



Sales and Use Tax

The sales and use tax is state government's second-largest source of revenue. It also represents an important revenue source for county governments and regional transit authorities which are authorized to levy "piggyback" taxes also administered by the Ohio Department of Taxation.

The Ohio sales and use tax dates back to 1934, when the General Assembly enacted a 3 percent sales tax effective January 1935. The use tax followed a year later. In 1967, the legislature adopted a 4 percent state rate and, for the first time, authorized county governments to levy piggyback taxes of their own, subject to repeal by a majority vote of the county electorate. In 1974, transit authorities were also granted the authority, with voter approval, to levy sales taxes.

The current state sales and use tax rate, 5.5 percent, was established on July 1, 2005. During fiscal year 2011, the tax generated about \$7.77 billion in revenue for state government. Of that amount 97.6 percent or \$7.6 billion was distributed to the General Revenue Fund. The balance was distributed to the Public Library Fund.

The department collects the combined state and local tax, then distributes the local share of revenue 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.

As of July 1, 2011, 87 Ohio county governments levied permissive sales and use taxes ranging from 0.50 percent to 1.5 percent. (Only Stark County did not levy the tax). During the 2011 calendar year, the state collected approximately \$1.5 billion for county governments from such levies.

As of July 1, 2011, eight transit authorities also levied sales and use taxes of up to 1 percent. They were: the Greater Cleveland Regional Transit Authority, the Central Ohio Transit Authority, the Laketransit Authority (Lake County), the Western Reserve Transit Authority (Mahoning County), the Greater Dayton Regional Transit Authority, the Portage Area Regional Transit Authority, the Stark Area Regional Transit Authority and the Metro Regional Transit Authority (Summit County). In calendar year 2011, the state collected about \$351.1 million for these transit authorities.

Ohio is an associate member of the Streamlined Sales Tax Project, a multi-state effort to make sales tax laws, rules, and systems more uniform among states. The goal is to make it easier for those who make sales in multiple states to voluntarily collect and remit sales taxes to each of those states (federal law currently exempts sellers from this collection responsibility unless they have a physical presence in a state).

As part of Ohio's continued participation in the Streamlined Sales and Use Tax Agreement, changes to the sourcing of sales of tangible personal property and taxable services were effective January 1, 2010. These changes allow Ohio

to retain origin sourcing for most sales of tangible personal property made by Ohio vendors to Ohio consumers. Other sales are sourced to the location where the consumer receives the property or service that was sold. For the majority of vendors, these changes have little or no impact on their method of doing business.

Taxpayer

(Ohio Revised Code 5739.01, 5739.03, 5739.031, 5739.17, 5741.01)

Any person, retailer, business, organization, or provider of taxable services making retail sales or making taxable purchases on which sales tax has not been paid is required to file a return and remit the sales or use tax due. See Exhibit 1 for a description of taxpayers and applicable vendor's licenses.

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. The tax also applies to the rental of tangible personal property, the rental of hotel rooms by transient guests, and the sales of the following specified services:

- repair of tangible personal property;
- installation of tangible personal property;
- washing, cleaning, waxing, polishing, and painting of a motor vehicle;
- laundry and dry cleaning services;
- automatic data processing, computer services, and electronic information services used in business;
- telecommunications services;
- lawn care and landscaping services;
- private investigation and security services;
- building maintenance and janitorial services;
- employment services and employment placement services;
- exterminating services;
- physical fitness facility services;
- recreation and sports club services;
- mobile telecommunications services;
- satellite broadcasting services;
- personal care services;
- transportation of persons by motor vehicle or aircraft entirely within this state;
- motor vehicle towing services;
- snow removal services; and
- electronic publishing services.

Exhibit 1

Description of Sales Tax Taxpayers and Vendor's Licenses		
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; or 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; or snow removal services. The license is valid statewide.
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 catalogs 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.

The tax also applies to 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 use tax base is identical to that of the sales tax. Use tax applies to purchases made outside of Ohio and to purchases made from Ohio vendors if the vendor did not charge sales tax. For additional information on use tax, see the discussion in Rates, below, under Sourcing.

Rates

(R.C. 5739.02, 5739.021, 5739.023, 5739.025, 5739.026, 5741.02, 5741.021 -- 5741.023)

State rate

The state sales and use tax rate has been 5.5 percent since July 1, 2005.

Local rates

Current law gives counties the option of levying a sales tax of up to 1 percent for county general revenue, plus an additional tax of up to 0.5 percent for county general revenue or several specific purposes outlined in the Ohio Revised Code. These taxes, which must be in 0.25 increments, may be repealed by county voters.

Transit authorities are also authorized to levy additional permissive sales and use taxes at rates of 0.25 percent to 1.5 percent in quarter-percent increments.

The following table shows the number of counties at each total combined state and local tax rate as of July 1, 2009.

Note: Four Ohio counties – Delaware, Fairfield, Licking and Union – have more than one combined sales and use tax rate

Total Rates	Number of Jurisdictions
5.75%	1
6.25 %	4
6.50 %	20
6.75 %	14
7.00 %	48
7.75 %	1

in effect because a small part of their area lies within the territory of the Central Ohio Transit Authority (COTA). The table above does not reflect the 0.5 percent COTA rate that applies in part of these four counties.

Rate schedule

A combined sales tax schedule that includes local levies is outlined in R.C. 5739.025.

Sourcing

For taxable sales made by Ohio vendors and delivered to an Ohio consumer, the sales tax rate is based on the location where the vendor receives the order. Sales made by out-of-state vendors are generally sourced to the location where the consumer receives the tangible personal property.

Exceptions include services such as automatic data processing, computer services, electronic information services, telecommunications services, private investigation and se-

curity services, lawn care and landscaping services, building maintenance and janitorial services, employment services, employment placement services, exterminating services, satellite broadcasting services, and snow removal services. For these services, the rate is based on the location where the service is received.

Special sourcing rules are in place for certain sales of electronic information services, electronic publishing services and 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.

Generally, the applicable use tax rate for all taxable sales on which no sales tax was paid to the vendor is based on the location of the purchaser.

Effective Jan. 1, 2010, a consumer has no additional use tax liability on the purchase of tangible personal property if the consumer paid sales tax to a vendor, regardless of whether the amount of sales tax invoiced is calculated at the rate where the consumer receives the property or the rate where the vendor received the order. Consumers do, however, have a liability on purchases made out-of-state, by catalog or via the Internet on which no sales tax has been paid. The tax can be remitted either on state income tax returns or by filing a use tax voluntary payment form.

Exemptions and Exceptions

(R.C. 5709.25, 5739.01, 5739.011, 5739.02, 5741.02, 6121.16, 6123.041)

The sales and use tax does not apply to:

- copyrighted motion picture films unless solely used for advertising;
- 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);
- the value of motor vehicles traded in on new motor vehicles sold by licensed new motor vehicle dealers;
- tangible personal property or the benefit of a taxable service to be resold in the form received;
- the refundable deposit paid on returnable beverage containers, cartons, and cases;
- tangible personal property used or consumed in commercial fishing;
- sales to U.S. government agencies;
- sales to the state or any of its political subdivisions;
- food for human consumption off the premises where sold;
- food sold to students in a dormitory, cafeteria, fraternity, or sorority;
- newspapers;
- magazine subscriptions or magazines distributed as controlled circulation publications;
- motor vehicle fuel subject to the state motor fuel excise tax;
- gas, water, and steam delivered through pipes or conduits by a utility company and electricity delivered through wires;
- communications services provided by telegraph companies;
- casual sales except for motor vehicles, titled watercraft and outboard motors, snowmobiles, and all-purpose vehicles;
- sales by churches and nonprofit organizations (except for the sale of motor vehicles) provided that the number of sales does not exceed six days each year;
- transportation of persons or property, except the transportation of persons specifically taxed as a service;
- 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;
- sales to nonprofit hospitals and to those privately-held homes for the aged and hospital facilities that are financed with public hospital bonds;
- 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;
- ships and rail rolling stock used in interstate or foreign commerce and material used for the repair, alteration, or propelling of such vessels;
- material, machinery, equipment, and other items used in packaging property to be sold at retail;
- all drugs for a human being dispensed by 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;
- prosthetic devices, durable medical equipment for home use, or mobility enhancing equipment sold by prescription for use by a human being;
- emergency and fire protection vehicles used exclusively by nonprofit organizations in providing emergency and fire protection services for political subdivisions;
- sales to nonprofit community centers and to producers offering presentations in music, dramatics, the arts, and related fields to foster public interest and education;
- motor vehicles sold in Ohio to nonresidents for titling and use in most other states and Canada, provided that the other state or province does not collect sales tax from Ohio residents for motor vehicles purchased there or provided that the state offers a credit to their residents for vehicles purchased in Ohio;
- property used in the preparation of eggs for sale;
- sales of property for use in agricultural production;
- 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;

- sales to non-commercial, educational broadcasting stations;
 - sales of animals by nonprofit animal shelters and county humane societies;
 - items used in preserving, preparing, or serving food, or material used in maintaining or cleaning these items in a commercial food service operation;
 - tangible personal property used by holders of exempt facility certificates issued by the Tax Commissioner in air, noise, or water pollution control facilities or in energy conversion, solid waste energy conversion, or thermal efficiency improvement facilities;
 - bulk water for residential use;
 - sales of equipment used in qualified research and development;
 - sales and installation of agricultural land tile and the sale and installation of portable grain bins to farmers;
 - fees paid for the inspection of emission control equipment on motor vehicles;
 - sales, leases, repairs, and maintenance of motor vehicles used primarily in providing highway transportation for hire;
 - sales to state headquarters of veterans' organizations chartered by Congress or recognized by the U.S. Department of Veterans Affairs;
 - as defined by federal law, normally taxable food items, such as soft drinks, sold to persons using food stamps;
 - sales of tangible personal property and services used directly in providing a telecommunications service, mobile telecommunications service, or satellite broadcasting service;
 - trade-ins on purchases of new or used watercraft or outboard motors sold by licensed boat dealers;
 - property and labor used to fulfill a warranty or service contract;
 - 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;
 - sales of computer equipment made to qualifying certified teachers and used for educational purposes;
 - sales of certain tangible personal property made to qualified motor racing teams;
 - sales of used manufactured and mobile homes;
 - sales of coin-operated car washes;
 - the provision of self-service laundry or dry cleaning facilities;
 - 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 41102;
 - sales of telecommunications services used directly and primarily to perform the functions of a call center;
 - sales of personal property and services used directly and primarily in providing taxable intrastate transportation of persons;
 - repair and replacement parts and repair and maintenance services for aircraft used primarily in a fractional aircraft ownership program;
 - items used in acquiring, formatting, editing, storing, and disseminating data or information by electronic publishing;
 - items used in the repair and maintenance of aircraft and avionics systems for aircraft;
 - repair, remodeling, replacement, or maintenance services performed on aircraft or on an aircraft's engine, avionics, or component materials or parts;
 - sales of full flight simulators that are used for pilot or flight-crew training and repair and replacement parts or components for such full flight simulators; and
 - repair and maintenance services for full flight simulators.
- Also, Ohio law:
- permits a 25 percent sales tax refund for qualified computer purchases for providers of electronic information services;
 - caps at \$800 the sales or use tax on any aircraft sold as a fractional share aircraft; and
 - exempts from the use tax items that are held by a person, but not for that person's own use, and donated to a charitable organization or to the state or its political subdivisions for exclusively public purposes.
- Ohio law also includes direct use and primary use exemptions. The direct use exemption applies to:
- material incorporated as a component part of tangible personal property produced for sale by manufacturing, assembling, processing, or refining;
 - 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;
 - tangible personal property used directly in rendering a public utility service;
 - 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
 - certain property used in making retail sales including: advertising material or catalogs 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.

The primary use exemption refers to 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:

- production machinery and equipment that act upon the product being produced;
- handling and transportation equipment (except licensed motor vehicles) used in moving property in or between plants during the production process;
- property used in producing property that is used or consumed in the production of a final product (use on use);
- coke, gas, water, steam, and similar substances used in the manufacturing operation;
- catalysts, solvents, water, acids, oil, and similar consumables that interact with the product and are an integral part of the manufacturing operation;
- property that is used to control, physically support, or is otherwise necessary for functioning of machinery and equipment and continuation of the manufacturing operation; and
- machinery and equipment, detergents, supplies, solvents, and any other tangible personal property located at a manufacturing facility that are used in the process of removing soil, dirt, or other contaminants from, or otherwise preparing in a suitable condition for use, towels, linens, articles of clothing, floor mats, mop heads, or other similar items, to be supplied to a consumer as part of laundry and dry cleaning services, only when the towels, linens, articles of clothing, floor mats, mop heads, or other similar items belong to the provider of the services.

Special Provisions

Cumulative filing (R.C. 5739.12 and 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.

Pre-arranged agreements (R.C. 5739.05 and Rule 5703-9-08)

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.

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.

Construction contractors (R.C. 5739.01 and Rule 5703-9-14)

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.

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 percent. In most cases, total combined local levies may not exceed 6 percent. In certain cases, a portion of the receipts is earmarked for convention centers and visitors bureaus. County convention facility authorities were permitted between June 29, 1988 and Dec. 31, 1988 to enact an additional 4 percent lodging tax for convention facility or sports center construction. This tax is in addition to the combined maximum 6 percent rate for county, township, or municipal lodging taxes, thereby allowing a combined local rate of 10 percent.

Payment by EFT (R.C. 5739.032, 5739.122, 5741.121)

Vendors are required to remit payment by electronic funds transfer (EFT) in cases where annual liability exceeds \$75,000 per calendar year. (Taxpayers required to use this payment method will be notified by the department.) Vendors that do not meet the \$75,000 threshold may request authorization by the Treasurer of State to remit tax payments by EFT.

Accelerated tax payment (R.C. 5739.032, 5739.122, 5741.121)

Vendors required to remit tax by EFT are required to make advance payment of 75 percent of each month's anticipated tax by the 23rd day of that month. These vendors are still required to file a return by the 23rd of the next month and pay the balance of their tax due, along with that month's accelerated payment.

Filing and Payment Dates

(R.C. 5739.031, 5739.12, 5739.17, 5741.12, Rule 5703-9-10)

See Exhibit 2 for a summary of filing and payment dates.

Discount

(R.C. 5739.12, 5741.12)

Payments made on or before the due date entitle the vendor to a discount of 0.75 percent of the amount due. (Example: \$5,000 tax due – \$37.50 discount = \$4,962.50 net tax due.)

Disposition of Revenue

State sales and use tax (R.C. 5739.21, 5741.03)

During fiscal year 2011, the General Revenue Fund (GRF) received 97.6 percent of sales and use tax revenues, and the Public Library Fund (PLF) received 2.4 percent.

The amount of state sales tax revenue credited to the PLF varies from year to year based on a fixed percentage of all tax collections into the GRF. One half of each monthly transfer from the GRF to the PLF is credited against the state sales tax portion of GRF revenues.

Exhibit 2

Type of Sales Tax Returns and Filing Payment Dates		
Note: All monthly and semi-annual returns must be filed electronically as of the first filing period in 2009.		
Type of Return	Taxpayer	Payment Date
Weekly	Clerks of court	Payment on Monday for taxes collected during the preceding week on motor vehicles, and on watercraft and outboard motors titled.
Semi-monthly	Division of Liquor Control	By the 15th 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 23rd day of the month following the close of the reporting period, which is the previous month. 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.
Quarterly	Direct pay permit holders, consumers' use tax accounts	By the 23rd 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 23rd 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.

County permissive sales and use tax (R.C. 5739.21, 5741.03)

Ninety-nine percent of revenue is distributed to the general fund of the county that levied the tax. One percent is credited to the Local Sales Tax Administrative Fund for the use of the Tax Commissioner in defraying administrative costs.

County additional permissive sales and use tax (R.C. 5739.21, 5741.03)

Ninety-nine percent of revenue is distributed to the special purpose fund of the county that levied the tax. One percent is credited to the Local Sales Tax Administrative Fund for the use of the Tax Commissioner in defraying administrative costs.

Transit authority sales and use tax (R.C. 306.31, 5739.21, 5741.03)

Ninety-nine percent of revenue is distributed to the general revenue fund of the transit authority that levied the tax for the purpose of acquiring, constructing, operating, maintaining, replacing, improving, and extending transit facilities. One percent is credited to the Local Sales Tax Administrative Fund for the use of the Tax Commissioner in defraying administrative costs.

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 Court Decisions**Levin v. Commerce Energy, Inc., 130 S.Ct. 2323 (June 1, 2010)**

Independent marketers of natural gas filed an action under the federal Tax Injunction Act alleging discriminatory taxation. In part, the marketers asserted that the imposition of sales and use taxes on their sales of natural gas while exempting such sales by local distribution companies violated the Commerce Clause and Equal Protection Clause of the United States Constitution. The United States Supreme Court held that the allegations of discriminatory taxation must be brought in state court and dismissed the federal court action.

International Business Machines Corp. v. Levin, 2010-Ohio 1861 (May 5, 2010)

Here the Court affirmed the Tax Commissioner's denial of interest on sales tax refunds claims filed under Ohio Revised Code 5739.071. That provision allows a partial refund of sales tax paid by providers of electronic information services on purchases of computers, related equipment and software. The Court held that the provision for payment of interest on general refund claims in Ohio Revised Code 5739.132(B) did not authorize the payment of interest of refunds claimed under Ohio Revised Code 5739.071.

Chart

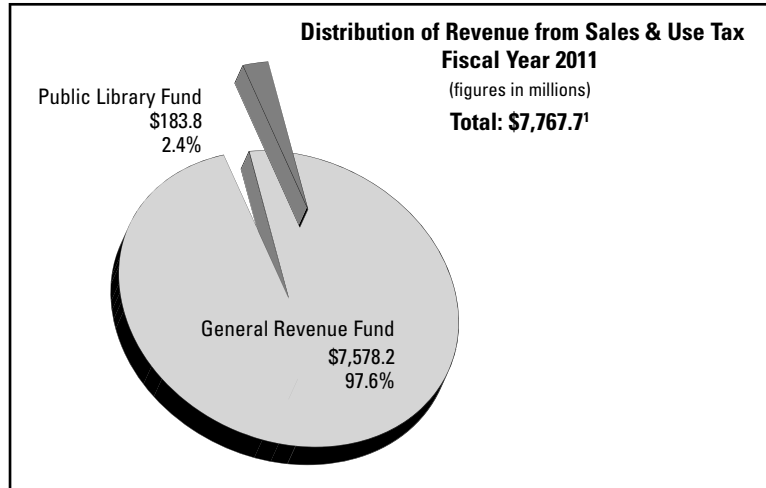


Table 1

**Sales and Use Tax - Collections
By Type of Payments**
(includes State and County/Transit Authority Permissive Tax)
Fiscal Year 2011

The figures in this table represent gross collections and therefore include collections from assessments and penalties. Refunds have not been subtracted out. Figures are prior to any distribution to any state fund or to county and permissive transit authorities.

Also, local sales and use tax collections include deposits into the Local Sales Tax Administration Fund, amounting to \$17,883,759. The local sales and use tax figure reflects collections during the July 2010-June 2011 period (rather than distributions made during the July 2010-June 2011 period).

Type	Amount FY 2011
Vendor's Sales	\$6,410,963,891
Motor Vehicle and Water Craft (from Clerks of Court)	1,201,863,107
Seller's Use	1,024,708,049
Consumers' Use	302,109,748
Direct Payment	550,791,564
Streamlined Sales	6,589,833
Liquor Sales by Division of Liquor Control	36,218,110
Attorney General Sales and Use Tax Collections	47,645,534
Total State and Local Collections	\$9,580,889,836
Less Local Sales and Use Tax Collections	<u>1,801,694,880</u>
Total State Collections	\$7,779,194,956

Source: Ohio Department of Taxation records and information from the state accounting system.

¹ Includes Attorney General collections which amount to \$5.7 million.

Table 2

State and Permissive (Local) Sales and Use Tax Collections, by Industrial Classification ¹ : July 2010 through June 2011						
Industrial Classification	NAICS codes <small>North American Industrial Classification System</small>	Number of Business Entities, January - June 2011 ²	July - December 2010 Collections	January - June 2011 Collections	Total FY 2011 Collections	
Agriculture, Forestry, and Fishing	111100-115310	671	\$1,658,424	\$2,901,773	\$4,560,197	
Mining	211110-213110	105	1,807,776	1,587,294	3,395,070	
Utilities (excluding telecommunications)	221100-221300	97	28,778,164	85,785,581	114,563,745	
Construction	236110-238900	1,656	18,320,632	17,792,277	36,112,909	
Manufacturing	311110-339900	9,314	149,332,056	149,499,527	298,831,583	
Wholesale Trade	423100-425120	4,180	78,676,287	79,598,293	158,274,580	
Retail Trade:						
Motor Vehicle and Parts Dealers ³	441110-441300	5,407	165,087,674	172,164,581	337,252,255	
Furniture and Home Furnishings Stores	442110-442299	3,678	86,827,956	87,208,591	174,036,547	
Electronic and Appliance Stores	443111-443130	2,811	151,741,902	152,140,604	303,882,506	
Building Material and Garden Equipment & Supplies	444110-444200	7,637	363,895,775	328,095,958	691,991,733	
Food and Beverage Stores	445110-445310	7,156	215,266,740	203,742,859	419,009,599	
Health and Personal Care Stores	446110-446190	7,872	111,249,370	113,722,007	224,971,377	
Gasoline Stations	447100	1,437	78,112,540	75,767,582	153,880,122	
Clothing and Clothing Accessories Stores	448110-448320	4,731	174,242,368	164,174,423	338,416,791	
Sporting Goods, Hobby, Book, and Music Stores	451110-451220	6,402	101,301,194	89,102,902	190,404,096	
General Merchandise Stores	452110-452900	4,578	588,769,440	522,742,086	1,111,511,526	
Miscellaneous Store Retailers	453110-453990	27,311	443,162,785	446,395,602	889,558,387	
Nonstore Retailers	454110-454390	4,309	65,746,401	78,707,162	144,453,563	
Transportation and Warehousing	481000-493100	1,611	7,883,051	12,987,853	20,870,904	
Information (including telecommunications)	511110-519100	3,376	358,857,331	335,948,705	694,806,036	
Finance and Insurance	522110-525990	356	181,825,770	190,664,546	372,490,316	
Real Estate, and Rental & Leasing of Property	531110-533110	3,419	103,074,849	99,561,855	202,636,704	
Professional, Scientific and Technical Services	541110-541990	6,327	52,027,881	61,969,529	113,997,410	
Management of Companies (Holding Companies)	551111-551112	43	4,239,513	7,228,674	11,468,187	
Administrative & Support Services, and Waste Management & Remediation Services	561110-562000	10,878	154,230,085	150,258,003	304,488,088	
Education, Health Care and Social Assistance	611000-624410	2,115	6,587,593	8,892,831	15,480,424	
Arts, Entertainment, and Recreation	711100-713900	2,739	26,444,669	21,918,542	48,363,211	
Accommodation and Food Services	721110-722410	18,840	385,452,294	374,713,908	760,166,202	
Other Services	811110-812990	16,659	111,650,904	114,090,124	225,741,028	
Unclassified	n/a	7,652	21,938,164	22,055,618	43,993,782	
TOTAL⁴		173,367	\$4,238,189,588	\$4,171,419,291	\$8,409,608,879	

Source: Ohio Department of Taxation records.

1 Industrial classification data reflects the principal business activity of each business entity, generally based on the industrial (NAICs) code indicated on the entity's sales or use tax registration form. In addition, the tax collection data reflected in this table primarily emanates from businesses that operate as vendors or sellers, who collect sales or use taxes from customers and remit such collections to the state. However, some businesses (such as manufacturers) remit the sales or use tax on their taxable purchases directly to the state instead of to their vendors and sellers, usually by means of a direct payment or consumer use tax account. Amounts remitted by entities that have these types of accounts are also included in this table.

2 Indicates the number of separate legal entities (not the number of separate locations) that filed and remitted sales or use tax at any time during the January through June 2011 period.

3 Tax collections from automobile and watercraft sales are not included in this table. Such taxes are collected by the county clerks of courts and then remitted to the state.

4 The data in this table is extracted from sales and use tax returns. The totals in this table do not match actual collections because this table does not include clerk of courts tax collections and because the table does not reflect subsequent adjustments made to tax returns, as well as revenue generated from audit activity.

Table 3

Sales & Use Tax				
Number of Accounts By Type and Payment Schedule				
(As of July 1, 2011)				
Accounts	Payment Schedule			Total
	Semi-Annual	Monthly	Quarterly	
"Vendor's (includes 42,003 master accounts issued by counties)	87,225	68,297		197,525
Master (accounts issued by the state)	1,708	4,036		5,744
Transient	31,108	2,402		33,510
Service	14,160	8,226		22,386
Delivery	9,541	1,443		10,984
Consumers'	0	957	14,240	15,197
Direct Pay	0	291	175	466
Out-of-State	8,419	7,240		15,659
Totals	152,161	92,892	14,415	301,471

Table 4

**County and Transit Authority Permissive Sales Tax Collections
Calendar Years 2006 - 2011**

Municipalities whose boundaries extend both within and beyond Franklin County assess a COTA rate of 0.50% in addition to the posted state and county sales tax rate. Delaware's COTA rate covers the portions of the cities of Columbus and Westerville located in Delaware County; Fairfield's COTA rate covers the portions of the cities of Columbus and Reynoldsburg in Fairfield County; Licking County's COTA rate covers the portion of the city of Reynoldsburg located in Licking County, and Union's COTA rate covers the portion of the City of Dublin located in Union County.

Note: These figures are net of the 1.0% administration fee. These amounts are distributed to the counties and transit authorities two months following the collection month.

County	2006	2007	2008	2009	2010	2011	Initial Enactment	Tax Rate 6/30/11	Effective Date of Current Rate 12/31/11
ADAMS	\$2,969,347	\$3,183,996	\$3,118,975	\$2,962,554	\$3,244,305	\$3,290,325	June 1, 1991	1.50 ¹	Apr. 1, 2006
ALLEN	14,481,886	14,849,544	13,972,200	13,165,331	14,246,583	14,476,312	May 1, 1970	1.00	June 1, 1987
ASHLAND	6,124,578	6,285,331	6,317,590	5,767,699	6,014,104	6,359,262	Mar. 1, 1971	1.25 ²	Jan. 1, 1998
ASHTABULA	8,649,601	8,638,589	8,570,060	7,938,933	8,570,869	8,956,657	Apr. 1, 1977	1.00	July 1, 1985
ATHENS	5,995,215	6,250,298	6,358,789	6,413,526	6,735,970	6,810,061	Feb. 1, 1982	1.25 ²	Jan. 1, 1994
AUGLAIZE	6,629,972	6,915,103	7,035,131	6,230,098	6,615,638	7,205,687	Nov. 1, 1973	1.50 ¹	June 1, 1996
BELMONT	11,556,532	11,585,345	10,848,695	10,780,315	11,278,396	11,904,166	May 1, 1985	1.50 ¹	Jan. 1, 1995
BROWN	3,314,663	3,251,092	3,079,320	2,962,698	3,428,393	4,184,628	Aug. 1, 1979	1.50 ²	Oct. 1, 2010
BUTLER	40,662,380	41,317,070	33,112,821	29,766,768	29,589,370	30,745,215	June 1, 1985	0.75	Jan. 1, 2008
CARROLL	1,603,847	1,803,206	1,890,307	1,655,211	1,808,510	2,009,558	Sep. 1, 1985	1.00	July 1, 2006
CHAMPAIGN	4,550,508	4,481,444	4,625,788	4,034,562	4,054,478	4,451,343	Jan. 1, 1986	1.50 ¹	July 1, 2003
CLARK	18,400,110	13,429,820	18,791,959	18,679,244	19,451,080	20,374,884	Nov. 1, 1972	1.50 ¹	Jan. 1, 2008
CLERMONT	20,838,670	21,257,485	20,378,457	19,140,719	20,136,697	20,991,145	Aug. 1, 1979	1.00	Oct. 1, 1983
CLINTON	7,627,289	7,821,787	7,128,412	6,931,659	6,136,736	6,589,778	May 1, 1972	1.50 ¹	Oct. 1, 2005
COLUMBIANA	8,281,444	11,094,523	12,603,339	11,690,608	12,501,158	13,359,749	Aug. 1, 1985	1.50 ¹	Apr. 1, 2007
COSHOCTON	3,957,148	4,387,300	4,451,826	4,080,863	4,320,072	4,460,460	June 1, 1971	1.50 ¹	Jan. 1, 2006
CRAWFORD	4,907,608	4,982,615	5,036,568	4,405,433	4,511,097	4,824,614	May 1, 1978	1.50 ¹	July 1, 1994
CUYAHOGA	169,299,614	179,932,073	212,711,596	194,026,358	205,211,697	218,737,889	Sep. 1, 1969	1.25 ²	Oct. 1, 2007
DARKE	6,799,401	7,500,135	7,141,728	6,373,738	6,319,928	6,733,248	July 1, 1975	1.50 ¹	Oct. 1, 2005
DEFIANCE	4,546,018	4,780,726	4,647,121	4,311,802	4,426,385	4,931,361	Feb. 1, 1987	1.00	Feb. 1, 1987
DELAWARE	33,762,217	36,304,531	35,941,918	35,899,776	38,088,578	41,361,429	Jan. 1, 1972	1.25 ²	Oct. 1, 1996
ERIE	12,448,397	12,544,818	12,749,346	11,766,426	12,754,912	13,370,369	Mar. 1, 1977	1.00	May 1, 1993
FAIRFIELD	11,011,730	11,326,997	11,564,477	11,668,564	15,769,483	16,656,582	Sep. 1, 1981	1.00	Jan. 1, 2010
FAYETTE	4,343,975	4,684,890	6,626,664	6,675,310	6,590,732	6,910,207	Mar. 1, 1983	1.50 ¹	Jan. 1, 2008
FRANKLIN	172,872,499	177,768,109	136,336,222	122,649,116	129,329,538	135,742,789	Sep. 1, 1985	0.75	Jan. 1, 2008
FULTON	4,078,807	4,058,595	4,147,325	3,728,875	5,598,907	6,142,580	May 1, 1972	1.50	Jan. 1, 2010
GALLIA	3,873,943	4,074,918	4,240,343	4,025,647	4,072,767	4,251,704	Dec. 1, 1981	1.25 ¹	Feb. 1, 1995
GEAUGA	10,928,863	11,632,972	11,453,277	10,409,829	10,533,228	11,183,037	Aug. 1, 1987	1.00 ²	Feb. 1, 2004
GREENE	20,408,306	21,106,684	20,903,959	20,558,891	21,130,730	21,965,538	Mar. 1, 1971	1.00	Feb. 1, 1987
GUERNSEY	5,824,558	5,860,713	5,849,364	6,131,011	6,094,236	6,185,035	Feb. 1, 1971	1.50 ¹	Aug. 1, 1993
HAMILTON	129,376,893	133,199,307	129,798,378	120,408,014	125,730,107	130,231,179	June 1, 1970	1.00 ¹	June 1, 1996
HANCOCK	5,377,722	5,619,402	5,365,589	11,218,865	11,033,039	11,623,579	Feb. 1, 1979	1.00 ²	Jan. 1, 2010
HARDIN	3,334,029	3,369,736	3,188,497	3,166,318	3,413,571	3,553,743	Oct. 1, 1985	1.50 ¹	Jan. 1, 2005
HARRISON	1,381,888	1,354,411	1,287,617	1,254,949	1,377,080	1,496,851	Dec. 1, 1985	1.50 ¹	June 1, 1994
HENRY	2,934,326	3,224,179	3,678,937	3,428,056	3,666,295	3,652,943	Mar. 1, 1972	1.50 ¹	Apr. 1, 2007
HIGHLAND	5,091,812	5,172,130	4,952,521	4,874,812	5,208,362	5,333,384	May 1, 1979	1.50 ¹	July 1, 2005
HOCKING	2,808,952	2,864,739	2,847,045	2,727,787	2,909,631	3,066,854	Apr. 1, 1979	1.25 ²	Jan. 1, 1998
HOLMES	4,312,824	4,351,938	4,577,731	4,249,652	4,514,354	4,943,420	July 1, 1977	1.00	Jan. 1, 1998
HURON	7,785,060	7,851,113	7,593,299	6,926,248	7,598,363	8,225,716	Feb. 1, 1978	1.50 ¹	Jan. 1, 1996
JACKSON	4,482,840	4,512,968	4,356,868	4,173,994	4,487,441	4,555,733	Apr. 1, 1982	1.50 ¹	Jan. 1, 1998
JEFFERSON	9,722,077	10,369,775	10,445,767	9,437,739	9,866,645	10,069,882	June 1, 1973	1.50 ¹	Nov. 1, 1994
KNOX	5,384,622	5,404,741	5,439,283	4,951,627	5,206,251	5,437,944	May 1, 1971	1.00 ²	Feb. 1, 1994
LAKE	15,469,561	15,841,911	15,529,714	14,353,531	14,629,554	15,546,168	July 1, 1969	0.50	Aug. 1, 1988
LAWRENCE	6,496,600	6,723,374	6,808,072	6,587,932	7,260,402	7,500,362	June 1, 1986	1.50 ¹	June 1, 1998
LICKING	23,730,294	24,751,138	24,283,013	23,055,893	23,619,086	24,804,013	Feb. 1, 1971	1.50 ¹	Jan. 1, 2006
LOGAN	7,350,392	7,525,447	7,706,490	6,796,016	6,888,277	7,197,092	Jan. 1, 1974	1.50 ¹	July 1, 1997
LORAIN	23,025,723	23,760,781	22,873,860	30,262,475	26,902,971	23,604,816	July 1, 1985	0.75 ²	Apr. 1, 2010
LUCAS	70,824,075	71,801,939	70,363,214	64,340,305	68,074,916	72,035,425	Feb. 1, 1971	1.25 ²	Jan. 1, 1993
MADISON	4,115,639	4,387,076	4,580,027	3,828,322	3,997,908	4,360,382	Mar. 1, 1983	1.25 ²	July 1, 1999
MAHONING	27,620,917	28,431,266	27,981,245	25,971,965	27,477,879	29,699,553	Apr. 1, 1980	1.00 ¹	Oct. 1, 2005
MARION	6,677,482	\$7,189,172	6,884,440	6,255,481	6,509,927	\$7,370,344	Sep. 1, 1985	1.50 ¹	Oct. 1, 2011
MEDINA	9,557,722	11,510,099	19,162,818	18,058,064	18,677,184	19,860,141	Apr. 1, 1971	1.00 ¹	Oct. 1, 2007
MEIGS	1,158,194	1,230,960	1,225,559	1,214,295	1,265,083	1,374,024	Feb. 1, 1987	1.00	Feb. 1, 1987
MERCER	3,632,555	3,780,028	5,350,703	5,478,648	5,800,489	6,187,061	Nov. 1, 1971	1.50 ¹	Apr. 1, 2008
MIAMI	10,415,469	10,799,595	10,902,816	10,212,564	13,068,299	13,898,864	Dec. 1, 1969	1.25	Oct. 1, 2009
MONROE	1,206,671	1,358,363	1,511,174	1,437,392	1,456,441	1,683,852	Oct. 1, 1986	1.50 ¹	Jan. 1, 2010
MONTGOMERY	64,734,278	64,377,557	64,340,111	58,729,714	60,821,918	66,650,957	Jan. 1, 1971	1.00	July 1, 1989
MORGAN	1,008,824	1,060,863	1,168,308	1,135,842	1,188,810	1,226,386	Feb. 1, 1972	1.50 ¹	Apr. 1, 1990

(Cont'd. on the next page)

¹ Includes a 0.50% tax authorized for one or more specific purposes under Sections 5739.026 and 5741.023 of the Ohio Revised Code.

² Includes a 0.25% tax authorized for one or more specific purposes under Sections 5739.026 and 5741.023 of the Ohio Revised Code.

Table 4 (cont'd.)

**County and Transit Authority Permissive Sales Tax Collections
Calendar Years 2006 - 2011**

This table displays permissive sales tax revenue for counties and transit authorities in the years shown. Please note that some counties and transit authorities have repealed and then re-enacted the tax, or have changed the rate since the first enactment.

County	2006	2007	2008	2009	2010	2011	Initial Enactment	Tax Rate 6/30/11	Effective Date of Current Rate
MORROW	\$2,659,921	\$2,789,891	\$2,732,270	\$2,418,133	\$2,615,260	\$2,781,257	July 1, 1971	1.50 ¹	Jul 1, 1995
MUSKINGUM	14,774,019	14,691,024	14,690,306	14,997,407	14,892,841	14,992,113	May 1, 1971	1.50 ¹	Apr. 1, 1993
NOBLE	1,005,701	1,056,971	1,047,565	1,093,626	1,090,451	1,098,781	Jan. 1, 1971	1.50 ¹	Feb. 1, 1995
OTTAWA	5,147,563	5,128,283	5,198,860	4,813,331	5,516,198	6,373,589	Oct. 1, 1973	1.25	July 1, 2010
PAULDING	1,589,247	1,596,866	1,563,396	1,352,623	1,515,998	1,674,064	Apr. 1, 1984	1.50 ¹	Nov. 1, 1991
PERRY	1,798,303	1,818,043	1,799,201	1,854,544	2,524,910	3,079,116	Mar. 1, 1971	1.50 ¹	Apr. 1, 2010
PICKAWAY	5,711,366	5,860,320	5,952,481	6,335,068	5,910,137	6,304,828	Oct. 1, 1983	1.50 ¹	Dec. 1, 2001
PIKE	3,378,628	3,448,304	3,649,439	3,444,775	3,691,117	3,840,756	May 1, 1988	1.50 ¹	Jan. 1, 2006
PORTAGE	14,386,517	14,884,820	15,133,049	14,468,521	15,924,811	16,484,674	Apr. 1, 1971	1.00	Dec. 1, 1999
PREBLE	4,388,893	4,383,637	4,340,758	3,978,709	4,444,872	5,027,910	Nov. 1, 1979	1.50 ¹	May 1, 1994
PUTNAM	3,152,349	3,450,810	3,378,346	3,810,132	4,078,573	4,770,923	Jan. 1, 1974	1.50 ¹	Jan. 1, 2009
RICHLAND	18,303,057	18,564,613	18,463,217	16,998,124	18,121,298	18,750,452	June 1, 1979	1.25 ¹	Apr. 1, 2005
ROSS	11,219,815	11,221,083	10,999,022	11,254,090	11,951,369	12,341,994	Jan. 1, 1980	1.50 ¹	Oct. 1, 1993
SANDUSKY	6,928,914	7,615,121	7,350,669	6,981,002	8,008,419	9,632,765	Aug. 1, 1979	1.50 ²	Oct. 1, 2010
SCIOTO	8,744,475	9,177,698	9,227,388	9,176,979	10,048,182	10,385,019	May 1, 1979	1.50 ¹	May 1, 2001
SENECA	6,747,142	6,748,385	7,088,480	6,380,064	6,800,668	6,962,100	Oct. 1, 1983	1.50 ¹	Aug. 1, 2003
SHELBY	7,950,025	8,109,136	7,490,908	6,539,566	6,816,661	7,450,890	Mar. 1, 1971	1.50 ¹	Apr 1, 2008
STARK	11,506,507	11,789,500	11,669,979	24,059,403	18,532,610	6,978,106	Jan. 1, 1987	0.00	July 1, 2011
SUMMIT	36,021,182	36,696,575	35,672,063	33,085,279	34,576,726	36,191,562	Mar. 1, 1973	0.50	Nov. 1, 1995
TRUMBULL	20,735,712	21,444,461	21,118,330	19,420,353	20,753,184	22,517,348	June 1, 1985	1.00	July 1, 2005
TUSCARAWAS	9,267,067	9,431,540	9,410,168	8,662,339	9,143,507	9,709,327	Apr. 1, 1971	1.00	July 1, 1998
UNION	7,163,498	8,354,287	9,630,696	8,956,881	9,294,054	9,487,591	Apr. 1, 1989	1.25 ²	July 1, 2008
VAN WERT	3,480,108	3,457,911	3,542,444	3,268,999	3,773,437	3,904,204	Mar. 1, 1972	1.50 ¹	Mar. 1, 1991
VINTON	790,618	868,227	829,382	794,454	895,288	970,795	May 1, 1985	1.50 ¹	Mar. 1, 1992
WARREN	24,976,707	26,750,180	26,612,718	26,201,291	27,206,741	28,359,839	Jan. 1, 1972	1.00 ¹	Jan. 1, 1992
WASHINGTON	9,411,203	9,800,889	9,662,989	9,027,451	9,811,462	10,385,166	Oct. 1, 1983	1.50 ¹	Jan. 1, 1990
WAYNE	8,294,021	8,529,027	8,486,153	7,722,607	8,106,668	8,787,045	Mar. 1, 1971	0.75	Jan. 1, 1992
WILLIAMS	4,754,966	4,923,737	4,942,414	4,351,902	4,573,015	4,800,583	Dec. 1, 1977	1.50 ¹	Oct. 1, 2003
WOOD	14,809,636	15,403,260	15,949,426	15,091,591	15,579,034	16,623,884	June 1, 1971	1.00	Nov. 1, 1987
WYANDOT	2,806,218	2,705,482	2,691,934	2,507,231	2,637,310	2,975,397	Feb. 1, 1985	1.50 ¹	Oct. 1, 2005
COUNTY TOTAL	\$1,361,669,941	\$1,405,634,797	\$1,396,160,722	\$1,328,414,534	\$1,390,049,665	\$1,453,998,354			
CLEVELAND RTA (CUYAHOGA CO.)	\$169,262,438	\$173,161,230	\$170,707,698	\$155,282,828	\$164,069,879	\$174,934,574	Oct. 1, 1975	1.00	Oct 1, 1975
CENTRAL OHIO TA (FRANKLIN CO.)	46,371,674	47,598,995	88,246,021	87,819,553	93,011,284	98,049,602	Sep. 1, 1980	0.50	Jan 1, 2008
LAKETRAN TA (LAKE CO.)	7,728,333	7,913,161	7,744,815	7,157,306	7,294,636	7,759,654	Aug. 1, 1988	0.25	Aug 1, 1988
WESTERN RESERVE TA (MAHONING CO.)				4,167,214	6,834,623	7,415,654		0.25	Apr 1, 2009
GREATER DAYTON RTA (MONTGOMERY CO.)	32,363,030	32,185,370	32,149,806	29,341,697	30,373,587	33,285,528	July 1, 1980	0.50	Jul 1, 1980
PORTAGE AREA RTA (PORTAGE CO.)	3,583,445	3,705,852	3,775,726	3,608,868	3,976,097	4,115,662	Feb. 1, 2002	0.25	Feb 1, 2002
STARK AREA RTA (STARK CO.)	11,525,065	11,785,691	11,696,465	10,410,581	11,148,815	11,793,115	July 1, 1997	0.25	Jul 1, 1997
METRO TA (SUMMIT CO.)	<u>17,989,459</u>	<u>18,306,155</u>	<u>24,848,457</u>	<u>32,829,001</u>	<u>34,385,448</u>	<u>36,110,561</u>	Feb. 1, 1991	0.50	Jul 1, 2008
TRANSIT AUTHORITY TOTAL	\$288,823,443	\$294,656,453	\$339,168,988	\$330,617,048	\$351,094,368	\$373,464,350			
GRAND TOTAL	\$1,650,493,384	\$1,700,291,250	\$1,735,329,710	\$1,659,031,582	\$1,741,144,032	\$1,827,462,704			

Source: Department of Taxation, Revenue Accounting Division