

**As Introduced**

**125th General Assembly  
Regular Session  
2003-2004**

**S. B. No. 218**

**Senators Amstutz, Goodman**

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**A BILL**

To amend sections 5739.21 and 5741.03 of the Revised Code to change the procedure used to return sales and use tax collections to counties under the sourcing law that is scheduled to take effect January 1, 2005.

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

**Section 1.** That sections 5739.21 and 5741.03 of the Revised Code be amended to read as follows:

**Sec. 5739.21.** (A) Four and two-tenths per cent of all money deposited into the state treasury under sections 5739.01 to 5739.31 of the Revised Code and not required to be distributed as provided in section 5739.102 of the Revised Code or division (B) of this section shall be credited to the local government fund for distribution in accordance with section 5747.50 of the Revised Code, six-tenths of one per cent shall be credited to the local government revenue assistance fund for distribution in accordance with section 5747.61 of the Revised Code, and ninety-five and two-tenths per cent shall be credited to the general revenue fund.

(B)(1) In any case where any county or transit authority has levied a tax or taxes pursuant to section 5739.021, 5739.023, or 5739.026 of the Revised Code, the tax commissioner shall, within

forty-five days after the end of each month, determine and certify 21  
to the director of budget and management the amount of the 22  
proceeds of such tax or taxes received during that month from 23  
billings and assessments, or associated with tax returns or 24  
reports filed during that month, to be returned to the county or 25  
transit authority levying the tax or taxes. The amount to be 26  
returned to each county and transit authority shall be a fraction 27  
of the aggregate amount of money collected with respect to each 28  
area in which one or more of such taxes are concurrently in effect 29  
with the tax levied by section 5739.02 of the Revised Code. The 30  
numerator of the fraction is the rate of the tax levied by the 31  
county or transit authority and the denominator of the fraction is 32  
the aggregate rate of such taxes applicable to such area, but on 33  
and after January 1, 2005, when determining the aggregate amount 34  
of money collected with respect to a county, the tax commissioner 35  
shall attribute and return to the county the amount of money it 36  
would have collected under section 5739.033 of the Revised Code as 37  
that section existed on December 31, 2004. The amount to be 38  
returned to each county or transit authority shall be reduced by 39  
the amount of any refunds of county or transit authority tax paid 40  
pursuant to section 5739.07 of the Revised Code during the same 41  
month, or transfers made pursuant to division (B)(2) of section 42  
5703.052 of the Revised Code. 43

(2) On a periodic basis, using the best information 44  
available, the tax commissioner shall distribute any amount of a 45  
county or transit authority tax that cannot be distributed under 46  
division (B)(1) of this section. Through audit or other means, the 47  
commissioner shall attempt to obtain the information necessary to 48  
make the distribution as provided under that division and, on 49  
receipt of that information, shall make adjustments to 50  
distributions previously made under this division. 51

(C) The aggregate amount to be returned to any county or 52

transit authority shall be reduced by one per cent, which shall be 53  
certified directly to the credit of the local sales tax 54  
administrative fund, which is hereby created in the state 55  
treasury. For the purpose of determining the amount to be returned 56  
to a county and transit authority in which the rate of tax imposed 57  
by the transit authority has been reduced under section 5739.028 58  
of the Revised Code, the tax commissioner shall use the respective 59  
rates of tax imposed by the county or transit authority that 60  
results from the change in the rates authorized under that 61  
section. 62

(D) The director of budget and management shall transfer, 63  
from the same funds and in the same proportions specified in 64  
division (A) of this section, to the permissive tax distribution 65  
fund created by division (B)(1) of section 4301.423 of the Revised 66  
Code and to the local sales tax administrative fund, the amounts 67  
certified by the tax commissioner. The tax commissioner shall 68  
then, on or before the twentieth day of the month in which such 69  
certification is made, provide for payment of such respective 70  
amounts to the county treasurer and to the fiscal officer of the 71  
transit authority levying the tax or taxes. The amount transferred 72  
to the local sales tax administrative fund is for use by the tax 73  
commissioner in defraying costs incurred in administering such 74  
taxes levied by a county or transit authority. 75

**Sec. 5741.03.** (A) Four and two-tenths per cent of all money 76  
deposited into the state treasury under sections 5741.01 to 77  
5741.22 of the Revised Code that is not required to be distributed 78  
as provided in division (B) of this section shall be credited to 79  
the local government fund for distribution in accordance with 80  
section 5747.50 of the Revised Code, six-tenths of one per cent 81  
shall be credited to the local government revenue assistance fund 82  
for distribution in accordance with section 5747.61 of the Revised 83  
Code, and ninety-five and two-tenths per cent shall be credited to 84

the general revenue fund. 85

(B) In any case where any county or transit authority has 86  
levied a tax or taxes pursuant to section 5741.021, 5741.022, or 87  
5741.023 of the Revised Code, the tax commissioner shall, within 88  
forty-five days after the end of each month, determine and certify 89  
to the director of budget and management the amount of the 90  
proceeds of such tax or taxes from billings and assessments 91  
received during that month, or shown on tax returns or reports 92  
filed during that month, to be returned to the county or transit 93  
authority levying the tax or taxes, which amounts shall be 94  
determined in the manner provided in section 5739.21 of the 95  
Revised Code. The director of budget and management shall 96  
transfer, from the same funds and in the same proportions 97  
specified in division (A) of this section, to the permissive tax 98  
distribution fund created by division (B)(1) of section 4301.423 99  
of the Revised Code and to the local sales tax administrative fund 100  
created by division ~~(B)~~(C) of section 5739.21 of the Revised Code, 101  
the amounts certified by the tax commissioner. The tax 102  
commissioner shall then, on or before the twentieth day of the 103  
month in which such certification is made, provide for payment of 104  
such respective amounts to the county treasurer or to the fiscal 105  
officer of the transit authority levying the tax or taxes. The 106  
amount transferred to the local sales tax administrative fund is 107  
for use by the tax commissioner in defraying costs the 108  
commissioner incurs in administering such taxes levied by a county 109  
or transit authority. 110

**Section 2.** That existing sections 5739.21 and 5741.03 of the 111  
Revised Code are hereby repealed. 112