

Sales and Use Tax – County and Transit Authority

Taxpayer

Holders of vendor's licenses, direct-payment permits, and consumer use tax accounts; registered out-of-state sellers; and clerks of court.

Tax Base

Sales and rental of personal property, and selected services.

Rates

As of Dec. 31, 2008, all 88 Ohio counties as well as seven transit authorities had levied at least one of three different types of local sales taxes according to the following increments:

- County sales tax: 0.25 percent, 0.5 percent, 0.75 percent or 1 percent.
- Additional county sales tax (for special purposes): 0.25 percent or 0.5 percent.
- Transit authority sales tax: increments of 0.25 percent, up to 1.5 percent.

Major Exemptions

Since local sales and use taxes “piggyback” on the state sales and use tax, exemptions are identical. For more information, see the **Sales and Use Tax** chapter in the **State Taxes** section of this book.

Revenue (In Millions)

Fiscal Year	County	Transit Authority	Adm. Fund	Total
2004	\$1,179.8	\$278.7	\$14.8	\$1,473.3
2005	1,195.4	285.6	15.1	1,496.1
2006	1,284.4	288.7	16.0	1,589.1
2007	1,375.1	289.9	16.8	1,681.8
2008	1,410.8	305.7	17.3	1,733.8

The above figures, from the Office of Budget and Management, represent actual distributions of the county and transit authority sales and use tax during the fiscal years shown.

Disposition of Revenue

Disposition of revenue depends on the type of sales tax levy:

- County sales tax revenue is distributed to the county general revenue fund and for administrative expenses.

- Additional county sales tax revenue is allocated to one or more of the following purposes: the county general fund; the transit authority; county permanent improvements; convention facility notes or bonds; implementation of a 9-1-1 system in the county; operation and maintenance of a detention facility; or conservation easements.
- Transit authority sales tax revenue is dedicated to all transit purposes of the transit authority and administrative expenses.

Payment Dates

(See the **Sales and Use Tax** chapter in the **State Taxes** section.)

Special Provisions/Credits

For all local levies, 1 percent is credited to the Local Sales Tax Administrative Special Fund for use by the Tax Commissioner in administration.

Sections of Ohio Revised Code

County sales tax:

Sections 5739.021, 5739.022, 5739.025, 5739.21, 5739.211, 5741.021, 5741.03, and 5741.031.

Additional county sales tax:

Sections 133.312, 307.282, 307.283, 351, 5739.025, 5739.026, and 5741.023.

Transit authority sales tax:

Sections 306.321, 306.70, 306.71, 5739.01, 5739.023, 5739.025, 5739.21, 5739.211, 5741.01, 5741.022, 5741.03, and 5741.031.

Responsibility for Administration

Tax Commissioner.

History of Major Changes

- 1967** General Assembly grants counties the authority to levy a county sales tax at a 0.5 percent rate.
- 1969** Lake County becomes the first county to levy a county sales tax.
- 1974** General Assembly authorizes transit authorities to levy a sales tax, subject to voter approval, at the following rates: 0.5 percent, 1 percent, or 1.5 percent.
- 1982** Counties are permitted to levy the county sales tax at rates of either 0.5 percent or 1 percent.
- 1986** Counties are authorized to levy an additional county sales tax at 0.5 percent for specified purposes, subject to voter approval.
- 1987** General Assembly permits all local sales tax levies to be

enacted in 0.25 percent increments.

- 1992** A county 9-1-1 system is added to the list of purposes for which a county may enact an additional county sales tax.
- 1999** Conservation easements are added to the list of purposes for which the additional county sales tax may be levied.

Comparisons with Other States

See the **Sales and Use Tax** chapter in the **State Taxes** section of this publication.