



Wireless 9-1-1 Charge

Wireless 9-1-1 charges provide state level funding for local wireless 9-1-1 services. Current law imposes a wireless 9-1-1 charge on each wireless phone number of a wireless service subscriber who has a billing address in Ohio at the rate of 25 cents per month and on the purchase of prepaid wireless services occurring in Ohio at the rate of 0.005% of the purchase price. Revenues from the wireless 9-1-1 charges are distributed as follows:

- ninety-seven percent to the wireless 9-1-1 government assistance fund. The tax commissioner disburses monies from this fund to the counties.
- two percent to the wireless 9-1-1 program fund to defray the Steering Committee's cost of administering the 9-1-1 system.
- one percent to the wireless administration fund to defray the Ohio Department of Taxation's (ODT) cost of collecting and administering the 9-1-1 charge.

Any excess remaining in the administrative funds is transferred to the next generation 9-1-1 fund. At the direction of the steering committee, the tax commissioner transfers the funds remaining in the wireless 9-1-1 government assistance fund to the credit of the next generation 9-1-1 fund. The tax commissioner also disburses money from the next generation 9-1-1 fund in accordance with guidelines established by the Steering Committee.

In fiscal year 2015, approximately \$25.6 million was deposited into the three funds associated with this charge: \$24.8 million to the wireless 9-1-1 government assistance fund; \$0.5 million to the 9-1-1 program fund and \$0.3 million for the wireless 9-1-1 administrative fund.

Taxpayer

(Ohio Revised Code 128.42)

A 25 cents charge is imposed on each wireless telephone number of a wireless service subscriber who has a billing address in Ohio. There is imposed on each retail sale of a prepaid wireless calling service occurring in Ohio, a wireless 9-1-1 charge of five-tenths of one per cent of the sale price. The charge is collected by the retailer at the point of sale for prepaid wireless service.

Tax Base

(R.C. 128.42)

For prepaid wireless service, it is the sale price. For post-paid wireless service, it is each wireless phone number with an Ohio billing address.

Rates

(R.C. 128.42)

For prepaid wireless service, the charge is 0.005% of the sale price. The charge is 25 cents per month on each wireless telephone number of a wireless service subscriber who has a billing address in this state.

Special Provisions

(R.C. 128.44, 128.46)

A wireless service provider, reseller and seller may retain three percent of the wireless 9-1-1 charges as a collection fee. Returns and payments must be remitted electronically, except upon a showing of good cause to the Tax Commissioner. The tax commissioner must provide not less than 30 days advance notice to known wireless service providers, resellers and sellers of prepaid wireless calling services of any increase or decrease in wireless 9-1-1 charges imposed under R.C. 128.46.

Filing and Payment Dates

(R.C. 128.46)

Returns and payments are due on the 23rd day of each month.

Disposition of Revenue

(R.C. 128.54, 128.55, 128.57)

The revenue from the charge is allocated as follows:

- 97 percent to the Wireless 9-1-1 Government Assistance Fund.
- 2 percent to the 9-1-1 Program Fund (Steering Committee's administration fund).
- 1 percent to the Wireless 9-1-1 Administration Fund (Department of Taxation's administration fund).

Counties receive a monthly distribution from the Wireless 9-1-1 Government Assistance Fund. The distribution is to occur by the end of each month. The counties receive the same amount as they did in the corresponding month during CY 2013. In the event of insufficient moneys to make the month's distributions, each county receives a

distribution in proportion to the county's share during the corresponding month in CY 2013. The Next Generation 9-1-1 Fund is to receive from the Wireless 9-1-1 Government Assistance Fund any money in excess of amounts necessary to make monthly distributions to counties. Additionally, at the end of each fiscal year, any remainder in the administration funds is transferred to the Next Generation 9-1-1 Fund.

Administration

(R.C. 128.02, 128.022, 128.40, 128.55)

The Statewide Steering Committee administers the 9-1-1 service law. A program office in the Department of Administrative Services oversees administration of the wireless 9-1-1 government assistance fund, program fund and next Generation 9-1-1 fund. ODT administers the collection of wireless 9-1-1 charges.

Ohio Revised Code Citations

Chapter 128

Recent Legislation

Am. Sub. HB 64, 131st General Assembly.

The bill clarified that the tax commissioner transfers funds remaining in the wireless 9-1-1 government assistance fund to the next generation 9-1-1 fund at the direction of the steering committee. Additionally, any shortfall in monthly distributions from the wireless 9-1-1 government assistance fund to counties from insufficient funds from a previous month shall be remedied in the following month.

Am. Sub. HB 483, 130th General Assembly (Sept. 15, 2014).

The bill permitted refunds of erroneously or illegally paid 9-1-1 wireless charges under RC 5703.052.

Am. Sub. HB 59, 130th General Assembly (Effective June 30, 2013).

The bill vested collection and disbursement responsibilities for the wireless 9-1-1 charge in ODT effective Jan. 1, 2014. The act codified 9-1-1 service law in Chapter 128 of the Ohio Revised Code.

History of Major Changes

2004	Am. Sub. HB 361 (125th General Assembly) established a service charge of 32 cents per month to be billed on each wireless number of a subscriber with a billing address in the state.
2008	Am. Sub. SB 129 (127th General Assembly) reduced the wireless 9-1-1 charge from 32 cents per month to 28 cents.
2012	Sub. HB 360 (129th General Assembly) decreased the post-paid monthly wireless 9-1-1 charge from 28 cents to 25 cents. The bill required the prepaid wireless charge to be 0.005% of the retail price imposed at the point of sale.
2012	Sub. HB 472 (129th General Assembly) required the monthly wireless 9-1-1 charge to be continuously imposed on prepaid subscribers until the new prepaid charge imposed at the point of sale took effect on January 1, 2014.
2013	Am. Sub. HB 59 (130th General Assembly) codified 9-1-1 service law into Chapter 128 of the Ohio Revised Code.
2015	Am. Sub. HB 64 (131st General Assembly) clarified that the tax commissioner transfers funds remaining in the wireless 9-1-1 government assistance fund to the next generation 9-1-1 fund at the direction of the steering committee. Additionally, any shortfall in monthly distributions from the wireless 9-1-1 government assistance fund to counties from insufficient funds from a previous month shall be remedied in the following month.

Comparisons with Other States

(As of June 30, 2015)

State	Charge
Georgia	prepaid \$0.75; post-paid \$1.00-\$1.50.
Indiana	prepaid \$0.50; post-paid \$0.90.
Kentucky	\$0.70 pre- and post-paid.
Michigan	prepaid 1.92 percent of sale price; Post-paid \$0.19 state fee and county fee ranges from \$0.00-\$3.00.
North Carolina	\$0.60 for pre- and post-paid.
Pennsylvania	\$1.00 pre- and post-paid.
Tennessee	\$1.16 pre- and post-paid
Texas	prepaid 2 percent of sale price; post-paid \$0.50.
West Virginia	prepaid 6 percent of sale price; post-paid \$3.00

Table 1				
Wireless 9-1-1 Charge Revenues (dollars in millions)				
Fiscal Year	Wireless 9-1-1 Government Assistance Fund	9-1-1 Program Fund	Wireless 9-1-1 Adminstrative Fund	Total
2014	\$15.3	\$0.3	\$0.2	\$15.8
2015	24.8	0.5	0.3	25.6

Source: Ohio Office of Budget and Management financial reports.

Table 2					
Wireless 9-1-1 Government Assistance Fund distributions for FY 2015					
County	Amount	County	Amount	County	Amount
Adams	\$90,000	Guernsey	\$90,476	Muskingum	\$176,447
Allen	\$228,858	Hamilton	\$2,245,169	Noble	\$90,000
Ashland	\$104,182	Hancock	\$164,443	Ottawa	\$91,556
Ashtabula	\$216,515	Hardin	\$90,000	Paulding	\$90,000
Athens	\$106,792	Harrison	\$90,000	Perry	\$90,000
Auglaize	\$98,821	Henry	\$90,000	Pickaway	\$108,076
Belmont	\$131,075	Highland	\$90,199	Pike	\$90,000
Brown	\$90,000	Hocking	\$90,000	Portage	\$306,712
Butler	\$716,485	Holmes	\$90,000	Preble	\$90,000
Carroll	\$90,000	Huron	\$128,329	Putnam	\$90,000
Champaign	\$90,000	Jackson	\$90,000	Richland	\$247,081
Clark	\$278,102	Jefferson	\$131,231	Ross	\$148,107
Clermont	\$382,893	Knox	\$120,177	Sandusky	\$122,882
Clinton	\$95,966	Lake	\$480,106	Scioto	\$139,323.56
Columbiana	\$210,417	Lawrence	\$115,910	Seneca	\$115,981
Coshocton	\$90,000	Licking	\$333,249	Shelby	\$99,191
Crawford	\$92,528	Logan	\$97,934	Stark	\$799,808
Cuyahoga	\$2,841,552	Lorain	\$615,538	Summit	\$1,180,419
Darke	\$102,620	Lucas	\$948,174	Trumbull	\$417,792
Defiance	\$90,000	Madison	\$90,000	Tuscarawas	\$183,049
Delaware	\$602,464	Mahoning	\$513,233	Union	\$123,473
Erie	\$162,184	Marion	\$139,815	Van Wert	\$90,000
Fairfield	\$292,661	Medina	\$349,589	Vinton	\$90,000
Fayette	\$90,000	Meigs	\$90,000	Warren	\$435,272
Franklin	\$2,492,425	Mercer	\$90,000	Washington	\$128,742
Fulton	\$91,575	Miami	\$203,079	Wayne	\$216,172
Gallia	\$90,000	Monroe	\$90,000	Williams	\$90,000
Geauga	\$177,273	Montgomery	\$1,197,228	Wood	\$250,434
Greene	\$309,512	Morgan	\$90,000	Wyandot	\$90,000
		Morrow	\$90,000	Total	\$25,689,296

Source: Ohio Department of Taxation