



Ohio Legislative Service Commission

Bill Analysis

Mackenzie Damon

Sub. S.B. 264*

131st General Assembly
(As Reported by S. Ways & Means)

Sens. Bacon, Hughes, Jones, Obhof, Patton, Brown, Seitz, Manning, Eklund, Hite, Yuko, Lehner

BILL SUMMARY

- Exempts sales of clothing and school supplies and instructional materials from sales and use taxation during August 5, 6, and 7, 2016.

CONTENT AND OPERATION

Sales tax holiday for back-to-school supplies

The bill establishes a three-day period in 2016 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 5, 2016, through Sunday, August 7, 2016. A similar sales tax holiday was held on August 7, 8, and 9, 2015.¹ As with the 2015 tax holiday, 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 & 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.

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	01-25-16
Reported, S. Ways & Means	---

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² Section 1.

