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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 147  
134<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Hottinger

Mackenzie Damon, Attorney

### SUMMARY

- Exempts from sales and use tax memberships to gyms or other recreational or sports club facilities operated by certain kinds of nonprofit organizations.

### DETAILED ANALYSIS

#### Sales and use tax exemption for certain gym memberships

Continuing law subjects to sales and use taxation memberships to gyms or other recreational or sports club facilities but exempts memberships to such facilities provided by state agencies and local governments.<sup>1</sup>

The bill also exempts such membership services if provided by a federally tax-exempt nonprofit organization described in section 501(c)(3) of the Internal Revenue Code.<sup>2</sup> Such organizations include those that have charitable, religious, educational, or certain other purposes, that do not attempt to influence legislation or engage in political campaigns to any substantial extent, and that do not distribute net earnings to private persons.

This exemption applies on and after the first day of the first month after the bill's 90-day effective date.<sup>3</sup>

<sup>1</sup> R.C. 5739.02(B)(22), not in the bill.

<sup>2</sup> R.C. 5739.01(B)(3)(n) and (o).

<sup>3</sup> Section 3.

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## HISTORY

Action	Date
Introduced	03-25-21

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