law?

ANSWER The transaction at issue is the provision of advertising services which does not include the transfer of any tangible personal property. Since no property is transferred, and since the service provided is not a service specifically defined as a "sale" in R.C. 5739.01(B)(3) then the transaction in question is not a "retail sale" as defined in R.C. 5739.01(E). Therefore, the sale of advertising time on the electronic display board is not subject to the Ohio sales or use tax.

This opinion applies to the taxpayer and its property only. It may not be transferred or assigned.

In addition, the tax consequences stated in this opinion may be subject to change for any of the reasons stated in R.C. 5703.53(C). It is the duty of the taxpayer to be aware of such changes. R.C. 5703.53(E).

Roger W. Tracy
Tax Commissioner