



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

Mackenzie Damon

S.B. 9*

132nd General Assembly
(As Reported by S. Ways and Means)

Sens. Bacon, Hottinger, Manning, Obhof, Eklund, Hoagland, Balderson, Uecker, Gardner, Beagle, Yuko, Hite, Lehner, LaRose, Williams, Schiavoni

BILL SUMMARY

- Exempts sales of clothing and school supplies and instructional materials from sales and use taxation during August 4, 5, and 6, 2017.

CONTENT AND OPERATION

Sales tax holiday for back-to-school supplies

The bill establishes a three-day period in 2017 during which clothing and school supplies and instructional materials are exempt from state and county sales and use taxes. The tax-exempt period is Friday, August 4, 2017, through Sunday, August 6, 2017. Similar sales tax holidays were held in August of 2015 and 2016.¹ As with these previous tax holidays, the bill's tax exemption applies to each of the following:

(1) Items of clothing up to \$75 each. "Clothing" means all human wearing apparel suitable for general use, but does not include items such as those used in a trade or business, accessories, or sports or protective equipment.

(2) Items of school supplies and instructional materials up to \$20 each. "School supplies" means items commonly used by a student in a course of study and are explicitly listed in the bill, including items such as book bags, crayons, erasers, notebooks, pencils, and pens. "School instructional materials" means reference books, reference maps and globes, textbooks, and workbooks only.

* This analysis was prepared before the report of the Senate Ways and Means Committee appeared in the Senate Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

¹ Am. Sub. S.B. 243 of the 130th General Assembly and Sub. S.B. 264 of the 131st General Assembly.

The exemption applies regardless of whether the sale occurs in Ohio or outside Ohio: if the sale occurs in Ohio, the sale is exempt from the sales taxes; if the sale occurs outside Ohio (for example, by mail-order or over the Internet) but the item is used in Ohio, the sale is exempt from the use taxes that would otherwise apply.²

HISTORY

| ACTION | DATE |
|---------------------------|----------|
| Introduced | 01-31-17 |
| Reported, S. Ways & Means | --- |

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² Section 1.

