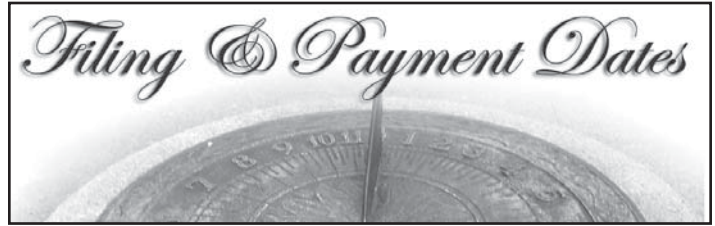


# REPLACEMENT TIRE FEE

The replacement tire fee provides revenue to defray the cost of regulating the various scrap tire facilities, to abate accumulations of scrap tires, to provide funding for grants to promote research regarding alternative methods of recycling scrap tires, and to provide funding for loans to promote the recycling or recovery of energy from scrap tires. This fee was enacted by the Ohio General Assembly and became effective December 1, 1993. In Fiscal Year 2006, approximately \$7.3 million was collected on behalf of the Ohio Environmental Protection Agency.



(R.C. 3734.904):  
The 20<sup>th</sup> day of each month.

**TAXPAYER (OHIO REVISED CODE 3734.903):**  
The fee is paid by any wholesale distributor of replacement tires or any retail dealer acquiring tires on which the fee has not been paid.

**DISPOSITION OF REVENUE (R.C. 3734.9010):**  
The Tire Fee Administration Fund receives 2.0 percent for appropriation to the Department of Taxation to cover the costs of administering the fee. The remaining 98 percent of the revenue is distributed to the Scrap Tire Management Fund.

**TAX BASE (R.C. 3734.90, 3734.901):**  
The fee applies to the sale of new tires with rims of 13 inches or more designed for use on a motor vehicle and sold as replacements. Tires that are used, or retreaded, or tires on a new motor vehicle are not subject to the fee.

**ADMINISTRATION:**  
The fee is administered and revenue to the various funds is distributed by the Tax Commissioner.

**RATE (R.C. 3734.901):**  
\$1.00 per tire.

**OHIO REVISED CODE CITATIONS:**  
R.C. 3734.90 – 3734.99.



If the return and total fees due are filed and paid on or before the day they are due, then the taxpayer is entitled to a discount of 4.0 percent on the total amount owed.



**Amended Substitute House Bill 66, 126<sup>th</sup> General Assembly (FY 2006-2007 biennium budget bill, effective July 1, 2005).**

- This bill extended the fee to June 30, 2011; and
- reduced the Tire Fee Administration Fund from 4.0 percent to 2.0 percent of the total revenue collected. This fund is certified directly to the credit of the Tire Fee Administration Fund for appropriation to the Department of Taxation to cover the costs of administering the fee. The remainder of the revenue is distributed to the Scrap Tire Management Fund.

TABLE

REPLACEMENT TIRE FEE REVENUE, FISCAL YEARS 2002 - 2006

Fiscal Year	Scrap Tire Management Fund	Administrative Fund	Total
2002	\$6,184,306	\$257,679	\$6,441,985
2003	6,777,997	282,417	7,060,414
2004	7,315,940	304,831	7,620,771
2005	6,506,387	271,099	6,777,487
2006	7,141,764	153,535	7,295,299

Source: Office of Budget and Management monthly accounting report (RRVSMO2S).