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Representative West

Cosponsors: Representatives Leland, Galonski, Smith, K., O'Brien, Sobecki, Crawley, Blair, Rogers, Clites, Crossman, Ingram, Lanese, Lightbody, Manning, G., Miller, J., Roemer

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A BILL

To amend sections 3701.13, 5709.09, and 5739.02 of
the Revised Code to require the Tax Commissioner
to administer a temporary amnesty program with
respect to delinquent state-administered taxes
and fees, to credit most collections to the
Budget Stabilization Fund, to authorize property
and sales and use tax exemptions, to amend the
law related to orders of the Department of
Health, to repeal Section 4 of this act on July
16, 2021, and to make an appropriation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3701.13, 5709.09, and 5739.02 of
the Revised Code be amended to read as follows:

Sec. 3701.13. (A) (1) The department of health shall have
supervision of all matters relating to the preservation of the

life and health of the people and have ultimate authority in 15
matters of quarantine and isolation, which it may declare and 16
enforce, when neither exists, and modify, relax, or abolish, 17
when either has been established. The department may approve 18
methods of immunization against the diseases specified in 19
section 3313.671 of the Revised Code for the purpose of carrying 20
out the provisions of that section and take such actions as are 21
necessary to encourage vaccination against those diseases. 22

(2) The director shall not issue any statewide order or 23
generally applicable order for preventing the spread of 24
contagious or infectious diseases under this section that 25
imposes different duties, obligations, requirements, or 26
standards upon similarly situated businesses. For the purposes 27
of this division, a business shall be considered a "similarly 28
situated business" with any business that generally offers or 29
sells the same products or services, or substantially the same 30
mix of products or services. 31

(B) The department may make special or standing orders or 32
rules for preventing the use of fluoroscopes for nonmedical 33
purposes that emit doses of radiation likely to be harmful to 34
any person, for preventing the spread of contagious or 35
infectious diseases, for governing the receipt and conveyance of 36
remains of deceased persons, and for such other sanitary matters 37
as are best controlled by a general rule. Whenever possible, the 38
department shall work in cooperation with the health 39
commissioner of a general or city health district. The 40
department may make and enforce orders in local matters or 41
reassign substantive authority for mandatory programs from a 42
general or city health district to another general or city 43
health district when an emergency exists, or when the board of 44
health of a general or city health district has neglected or 45

refused to act with sufficient promptness or efficiency, or when 46
such board has not been established as provided by sections 47
3709.02, 3709.03, 3709.05, 3709.06, 3709.11, 3709.12, and 48
3709.14 of the Revised Code. In such cases, the necessary 49
expense incurred shall be paid by the general health district or 50
city for which the services are rendered. 51

(C) The department of health may require general or city 52
health districts to enter into agreements for shared services 53
under section 9.482 of the Revised Code. The department shall 54
prepare and offer to boards of health a model contract and 55
memorandum of understanding that are easily adaptable for use by 56
boards of health when entering into shared services agreements. 57
The department also may offer financial and other technical 58
assistance to boards of health to encourage the sharing of 59
services. 60

(D) As a condition precedent to receiving funding from the 61
department of health, the director of health may require general 62
or city health districts to apply for accreditation by July 1, 63
2018, and be accredited by July 1, 2020, by an accreditation 64
body approved by the director. The director of health, by July 65
1, 2016, shall conduct an evaluation of general and city health 66
district preparation for accreditation, including an evaluation 67
of each district's reported public health quality indicators as 68
provided for in section 3701.98 of the Revised Code. 69

(E) The department may make evaluative studies of the 70
nutritional status of Ohio residents, and of the food and 71
nutrition-related programs operating within the state. Every 72
agency of the state, at the request of the department, shall 73
provide information and otherwise assist in the execution of 74
such studies. 75

Sec. 5709.09. (A) Real property or any estate, interest, 76
or right therein dedicated in accordance with section 1517.05 of 77
the Revised Code is exempt from taxation. 78

(B) Real property is exempt from taxation if both of the 79
following apply: 80

(1) The property is owned or held by an organization that 81
is organized for the purpose of natural resources protection, 82
preservation, restoration, or enhancement or water quality 83
improvement and that is described under section 501(c)(3) of the 84
Internal Revenue Code and exempt from taxation under section 85
501(a) of the Internal Revenue Code. 86

(2) The property is subject to an environmental response 87
project described in division (E)(2) of section 5301.80 of the 88
Revised Code. 89

Sec. 5739.02. For the purpose of providing revenue with 90
which to meet the needs of the state, for the use of the general 91
revenue fund of the state, for the purpose of securing a 92
thorough and efficient system of common schools throughout the 93
state, for the purpose of affording revenues, in addition to 94
those from general property taxes, permitted under 95
constitutional limitations, and from other sources, for the 96
support of local governmental functions, and for the purpose of 97
reimbursing the state for the expense of administering this 98
chapter, an excise tax is hereby levied on each retail sale made 99
in this state. 100

(A) (1) The tax shall be collected as provided in section 101
5739.025 of the Revised Code. The rate of the tax shall be five 102
and three-fourths per cent. The tax applies and is collectible 103
when the sale is made, regardless of the time when the price is 104

paid or delivered. 105

(2) In the case of the lease or rental, with a fixed term 106
of more than thirty days or an indefinite term with a minimum 107
period of more than thirty days, of any motor vehicles designed 108
by the manufacturer to carry a load of not more than one ton, 109
watercraft, outboard motor, or aircraft, or of any tangible 110
personal property, other than motor vehicles designed by the 111
manufacturer to carry a load of more than one ton, to be used by 112
the lessee or renter primarily for business purposes, the tax 113
shall be collected by the vendor at the time the lease or rental 114
is consummated and shall be calculated by the vendor on the 115
basis of the total amount to be paid by the lessee or renter 116
under the lease agreement. If the total amount of the 117
consideration for the lease or rental includes amounts that are 118
not calculated at the time the lease or rental is executed, the 119
tax shall be calculated and collected by the vendor at the time 120
such amounts are billed to the lessee or renter. In the case of 121
an open-end lease or rental, the tax shall be calculated by the 122
vendor on the basis of the total amount to be paid during the 123
initial fixed term of the lease or rental, and for each 124
subsequent renewal period as it comes due. As used in this 125
division, "motor vehicle" has the same meaning as in section 126
4501.01 of the Revised Code, and "watercraft" includes an 127
outdrive unit attached to the watercraft. 128

A lease with a renewal clause and a termination penalty or 129
similar provision that applies if the renewal clause is not 130
exercised is presumed to be a sham transaction. In such a case, 131
the tax shall be calculated and paid on the basis of the entire 132
length of the lease period, including any renewal periods, until 133
the termination penalty or similar provision no longer applies. 134
The taxpayer shall bear the burden, by a preponderance of the 135

evidence, that the transaction or series of transactions is not	136
a sham transaction.	137
(3) Except as provided in division (A) (2) of this section,	138
in the case of a sale, the price of which consists in whole or	139
in part of the lease or rental of tangible personal property,	140
the tax shall be measured by the installments of that lease or	141
rental.	142
(4) In the case of a sale of a physical fitness facility	143
service or recreation and sports club service, the price of	144
which consists in whole or in part of a membership for the	145
receipt of the benefit of the service, the tax applicable to the	146
sale shall be measured by the installments thereof.	147
(B) The tax does not apply to the following:	148
(1) Sales to the state or any of its political	149
subdivisions, or to any other state or its political	150
subdivisions if the laws of that state exempt from taxation	151
sales made to this state and its political subdivisions;	152
(2) Sales of food for human consumption off the premises	153
where sold;	154
(3) Sales of food sold to students only in a cafeteria,	155
dormitory, fraternity, or sorority maintained in a private,	156
public, or parochial school, college, or university;	157
(4) Sales of newspapers and sales or transfers of	158
magazines distributed as controlled circulation publications;	159
(5) The furnishing, preparing, or serving of meals without	160
charge by an employer to an employee provided the employer	161
records the meals as part compensation for services performed or	162
work done;	163

(6) (a) Sales of motor fuel upon receipt, use,	164
distribution, or sale of which in this state a tax is imposed by	165
the law of this state, but this exemption shall not apply to the	166
sale of motor fuel on which a refund of the tax is allowable	167
under division (A) of section 5735.14 of the Revised Code; and	168
the tax commissioner may deduct the amount of tax levied by this	169
section applicable to the price of motor fuel when granting a	170
refund of motor fuel tax pursuant to division (A) of section	171
5735.14 of the Revised Code and shall cause the amount deducted	172
to be paid into the general revenue fund of this state;	173
(b) Sales of motor fuel other than that described in	174
division (B) (6) (a) of this section and used for powering a	175
refrigeration unit on a vehicle other than one used primarily to	176
provide comfort to the operator or occupants of the vehicle.	177
(7) Sales of natural gas by a natural gas company or	178
municipal gas utility, of water by a water-works company, or of	179
steam by a heating company, if in each case the thing sold is	180
delivered to consumers through pipes or conduits, and all sales	181
of communications services by a telegraph company, all terms as	182
defined in section 5727.01 of the Revised Code, and sales of	183
electricity delivered through wires;	184
(8) Casual sales by a person, or auctioneer employed	185
directly by the person to conduct such sales, except as to such	186
sales of motor vehicles, watercraft or outboard motors required	187
to be titled under section 1548.06 of the Revised Code,	188
watercraft documented with the United States coast guard,	189
snowmobiles, and all-purpose vehicles as defined in section	190
4519.01 of the Revised Code;	191
(9) (a) Sales of services or tangible personal property,	192
other than motor vehicles, mobile homes, and manufactured homes,	193

by churches, organizations exempt from taxation under section 194
501(c) (3) of the Internal Revenue Code of 1986, or nonprofit 195
organizations operated exclusively for charitable purposes as 196
defined in division (B) (12) of this section, provided that the 197
number of days on which such tangible personal property or 198
services, other than items never subject to the tax, are sold 199
does not exceed six in any calendar year, except as otherwise 200
provided in division (B) (9) (b) of this section. If the number of 201
days on which such sales are made exceeds six in any calendar 202
year, the church or organization shall be considered to be 203
engaged in business and all subsequent sales by it shall be 204
subject to the tax. In counting the number of days, all sales by 205
groups within a church or within an organization shall be 206
considered to be sales of that church or organization. 207

(b) The limitation on the number of days on which tax- 208
exempt sales may be made by a church or organization under 209
division (B) (9) (a) of this section does not apply to sales made 210
by student clubs and other groups of students of a primary or 211
secondary school, or a parent-teacher association, booster 212
group, or similar organization that raises money to support or 213
fund curricular or extracurricular activities of a primary or 214
secondary school. 215

(c) Divisions (B) (9) (a) and (b) of this section do not 216
apply to sales by a noncommercial educational radio or 217
television broadcasting station. 218

(10) Sales not within the taxing power of this state under 219
the Constitution or laws of the United States or the 220
Constitution of this state; 221

(11) Except for transactions that are sales under division 222
(B) (3) (r) of section 5739.01 of the Revised Code, the 223

transportation of persons or property, unless the transportation	224
is by a private investigation and security service;	225
(12) Sales of tangible personal property or services to	226
churches, to organizations exempt from taxation under section	227
501(c)(3) of the Internal Revenue Code of 1986, and to any other	228
nonprofit organizations operated exclusively for charitable	229
purposes in this state, no part of the net income of which	230
inures to the benefit of any private shareholder or individual,	231
and no substantial part of the activities of which consists of	232
carrying on propaganda or otherwise attempting to influence	233
legislation; sales to offices administering one or more homes	234
for the aged or one or more hospital facilities exempt under	235
section 140.08 of the Revised Code; and sales to organizations	236
described in division (D) of section 5709.12 of the Revised	237
Code.	238
"Charitable purposes" means the relief of poverty; the	239
improvement of health through the alleviation of illness,	240
disease, or injury; the operation of an organization exclusively	241
for the provision of professional, laundry, printing, and	242
purchasing services to hospitals or charitable institutions; the	243
operation of a home for the aged, as defined in section 5701.13	244
of the Revised Code; the operation of a radio or television	245
broadcasting station that is licensed by the federal	246
communications commission as a noncommercial educational radio	247
or television station; the operation of a nonprofit animal	248
adoption service or a county humane society; the promotion of	249
education by an institution of learning that maintains a faculty	250
of qualified instructors, teaches regular continuous courses of	251
study, and confers a recognized diploma upon completion of a	252
specific curriculum; the operation of a parent-teacher	253
association, booster group, or similar organization primarily	254

engaged in the promotion and support of the curricular or 255
extracurricular activities of a primary or secondary school; the 256
operation of a community or area center in which presentations 257
in music, dramatics, the arts, and related fields are made in 258
order to foster public interest and education therein; the 259
production of performances in music, dramatics, and the arts; or 260
the promotion of education by an organization engaged in 261
carrying on research in, or the dissemination of, scientific and 262
technological knowledge and information primarily for the 263
public. 264

Nothing in this division shall be deemed to exempt sales 265
to any organization for use in the operation or carrying on of a 266
trade or business, or sales to a home for the aged for use in 267
the operation of independent living facilities as defined in 268
division (A) of section 5709.12 of the Revised Code. 269

(13) Building and construction materials and services sold 270
to construction contractors for incorporation into a structure 271
or improvement to real property under a construction contract 272
with this state or a political subdivision of this state, or 273
with the United States government or any of its agencies; 274
building and construction materials and services sold to 275
construction contractors for incorporation into a structure or 276
improvement to real property that are accepted for ownership by 277
this state or any of its political subdivisions, or by the 278
United States government or any of its agencies at the time of 279
completion of the structures or improvements; building and 280
construction materials sold to construction contractors for 281
incorporation into a horticulture structure or livestock 282
structure for a person engaged in the business of horticulture 283
or producing livestock; building materials and services sold to 284
a construction contractor for incorporation into a house of 285

public worship or religious education, or a building used 286
exclusively for charitable purposes under a construction 287
contract with an organization whose purpose is as described in 288
division (B) (12) of this section; building materials and 289
services sold to a construction contractor for incorporation 290
into a building under a construction contract with an 291
organization exempt from taxation under section 501(c) (3) of the 292
Internal Revenue Code of 1986 when the building is to be used 293
exclusively for the organization's exempt purposes; building and 294
construction materials sold for incorporation into the original 295
construction of a sports facility under section 307.696 of the 296
Revised Code; building and construction materials and services 297
sold to a construction contractor for incorporation into real 298
property outside this state if such materials and services, when 299
sold to a construction contractor in the state in which the real 300
property is located for incorporation into real property in that 301
state, would be exempt from a tax on sales levied by that state; 302
building and construction materials for incorporation into a 303
transportation facility pursuant to a public-private agreement 304
entered into under sections 5501.70 to 5501.83 of the Revised 305
Code; and, until one calendar year after the construction of a 306
convention center that qualifies for property tax exemption 307
under section 5709.084 of the Revised Code is completed, 308
building and construction materials and services sold to a 309
construction contractor for incorporation into the real property 310
comprising that convention center; 311

(14) Sales of ships or vessels or rail rolling stock used 312
or to be used principally in interstate or foreign commerce, and 313
repairs, alterations, fuel, and lubricants for such ships or 314
vessels or rail rolling stock; 315

(15) Sales to persons primarily engaged in any of the 316

activities mentioned in division (B)(42)(a), (g), or (h) of this 317
section, to persons engaged in making retail sales, or to 318
persons who purchase for sale from a manufacturer tangible 319
personal property that was produced by the manufacturer in 320
accordance with specific designs provided by the purchaser, of 321
packages, including material, labels, and parts for packages, 322
and of machinery, equipment, and material for use primarily in 323
packaging tangible personal property produced for sale, 324
including any machinery, equipment, and supplies used to make 325
labels or packages, to prepare packages or products for 326
labeling, or to label packages or products, by or on the order 327
of the person doing the packaging, or sold at retail. "Packages" 328
includes bags, baskets, cartons, crates, boxes, cans, bottles, 329
bindings, wrappings, and other similar devices and containers, 330
but does not include motor vehicles or bulk tanks, trailers, or 331
similar devices attached to motor vehicles. "Packaging" means 332
placing in a package. Division (B)(15) of this section does not 333
apply to persons engaged in highway transportation for hire. 334

(16) Sales of food to persons using supplemental nutrition 335
assistance program benefits to purchase the food. As used in 336
this division, "food" has the same meaning as in 7 U.S.C. 2012 337
and federal regulations adopted pursuant to the Food and 338
Nutrition Act of 2008. 339

(17) Sales to persons engaged in farming, agriculture, 340
horticulture, or floriculture, of tangible personal property for 341
use or consumption primarily in the production by farming, 342
agriculture, horticulture, or floriculture of other tangible 343
personal property for use or consumption primarily in the 344
production of tangible personal property for sale by farming, 345
agriculture, horticulture, or floriculture; or material and 346
parts for incorporation into any such tangible personal property 347

for use or consumption in production; and of tangible personal 348
property for such use or consumption in the conditioning or 349
holding of products produced by and for such use, consumption, 350
or sale by persons engaged in farming, agriculture, 351
horticulture, or floriculture, except where such property is 352
incorporated into real property; 353

(18) Sales of drugs for a human being that may be 354
dispensed only pursuant to a prescription; insulin as recognized 355
in the official United States pharmacopoeia; urine and blood 356
testing materials when used by diabetics or persons with 357
hypoglycemia to test for glucose or acetone; hypodermic syringes 358
and needles when used by diabetics for insulin injections; 359
epoetin alfa when purchased for use in the treatment of persons 360
with medical disease; hospital beds when purchased by hospitals, 361
nursing homes, or other medical facilities; and medical oxygen 362
and medical oxygen-dispensing equipment when purchased by 363
hospitals, nursing homes, or other medical facilities; 364

(19) Sales of prosthetic devices, durable medical 365
equipment for home use, or mobility enhancing equipment, when 366
made pursuant to a prescription and when such devices or 367
equipment are for use by a human being. 368

(20) Sales of emergency and fire protection vehicles and 369
equipment to nonprofit organizations for use solely in providing 370
fire protection and emergency services, including trauma care 371
and emergency medical services, for political subdivisions of 372
the state; 373

(21) Sales of tangible personal property manufactured in 374
this state, if sold by the manufacturer in this state to a 375
retailer for use in the retail business of the retailer outside 376
of this state and if possession is taken from the manufacturer 377

by the purchaser within this state for the sole purpose of 378
immediately removing the same from this state in a vehicle owned 379
by the purchaser; 380

(22) Sales of services provided by the state or any of its 381
political subdivisions, agencies, instrumentalities, 382
institutions, or authorities, or by governmental entities of the 383
state or any of its political subdivisions, agencies, 384
instrumentalities, institutions, or authorities; 385

(23) Sales of motor vehicles to nonresidents of this state 386
under the circumstances described in division (B) of section 387
5739.029 of the Revised Code; 388

(24) Sales to persons engaged in the preparation of eggs 389
for sale of tangible personal property used or consumed directly 390
in such preparation, including such tangible personal property 391
used for cleaning, sanitizing, preserving, grading, sorting, and 392
classifying by size; packages, including material and parts for 393
packages, and machinery, equipment, and material for use in 394
packaging eggs for sale; and handling and transportation 395
equipment and parts therefor, except motor vehicles licensed to 396
operate on public highways, used in intraplant or interplant 397
transfers or shipment of eggs in the process of preparation for 398
sale, when the plant or plants within or between which such 399
transfers or shipments occur are operated by the same person. 400
"Packages" includes containers, cases, baskets, flats, fillers, 401
filler flats, cartons, closure materials, labels, and labeling 402
materials, and "packaging" means placing therein. 403

(25) (a) Sales of water to a consumer for residential use; 404

(b) Sales of water by a nonprofit corporation engaged 405
exclusively in the treatment, distribution, and sale of water to 406

consumers, if such water is delivered to consumers through pipes	407
or tubing.	408
(26) Fees charged for inspection or reinspection of motor	409
vehicles under section 3704.14 of the Revised Code;	410
(27) Sales to persons licensed to conduct a food service	411
operation pursuant to section 3717.43 of the Revised Code, of	412
tangible personal property primarily used directly for the	413
following:	414
(a) To prepare food for human consumption for sale;	415
(b) To preserve food that has been or will be prepared for	416
human consumption for sale by the food service operator, not	417
including tangible personal property used to display food for	418
selection by the consumer;	419
(c) To clean tangible personal property used to prepare or	420
serve food for human consumption for sale.	421
(28) Sales of animals by nonprofit animal adoption	422
services or county humane societies;	423
(29) Sales of services to a corporation described in	424
division (A) of section 5709.72 of the Revised Code, and sales	425
of tangible personal property that qualifies for exemption from	426
taxation under section 5709.72 of the Revised Code;	427
(30) Sales and installation of agricultural land tile, as	428
defined in division (B) (5) (a) of section 5739.01 of the Revised	429
Code;	430
(31) Sales and erection or installation of portable grain	431
bins, as defined in division (B) (5) (b) of section 5739.01 of the	432
Revised Code;	433

(32) The sale, lease, repair, and maintenance of, parts 434
for, or items attached to or incorporated in, motor vehicles 435
that are primarily used for transporting tangible personal 436
property belonging to others by a person engaged in highway 437
transportation for hire, except for packages and packaging used 438
for the transportation of tangible personal property; 439

(33) Sales to the state headquarters of any veterans' 440
organization in this state that is either incorporated and 441
issued a charter by the congress of the United States or is 442
recognized by the United States veterans administration, for use 443
by the headquarters; 444

(34) Sales to a telecommunications service vendor, mobile 445
telecommunications service vendor, or satellite broadcasting 446
service vendor of tangible personal property and services used 447
directly and primarily in transmitting, receiving, switching, or 448
recording any interactive, one- or two-way electromagnetic 449
communications, including voice, image, data, and information, 450
through the use of any medium, including, but not limited to, 451
poles, wires, cables, switching equipment, computers, and record 452
storage devices and media, and component parts for the tangible 453
personal property. The exemption provided in this division shall 454
be in lieu of all other exemptions under division (B) (42) (a) or 455
(n) of this section to which the vendor may otherwise be 456
entitled, based upon the use of the thing purchased in providing 457
the telecommunications, mobile telecommunications, or satellite 458
broadcasting service. 459

(35) (a) Sales where the purpose of the consumer is to use 460
or consume the things transferred in making retail sales and 461
consisting of newspaper inserts, catalogues, coupons, flyers, 462
gift certificates, or other advertising material that prices and 463

describes tangible personal property offered for retail sale.	464
(b) Sales to direct marketing vendors of preliminary materials such as photographs, artwork, and typesetting that will be used in printing advertising material; and of printed matter that offers free merchandise or chances to win sweepstake prizes and that is mailed to potential customers with advertising material described in division (B) (35) (a) of this section;	465 466 467 468 469 470 471
(c) Sales of equipment such as telephones, computers, facsimile machines, and similar tangible personal property primarily used to accept orders for direct marketing retail sales.	472 473 474 475
(d) Sales of automatic food vending machines that preserve food with a shelf life of forty-five days or less by refrigeration and dispense it to the consumer.	476 477 478
For purposes of division (B) (35) of this section, "direct marketing" means the method of selling where consumers order tangible personal property by United States mail, delivery service, or telecommunication and the vendor delivers or ships the tangible personal property sold to the consumer from a warehouse, catalogue distribution center, or similar fulfillment facility by means of the United States mail, delivery service, or common carrier.	479 480 481 482 483 484 485 486
(36) Sales to a person engaged in the business of horticulture or producing livestock of materials to be incorporated into a horticulture structure or livestock structure;	487 488 489 490
(37) Sales of personal computers, computer monitors, computer keyboards, modems, and other peripheral computer	491 492

equipment to an individual who is licensed or certified to teach 493
in an elementary or a secondary school in this state for use by 494
that individual in preparation for teaching elementary or 495
secondary school students; 496

(38) Sales of tangible personal property that is not 497
required to be registered or licensed under the laws of this 498
state to a citizen of a foreign nation that is not a citizen of 499
the United States, provided the property is delivered to a 500
person in this state that is not a related member of the 501
purchaser, is physically present in this state for the sole 502
purpose of temporary storage and package consolidation, and is 503
subsequently delivered to the purchaser at a delivery address in 504
a foreign nation. As used in division (B)(38) of this section, 505
"related member" has the same meaning as in section 5733.042 of 506
the Revised Code, and "temporary storage" means the storage of 507
tangible personal property for a period of not more than sixty 508
days. 509

(39) Sales of used manufactured homes and used mobile 510
homes, as defined in section 5739.0210 of the Revised Code, made 511
on or after January 1, 2000; 512

(40) Sales of tangible personal property and services to a 513
provider of electricity used or consumed directly and primarily 514
in generating, transmitting, or distributing electricity for use 515
by others, including property that is or is to be incorporated 516
into and will become a part of the consumer's production, 517
transmission, or distribution system and that retains its 518
classification as tangible personal property after 519
incorporation; fuel or power used in the production, 520
transmission, or distribution of electricity; energy conversion 521
equipment as defined in section 5727.01 of the Revised Code; and 522

tangible personal property and services used in the repair and 523
maintenance of the production, transmission, or distribution 524
system, including only those motor vehicles as are specially 525
designed and equipped for such use. The exemption provided in 526
this division shall be in lieu of all other exemptions in 527
division (B) (42) (a) or (n) of this section to which a provider 528
of electricity may otherwise be entitled based on the use of the 529
tangible personal property or service purchased in generating, 530
transmitting, or distributing electricity. 531

(41) Sales to a person providing services under division 532
(B) (3) (r) of section 5739.01 of the Revised Code of tangible 533
personal property and services used directly and primarily in 534
providing taxable services under that section. 535

(42) Sales where the purpose of the purchaser is to do any 536
of the following: 537

(a) To incorporate the thing transferred as a material or 538
a part into tangible personal property to be produced for sale 539
by manufacturing, assembling, processing, or refining; or to use 540
or consume the thing transferred directly in producing tangible 541
personal property for sale by mining, including, without 542
limitation, the extraction from the earth of all substances that 543
are classed geologically as minerals, or directly in the 544
rendition of a public utility service, except that the sales tax 545
levied by this section shall be collected upon all meals, 546
drinks, and food for human consumption sold when transporting 547
persons. This paragraph does not exempt from "retail sale" or 548
"sales at retail" the sale of tangible personal property that is 549
to be incorporated into a structure or improvement to real 550
property. 551

(b) To hold the thing transferred as security for the 552

performance of an obligation of the vendor;	553
(c) To resell, hold, use, or consume the thing transferred	554
as evidence of a contract of insurance;	555
(d) To use or consume the thing directly in commercial	556
fishing;	557
(e) To incorporate the thing transferred as a material or	558
a part into, or to use or consume the thing transferred directly	559
in the production of, magazines distributed as controlled	560
circulation publications;	561
(f) To use or consume the thing transferred in the	562
production and preparation in suitable condition for market and	563
sale of printed, imprinted, overprinted, lithographic,	564
multilithic, blueprinted, photostatic, or other productions or	565
reproductions of written or graphic matter;	566
(g) To use the thing transferred, as described in section	567
5739.011 of the Revised Code, primarily in a manufacturing	568
operation to produce tangible personal property for sale;	569
(h) To use the benefit of a warranty, maintenance or	570
service contract, or similar agreement, as described in division	571
(B) (7) of section 5739.01 of the Revised Code, to repair or	572
maintain tangible personal property, if all of the property that	573
is the subject of the warranty, contract, or agreement would not	574
be subject to the tax imposed by this section;	575
(i) To use the thing transferred as qualified research and	576
development equipment;	577
(j) To use or consume the thing transferred primarily in	578
storing, transporting, mailing, or otherwise handling purchased	579
sales inventory in a warehouse, distribution center, or similar	580

facility when the inventory is primarily distributed outside 581
this state to retail stores of the person who owns or controls 582
the warehouse, distribution center, or similar facility, to 583
retail stores of an affiliated group of which that person is a 584
member, or by means of direct marketing. This division does not 585
apply to motor vehicles registered for operation on the public 586
highways. As used in this division, "affiliated group" has the 587
same meaning as in division (B) (3) (e) of section 5739.01 of the 588
Revised Code and "direct marketing" has the same meaning as in 589
division (B) (35) of this section. 590

(k) To use or consume the thing transferred to fulfill a 591
contractual obligation incurred by a warrantor pursuant to a 592
warranty provided as a part of the price of the tangible 593
personal property sold or by a vendor of a warranty, maintenance 594
or service contract, or similar agreement the provision of which 595
is defined as a sale under division (B) (7) of section 5739.01 of 596
the Revised Code; 597

(l) To use or consume the thing transferred in the 598
production of a newspaper for distribution to the public; 599

(m) To use tangible personal property to perform a service 600
listed in division (B) (3) of section 5739.01 of the Revised 601
Code, if the property is or is to be permanently transferred to 602
the consumer of the service as an integral part of the 603
performance of the service; 604

(n) To use or consume the thing transferred primarily in 605
producing tangible personal property for sale by farming, 606
agriculture, horticulture, or floriculture. Persons engaged in 607
rendering farming, agriculture, horticulture, or floriculture 608
services for others are deemed engaged primarily in farming, 609
agriculture, horticulture, or floriculture. This paragraph does 610

not exempt from "retail sale" or "sales at retail" the sale of 611
tangible personal property that is to be incorporated into a 612
structure or improvement to real property. 613

(o) To use or consume the thing transferred in acquiring, 614
formatting, editing, storing, and disseminating data or 615
information by electronic publishing; 616

(p) To provide the thing transferred to the owner or 617
lessee of a motor vehicle that is being repaired or serviced, if 618
the thing transferred is a rented motor vehicle and the 619
purchaser is reimbursed for the cost of the rented motor vehicle 620
by a manufacturer, warrantor, or provider of a maintenance, 621
service, or other similar contract or agreement, with respect to 622
the motor vehicle that is being repaired or serviced; 623

(q) To use or consume the thing transferred directly in 624
production of crude oil and natural gas for sale. Persons 625
engaged in rendering production services for others are deemed 626
engaged in production. 627

As used in division (B) (42) (q) of this section, 628
"production" means operations and tangible personal property 629
directly used to expose and evaluate an underground reservoir 630
that may contain hydrocarbon resources, prepare the wellbore for 631
production, and lift and control all substances yielded by the 632
reservoir to the surface of the earth. 633

(i) For the purposes of division (B) (42) (q) of this 634
section, the "thing transferred" includes, but is not limited 635
to, any of the following: 636

(I) Services provided in the construction of permanent 637
access roads, services provided in the construction of the well 638
site, and services provided in the construction of temporary 639

impoundments;	640
(II) Equipment and rigging used for the specific purpose of creating with integrity a wellbore pathway to underground reservoirs;	641 642 643
(III) Drilling and workover services used to work within a subsurface wellbore, and tangible personal property directly used in providing such services;	644 645 646
(IV) Casing, tubulars, and float and centralizing equipment;	647 648
(V) Trailers to which production equipment is attached;	649
(VI) Well completion services, including cementing of casing, and tangible personal property directly used in providing such services;	650 651 652
(VII) Wireline evaluation, mud logging, and perforation services, and tangible personal property directly used in providing such services;	653 654 655
(VIII) Reservoir stimulation, hydraulic fracturing, and acidizing services, and tangible personal property directly used in providing such services, including all material pumped downhole;	656 657 658 659
(IX) Pressure pumping equipment;	660
(X) Artificial lift systems equipment;	661
(XI) Wellhead equipment and well site equipment used to separate, stabilize, and control hydrocarbon phases and produced water;	662 663 664
(XII) Tangible personal property directly used to control production equipment.	665 666

(ii) For the purposes of division (B)(42)(q) of this section, the "thing transferred" does not include any of the following:

(I) Tangible personal property used primarily in the exploration and production of any mineral resource regulated under Chapter 1509. of the Revised Code other than oil or gas;

(II) Tangible personal property used primarily in storing, holding, or delivering solutions or chemicals used in well stimulation as defined in section 1509.01 of the Revised Code;

(III) Tangible personal property used primarily in preparing, installing, or reclaiming foundations for drilling or pumping equipment or well stimulation material tanks;

(IV) Tangible personal property used primarily in transporting, delivering, or removing equipment to or from the well site or storing such equipment before its use at the well site;

(V) Tangible personal property used primarily in gathering operations occurring off the well site, including gathering pipelines transporting hydrocarbon gas or liquids away from a crude oil or natural gas production facility;

(VI) Tangible personal property that is to be incorporated into a structure or improvement to real property;

(VII) Well site fencing, lighting, or security systems;

(VIII) Communication devices or services;

(IX) Office supplies;

(X) Trailers used as offices or lodging;

(XI) Motor vehicles of any kind;

(XII) Tangible personal property used primarily for the storage of drilling byproducts and fuel not used for production;	694 695
(XIII) Tangible personal property used primarily as a safety device;	696 697
(XIV) Data collection or monitoring devices;	698
(XV) Access ladders, stairs, or platforms attached to storage tanks.	699 700
The enumeration of tangible personal property in division (B) (42) (q) (ii) of this section is not intended to be exhaustive, and any tangible personal property not so enumerated shall not necessarily be construed to be a "thing transferred" for the purposes of division (B) (42) (q) of this section.	701 702 703 704 705
The commissioner shall adopt and promulgate rules under sections 119.01 to 119.13 of the Revised Code that the commissioner deems necessary to administer division (B) (42) (q) of this section.	706 707 708 709
As used in division (B) (42) of this section, "thing" includes all transactions included in divisions (B) (3) (a), (b), and (e) of section 5739.01 of the Revised Code.	710 711 712
(43) Sales conducted through a coin operated device that activates vacuum equipment or equipment that dispenses water, whether or not in combination with soap or other cleaning agents or wax, to the consumer for the consumer's use on the premises in washing, cleaning, or waxing a motor vehicle, provided no other personal property or personal service is provided as part of the transaction.	713 714 715 716 717 718 719
(44) Sales of replacement and modification parts for engines, airframes, instruments, and interiors in, and paint	720 721

for, aircraft used primarily in a fractional aircraft ownership program, and sales of services for the repair, modification, and maintenance of such aircraft, and machinery, equipment, and supplies primarily used to provide those services.

(45) Sales of telecommunications service that is used directly and primarily to perform the functions of a call center. As used in this division, "call center" means any physical location where telephone calls are placed or received in high volume for the purpose of making sales, marketing, customer service, technical support, or other specialized business activity, and that employs at least fifty individuals that engage in call center activities on a full-time basis, or sufficient individuals to fill fifty full-time equivalent positions.

(46) Sales by a telecommunications service vendor of 900 service to a subscriber. This division does not apply to information services.

(47) Sales of value-added non-voice data service. This division does not apply to any similar service that is not otherwise a telecommunications service.

(48) Sales of feminine hygiene products.

(49) Sales of materials, parts, equipment, or engines used in the repair or maintenance of aircraft or avionics systems of such aircraft, and sales of repair, remodeling, replacement, or maintenance services in this state performed on aircraft or on an aircraft's avionics, engine, or component materials or parts. As used in division (B)(49) of this section, "aircraft" means aircraft of more than six thousand pounds maximum certified takeoff weight or used exclusively in general aviation.

(50) Sales of full flight simulators that are used for 751
pilot or flight-crew training, sales of repair or replacement 752
parts or components, and sales of repair or maintenance services 753
for such full flight simulators. "Full flight simulator" means a 754
replica of a specific type, or make, model, and series of 755
aircraft cockpit. It includes the assemblage of equipment and 756
computer programs necessary to represent aircraft operations in 757
ground and flight conditions, a visual system providing an out- 758
of-the-cockpit view, and a system that provides cues at least 759
equivalent to those of a three-degree-of-freedom motion system, 760
and has the full range of capabilities of the systems installed 761
in the device as described in appendices A and B of part 60 of 762
chapter 1 of title 14 of the Code of Federal Regulations. 763

(51) Any transfer or lease of tangible personal property 764
between the state and JobsOhio in accordance with section 765
4313.02 of the Revised Code. 766

(52) (a) Sales to a qualifying corporation. 767

(b) As used in division (B) (52) of this section: 768

(i) "Qualifying corporation" means a nonprofit corporation 769
organized in this state that leases from an eligible county 770
land, buildings, structures, fixtures, and improvements to the 771
land that are part of or used in a public recreational facility 772
used by a major league professional athletic team or a class A 773
to class AAA minor league affiliate of a major league 774
professional athletic team for a significant portion of the 775
team's home schedule, provided the following apply: 776

(I) The facility is leased from the eligible county 777
pursuant to a lease that requires substantially all of the 778
revenue from the operation of the business or activity conducted 779

by the nonprofit corporation at the facility in excess of 780
operating costs, capital expenditures, and reserves to be paid 781
to the eligible county at least once per calendar year. 782

(II) Upon dissolution and liquidation of the nonprofit 783
corporation, all of its net assets are distributable to the 784
board of commissioners of the eligible county from which the 785
corporation leases the facility. 786

(ii) "Eligible county" has the same meaning as in section 787
307.695 of the Revised Code. 788

(53) Sales to or by a cable service provider, video 789
service provider, or radio or television broadcast station 790
regulated by the federal government of cable service or 791
programming, video service or programming, audio service or 792
programming, or electronically transferred digital audiovisual 793
or audio work. As used in division (B) (53) of this section, 794
"cable service" and "cable service provider" have the same 795
meanings as in section 1332.01 of the Revised Code, and "video 796
service," "video service provider," and "video programming" have 797
the same meanings as in section 1332.21 of the Revised Code. 798

(54) Sales of a digital audio work electronically 799
transferred for delivery through use of a machine, such as a 800
juke box, that does all of the following: 801

(a) Accepts direct payments to operate; 802

(b) Automatically plays a selected digital audio work for 803
a single play upon receipt of a payment described in division 804
(B) (54) (a) of this section; 805

(c) Operates exclusively for the purpose of playing 806
digital audio works in a commercial establishment. 807

(55) (a) Sales of the following occurring on the first	808
Friday of August and the following Saturday and Sunday of each	809
year, beginning in 2018:	810
(i) An item of clothing, the price of which is seventy-	811
five dollars or less;	812
(ii) An item of school supplies, the price of which is	813
twenty dollars or less;	814
(iii) An item of school instructional material, the price	815
of which is twenty dollars or less.	816
(b) As used in division (B) (55) of this section:	817
(i) "Clothing" means all human wearing apparel suitable	818
for general use. "Clothing" includes, but is not limited to,	819
aprons, household and shop; athletic supporters; baby receiving	820
blankets; bathing suits and caps; beach capes and coats; belts	821
and suspenders; boots; coats and jackets; costumes; diapers,	822
children and adult, including disposable diapers; earmuffs;	823
footlets; formal wear; garters and garter belts; girdles; gloves	824
and mittens for general use; hats and caps; hosiery; insoles for	825
shoes; lab coats; neckties; overshoes; pantyhose; rainwear;	826
rubber pants; sandals; scarves; shoes and shoe laces; slippers;	827
sneakers; socks and stockings; steel-toed shoes; underwear;	828
uniforms, athletic and nonathletic; and wedding apparel.	829
"Clothing" does not include items purchased for use in a trade	830
or business; clothing accessories or equipment; protective	831
equipment; sports or recreational equipment; belt buckles sold	832
separately; costume masks sold separately; patches and emblems	833
sold separately; sewing equipment and supplies including, but	834
not limited to, knitting needles, patterns, pins, scissors,	835
sewing machines, sewing needles, tape measures, and thimbles;	836

and sewing materials that become part of "clothing" including, 837
but not limited to, buttons, fabric, lace, thread, yarn, and 838
zippers. 839

(ii) "School supplies" means items commonly used by a 840
student in a course of study. "School supplies" includes only 841
the following items: binders; book bags; calculators; cellophane 842
tape; blackboard chalk; compasses; composition books; crayons; 843
erasers; folders, expandable, pocket, plastic, and manila; glue, 844
paste, and paste sticks; highlighters; index cards; index card 845
boxes; legal pads; lunch boxes; markers; notebooks; paper, 846
loose-leaf ruled notebook paper, copy paper, graph paper, 847
tracing paper, manila paper, colored paper, poster board, and 848
construction paper; pencil boxes and other school supply boxes; 849
pencil sharpeners; pencils; pens; protractors; rulers; scissors; 850
and writing tablets. "School supplies" does not include any item 851
purchased for use in a trade or business. 852

(iii) "School instructional material" means written 853
material commonly used by a student in a course of study as a 854
reference and to learn the subject being taught. "School 855
instructional material" includes only the following items: 856
reference books, reference maps and globes, textbooks, and 857
workbooks. "School instructional material" does not include any 858
material purchased for use in a trade or business. 859

(56) (a) Sales of diapers or incontinence underpads sold 860
pursuant to a prescription, for the benefit of a medicaid 861
recipient with a diagnosis of incontinence, and by a medicaid 862
provider that maintains a valid provider agreement under section 863
5164.30 of the Revised Code with the department of medicaid, 864
provided that the medicaid program covers diapers or 865
incontinence underpads as an incontinence garment. 866

(b) As used in division (B) (56) (a) of this section: 867

(i) "Diaper" means an absorbent garment worn by humans who 868
are incapable of, or have difficulty, controlling their bladder 869
or bowel movements. 870

(ii) "Incontinence underpad" means an absorbent product, 871
not worn on the body, designed to protect furniture or other 872
tangible personal property from soiling or damage due to human 873
incontinence. 874

(57) Sales of investment metal bullion and investment 875
coins. "Investment metal bullion" means any bullion described in 876
section 408(m) (3) (B) of the Internal Revenue Code, regardless of 877
whether that bullion is in the physical possession of a trustee. 878
"Investment coin" means any coin composed primarily of gold, 879
silver, platinum, or palladium. 880

(C) For the purpose of the proper administration of this 881
chapter, and to prevent the evasion of the tax, it is presumed 882
that all sales made in this state are subject to the tax until 883
the contrary is established. 884

(D) The tax collected by the vendor from the consumer 885
under this chapter is not part of the price, but is a tax 886
collection for the benefit of the state, and of counties levying 887
an additional sales tax pursuant to section 5739.021 or 5739.026 888
of the Revised Code and of transit authorities levying an 889
additional sales tax pursuant to section 5739.023 of the Revised 890
Code. Except for the discount authorized under section 5739.12 891
of the Revised Code and the effects of any rounding pursuant to 892
section 5703.055 of the Revised Code, no person other than the 893
state or such a county or transit authority shall derive any 894
benefit from the collection or payment of the tax levied by this 895

section or section 5739.021, 5739.023, or 5739.026 of the 896
Revised Code. 897

Section 2. That existing sections 3701.13, 5709.09, and 898
5739.02 of the Revised Code are hereby repealed. 899

Section 3. The amendment by this act of section 5709.09 of 900
the Revised Code applies to tax years ending on or after the 901
effective date of this section. 902

The amendment by this act of section 5739.02 of the 903
Revised Code applies on and after the first day of the first 904
month beginning after the effective date of that amendment. 905

Section 4. (A) As used in this section: 906

(1) "Qualifying delinquent taxes and fees" means any tax 907
or fee levied under Chapters 128., 3734., 3769., 4301., 4303., 908
4305., 5726., 5727., 5728., 5735., 5736., 5739., 5741., 5743., 909
5747., 5748., 5749., 5751., and 5753. of the Revised Code, not 910
including a tax levied under section 5739.08, 5739.09, or 911
5739.101 of the Revised Code but including the taxes required to 912
be withheld under Chapter 5747. of the Revised Code, which were 913
due and payable from any person as of the effective date of this 914
section, were unreported or underreported, and remain unpaid. 915

(2) "Qualifying delinquent taxes and fees" does not 916
include any tax or fee for which a notice of assessment or audit 917
has been issued, for which a bill has been issued, which relates 918
to a period that ends after the effective date of this section, 919
or for which an audit has been conducted or is currently being 920
conducted. 921

(B) The Tax Commissioner shall establish and administer a 922
tax and fee amnesty program with respect to qualifying 923
delinquent taxes and fees. The program shall commence on April 924

1, 2021, and shall conclude on May 31, 2021. The Tax 925
Commissioner shall issue forms and instructions and take other 926
actions necessary to implement the program. The Tax Commissioner 927
shall publicize the program so as to maximize public awareness 928
and participation in the program. 929

(C) During the program, if a person pays the full amount 930
of qualifying delinquent taxes and fees owed by that person less 931
any interest and penalties that have accrued as a result of the 932
person failing to pay those taxes and fees in a timely fashion, 933
the Tax Commissioner shall waive or abate all applicable 934
interest and penalties that accrued on the qualifying delinquent 935
taxes and fees. 936

(D) The Tax Commissioner may require a person 937
participating in the program to file returns or reports, 938
including amended returns and reports, in connection with the 939
person's payment of qualifying delinquent taxes and fees. 940

(E) A person who participates in the program and pays in 941
full any outstanding qualifying delinquent tax or fee in 942
accordance with this section shall not be subject to any 943
criminal prosecution or any civil action with respect to that 944
tax or fee, and no assessment shall thereafter be issued against 945
that person with respect to that tax or fee. This division does 946
not prohibit prosecution, a civil action, or an assessment 947
against such a person with respect to a tax or fee that is due 948
or payable on or after the effective date of this section. 949

(F) Except as otherwise required under Section 6 of this 950
act, taxes and fees collected under the program shall be 951
credited, distributed, and used in the same manner as other 952
taxes and fees of the same type that were timely collected under 953
the applicable provision of the Revised Code. 954

(G) On or before July 15, 2021, the Director of Budget and Management shall transfer from the General Revenue Fund to the Budget Stabilization Fund an amount equal to collections of taxes and fees under the program that were credited to the General Revenue Fund pursuant to division (F) of this section, excluding any portion of that amount credited to the Local Government Fund and Public Library Fund under section 131.51 of the Revised Code and Section 387.20 of H.B. 166 of the 133rd General Assembly.

Section 5. Section 4 of this act is hereby repealed, effective July 16, 2021. The repeal of Section 4 of this act does not affect, after the effective date of the repeal, the rights, remedies, or actions authorized under that section.

Section 6. All appropriation items in this section are appropriated out of money in the state treasury to the credit of the designated fund. For all appropriations made in this section, the amounts in the first column are for fiscal year 2020 and the amounts in the second column are for fiscal year 2021. The appropriations made in this section are in addition to any other appropriations made for the FY 2020-FY 2021 biennium.

	1	2	3	4	5
A	TAX DEPARTMENT OF TAXATION				
B	Dedicated Purpose Fund Group				
C	5BW0	110630	Tax Amnesty Promotion and Administration	\$ 0	\$ 250,000

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D	TOTAL DPF Dedicated Purpose Fund Group	\$	0	\$	250,000
E	TOTAL ALL BUDGET FUND GROUPS	\$	0	\$	250,000

TAX AMNESTY PROMOTION AND ADMINISTRATION 976

The foregoing appropriation item 110630, Tax Amnesty 977
Promotion and Administration, shall be used by the Department of 978
Taxation to promote and administer a tax amnesty program in 979
fiscal year 2021. The Director of Budget and Management shall 980
transfer up to \$250,000, if requested to do so by the Tax 981
Commissioner, from Fund 5KM0, the Controlling Board Emergency 982
Purposes/Contingencies Fund, to Fund 5BW0 to pay initial costs 983
of establishing a tax amnesty program. From initial receipts 984
from the tax amnesty program, an amount equal to the amount so 985
transferred is to be transferred back from Fund 5BW0 to Fund 986
5KM0. 987

Section 7. Within the limits set forth in this act, the 988
Director of Budget and Management shall establish accounts 989
indicating the source and amount of money for each appropriation 990
made in this act and shall determine the form and manner in 991
which appropriation accounts shall be maintained. Expenditures 992
from appropriations contained in this act shall be accounted for 993
as though made in H.B. 166 of the 133rd General Assembly that 994
are generally applicable to such appropriations. 995