

## SALES AND USE TAX BLANKET CERTIFICATE OF EXEMPTION

The purchaser hereby claims exception or exemption on all purchases of tangible personal property and selected services made under this certificate from:

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*(vendor's name)*

and certifies that the claim is based upon the purchaser's proposed use of the items or services, the activity of the purchase, or both, as shown hereon:

***Purchaser must state a valid reason for claiming exception or exemption.***

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*Purchaser's name*

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*Street address*

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*City, state, ZIP code*

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*Signature*

*Title*

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*Date signed*

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*Vendor's license number, if any*

Vendors of motor vehicles, titled watercraft and titled outboard motors may use this certificate to purchase these items under the "resale" exception. Otherwise, purchaser must comply with either rule 5703-9-10 or 5703-9-25 of the Administrative Code.

This certificate cannot be used by construction contractors to purchase material for incorporation into real property under an exempt construction contract. Construction contractors must comply with rule 5703-9-14 of the Administrative Code.

- 1) Sales under §.16.
- 2) Copyrighted motion picture films for exhibition purposes unless solely used for advertising. The rental or sale of films or tapes to individuals is taxable.
- 3) The refundable deposit paid on returnable beverage containers, cartons, and cases.
- 4) Food for human consumption off the premises where sold (food does not include alcoholic beverages, dietary supplements, soft drinks, or tobacco).
- 5) Food sold to students in a dormitory, school cafeteria, fraternity or sorority house.
- 6) Food served without charge to employees as part of their compensation.
- 7) Items purchased with food stamps.
- 8) Newspapers (including community newspapers and national newspapers, such as the Wall Street Journal, USA Today, and other unbound publications).
- 9) Magazine subscriptions.
- 10) Sales by churches and nonprofit charitable organizations (excluding sales of motor vehicles, titled watercraft, titled outboard motors, off-highway motorcycles, all-purpose vehicles and personal watercraft) not exceeding six days in any calendar year.
- 11) Sales to nonprofit organizations operated exclusively in Ohio for certain charitable purposes as defined in sales tax law as follows: "Charitable purposes" means the relief of poverty; the improvement of health through the alleviation of illness, disease, or injury; the operation of an organization exclusively for the provision of professional, laundry, printing, and purchasing services to hospitals or charitable institutions; the operation of a home for the aged, as defined in section 5701.13 of the Revised Code; the operation of a radio or television broadcasting station that is licensed by the federal communications commission as a noncommercial educational radio or television station; the operation of a nonprofit animal adoption service or a county humane society; the promotion of education by an institution of learning that maintains a faculty of qualified instructors, teaches regular continuous courses of study, and confers a recognized diploma upon completion of a specific curriculum; the operation of a parent teacher association, booster group, or similar organization primarily engaged in the promotion and support of the curricular or extracurricular activities of a primary or secondary school; the operation of a community or area center in which presentations in music, dramatics, the arts, and related fields are made in order to foster public interest and education therein; the production of performances in music, dramatics, and the arts; or the promotion of education by an organization engaged in carrying on research in, or the dissemination of, scientific and technological knowledge and information primarily for the public.
- 12) Sales to churches.
- 13) Sales to organizations that have been granted and have maintained 501(c)(3) status by the Internal Revenue Service.
- 14) Sales of personal computers, computer monitors, computer keyboards, modems, and other peripheral computer equipment to an individual who is licensed or certified to teach in an elementary or a secondary school in this state for use by that individual in preparation for teaching elementary or secondary school students.
- 15) Sales to a veterans' organization state headquarters.
- 16) Sales of animals by nonprofit animal shelters and county humane societies.
- 17) Sales to U.S. government agencies.
- 18) Sales to the State of Ohio or any of its political subdivisions.
- 19) Sales to other states and their political subdivisions if they exempt sales to the State of Ohio and any of its political subdivisions.
- 20) Casual sales except sales of motor vehicles, boats and outboard motors that are required to be titled, snowmobiles, documented boats, all-purpose vehicles, off-highway motorcycles and personal watercraft.
- 21) Transportation of property.
- 22) Motor vehicles sold in Ohio to nonresidents for immediate removal and titling outside the State.
- 23) Drugs that are or are intended to be distributed free of charge to a practitioner licensed to prescribe, dispense, and administer drugs to a human being in the course of a professional practice and that by law may be dispensed only by or upon the order of such a practitioner.
- 24) Motor vehicle fuel that is subject to the State motor fuel tax.
- 25) Motor vehicles and parts used for transporting tangible personal property by persons engaged in highway transportation for hire.
- 26) Emergency and fire protection vehicles and equipment used by nonprofit organizations in providing emergency and fire-protection services for political subdivisions.
- 27) Sales of used manufactured homes and used mobile homes, as defined in section 5739.0210 of the Revised Code, made on or after January 1, 2000.
- 28) Sales of tangible personal property and services to a provider of electricity used or consumed directly and primarily in generating, transmitting, or distributing electricity for use by others, including property that is or is to be incorporated into and will become a part of the consumer's production, transmission, or distribution system and that retains its classification as tangible personal property after incorporation; fuel or power used in the production, transmission, or distribution of electricity; and tangible personal property and services used in the repair and maintenance of the production, transmission, or distribution system, including only those motor vehicles as are specially designed and equipped for such use. The exemption provided in this division shall be in lieu of all other exemptions in division (B)(43)(a) of section 5739.02 of the Revised Code to which a provider of electricity may otherwise be entitled based on the use of the tangible personal property or service purchased in generating, transmitting, or distributing electricity.
- 29) Sales to a professional racing team of any of the following:
  - a. Motor racing vehicles;
  - b. Repair services of motor racing vehicles;
- 30) Items of property that are attached to or incorporated in motor racing vehicles, including engines, chassis, and all other components of the vehicles, and all spare, replacement, and rebuilt parts or components of the vehicles; except not including tires, consumable fluids, paint, and accessories consisting of instrumentation sensors and related items added to the vehicle to collect and transmit data by means of telemetry and other forms of communication.
- 31) Things used or consumed primarily in storing, transporting, mailing or otherwise handling purchased sales inventory in a warehouse, distribution center or similar facility when the inventory is primarily distributed outside this state to retail stores of the person who owns or controls the warehouse, distribution center, or similar facility.
- 32) Things used or consumed by a warrantor in fulfilling a warranty on tangible personal property.
- 33) Sales of drugs for a human being, dispensed pursuant to a prescription; insulin as recognized in the official United States pharmacopoeia; urine and blood testing materials when used by diabetics or persons with hypoglycemia to test for glucose or acetone; hypodermic syringes and needles when used by diabetics for insulin injections; hospital beds when purchased for use by persons with medical problems; and medical oxygen – dispensing equipment. The purchase of durable medical equipment for home use, or mobility enhancing equipment, when made pursuant to a prescription and when such devices or equipment are for use by a human being.
- 34) Tangible personal property used in air, noise or water pollution control facilities by holders of pollution control certificates.
- 35) Tangible personal property to be resold in the form received.
- 36) Tangible personal property used or consumed in commercial fishing.
- 37) Gas, water, steam, and electricity delivered through pipes, conduits, or wires and sold by a public utility.
- 38) Bulk water for residential use.
- 39) Tangible personal property incorporated into an energy conversion facility, solid waste energy conversion facility, or a thermal efficiency improvement facility by holders of the appropriate certificate.
- 40) Telecommunications service to call centers. (No longer an exemption of the sale of 800, WATS, or private communications services).
- 41) Sales of property for used directly in agricultural production.
- 42) Property used in the preparation of eggs for sale.
- 43) Sale and installation of agricultural land tile.
- 44) Sale and construction of portable grain bins to farmers.
- 45) Sales to persons licensed to conduct a food service operation of tangible personal property primarily used directly: to prepare food for human consumption for sale; to preserve food which has been or will be prepared for human consumption for sale by the food service operator, not including tangible personal property used to display food for selection by the consumer; and to clean tangible personal property used to prepare or serve food for human consumption for sale.
- 46) Ships or vessels or rail rolling stock used in interstate or foreign commerce and material used for repairing, altering, or propelling them.
- 47) Material, machinery, equipment and other items used in packaging property for sale by a manufacturer or retailer.
- 48) Building and construction material sold to contractors for incorporation into real property of federal, state, or local governments; religious and charitable institutions; sports facility under section 307.696 of the Revised Code; or outside this state if exempt by that state.
- 49) Building and construction materials sold to construction contractors or persons engaged in the business of horticulture or producing livestock for incorporation into a horticulture or livestock structure.
- 50) Building materials and services sold to a construction contractor for incorporation into a building under a construction contract with an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 when the building is to be used exclusively for the organization's exempt purposes.
- 51) Property manufactured in Ohio and immediately shipped outside the State for use in the retail business, if sold by the manufacturer to the retailer and shipped in vehicles owned by the retailer.
- 52) Material incorporated as part of tangible personal property produced for sale by manufacturing, assembling, processing, or refining.
- 53) Tangible personal property used or consumed in a manufacturing operation.
- 54) Sales where the purpose of the consumer is to use or consume the things transferred in making retail sales and consisting of newspaper inserts, catalogues, coupons, flyers, gift certificates, or other advertising material which prices and describes tangible personal property offered for retail sale.
- 55) Sales to direct marketing vendors of preliminary materials such as photographs, artwork, and typesetting that will be used in printing advertising material; of printed matter that offers free merchandise or chances to win sweepstakes prizes and that is mailed to potential customers with advertising material described in section 5739.02 (B) (36) (a) of the Revised Code; and of equipment such as telephones, computers, facsimile machines, and similar tangible personal property primarily used to accept orders for direct marketing retail sales.
- 56) To use tangible personal property to perform a service listed in division (B) (3) of section 5739.01 of the Ohio Revised Code (repair; installation; towing, washing, cleaning, waxing, polishing or painting motor vehicles; transportation of persons, within Ohio, except by public transit systems or commercial airlines; laundry and dry cleaning (except coin operated); automatic data processing, computer service and electronic information service; telecommunications; satellite broadcasting service (audio and video); landscaping and lawn care; snow removal; private investigation and security; 900 information, personal care service, including skin care, application of cosmetics, manicures, pedicures, hair removal, tattoos, body piercing, tanning, massage and other similar services (not including hair care such as cutting, coloring, and styling); building maintenance and janitorial; employment; employment placement; exterminating; physical fitness facility; recreation and sports club) if the property is or is to be permanently transferred to the consumer of the service as an integral part of the performance of the service.
- 57) Parts and services used in repairing and maintaining aircraft with fractional share ownership (private aircraft whose ownership is shared by a group of people).
- 58) "Direct use" exemptions:
  - a. Material used or consumed directly in mining, farming, agriculture, horticulture, floriculture, or used in the production of and exploration for crude oil and natural gas. Motor vehicles titled and registered to operate on the highways generally do not qualify for exemption.
  - b. Tangible personal property used directly in rendering a public utility service.
  - c. Tangible personal property used or consumed in the preparation for sale of printed material.
- 59) Sales to organizations described in division (D) of section 5709.12 of the Revised Code.

**NOTE:** This list of exemptions is merely an abbreviation of the law. The statutes and rules concerning sales tax exemptions are very long and complicated. Also there are hundreds of court decisions which affect the application of these exemptions. If you have any questions regarding a particular situation, please contact the Department of Taxation.