

Admissions Tax Information Session



THE CITY OF
COLUMBUS

OFFICE OF MEGAN N. KILGORE,
CITY AUDITOR

High level overview

- The tax:
 - Effective July 1, 2019, the City of Columbus levies a 5% tax on amounts received as admission to any place located within the City of Columbus.
 - Chapters 375 and 376 in the Columbus City Code
- Who is involved?
 - The person paying admission to gain entry pays the tax
 - The person charging admission (the vendor) collects and remits the tax
 - Can be an individual, place, reseller, broker, ticket sale/distribution company
 - The Columbus Income Tax Division administers the tax
 - Nationwide Arena and the Greater Columbus Arts Council receive the revenue to support long-term capital improvements and building maintenance for Nationwide Arena and the operations and facilities of local arts organizations.

Collecting the Tax

- Admissions must be charged **and** paid after July 1 to be subject to the tax (375.05)
 - If they are charged before July 1 and paid after, they are not taxable
- After July 1, vendors must collect 5% tax on admissions
 - Admissions includes season tickets, memberships, packages, subscriptions, movie theater tickets, cover charges, golf course greens fees
 - Taxable value of memberships:
 - Daily Admission Rate (1 guest) * Number of visitors admitted in one visit
 - Does not include service charges, handling fees, food and bev, merchandise, or parking
- Vendors do not have to collect the tax for admissions that meet one (or more) of the following exemptions

Exemptions (375.09 and 376.08)

- **Exempt organizations:** proceeds exclusively go to
 - Government entity acting in governmental capacity
 - 501 (C) organizations
 - Except for the NCAA and GCAC OS grantees
 - Public and private primary educational institutions
 - Organizations exempted under ORC

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- **Exempt transactions:**
 - Events sponsored by the City
 - Admissions where the charge is \$10 or less
 - Admissions to a sporting event or golf course for which proceeds benefit a college or university
 - Except for NCAA tournament or playoff events
 - Admission to an event conducted in a place with a capacity of 400 or less
 - Transactions exempted under ORC

Records (375.08 and 376.07)

- Keep records
 - Taxable admissions sales
 - Tax collected
 - Exempted sales and the reason they are exempted
- What records?
 - Invoices
 - Accounting statements
- Records must be kept for 4 years unless the City Auditor consents to a shorter or longer timeframe in writing

Filing the tax

- Creating an account
 - Form H-2 (Excise Tax New Account Questionnaire)
 - For-profit vendors must also submit Form IT-47 if they do not have an income tax or withholding account with the Columbus Income Tax Division
- Filing the return
 - Returns are due on the 20th of each month for the month preceding
 - The first filing deadline will be August 20th for the month of July
 - Form A-1, Monthly Return of Admissions Tax

Form A-1

- Line 1 – Admissions and Taxable Memberships Charged
 - Line 1: “the events/admissions from this month brought in this much revenue”
 - Admissions charged for events held during the period of the return
 - **NOT** necessarily admissions charged during the period of the return
 - E.g. if filing for July, don’t include sales for August events
 - Revenue recognized after refunds issued – this means the line 1 amount should not include admissions you had to refund for the events held in the month of the return
 - Taxable value of memberships sold in the period of the return

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 - Taxable value of memberships sold in the period of the return
- Line 2 – Exempt Admissions
 - Line 2: “out of that revenue, we did **not** collect tax on this amount”
 - Any admissions in Line 1 that are exempt from the tax (see exemptions)
 - Any admissions in Line 1 that were charged **OR** paid before July 1

An example – Beth’s Spoon Emporium

Admissions

- Daily
 - \$1,000 charged
 - \$50 refunded
- July Event
 - \$500 in total tickets
 - \$100 were sold in June
 - \$300 were \$10 tickets
- August Event
 - \$100 in pre-sale tickets

Memberships Sold

- Sold 20 memberships for a total of \$2,000
- Memberships admit 2 guests/visit
- Daily admission is \$20

An example – Beth’s Spoon Emporium

Type of Event:

Recurring Vendor

Single Event - Date of event:

1. Admissions and taxable memberships charged.....
2. Exempt Admissions.....
3. Taxable Admissions (Line 1 less Line 2).....
4. **Total Tax Due (5% of Line 3)**.....

	Events held at Nationwide Arena	Events held at other venues
		\$2,250.00
		\$400.00
		\$1,850.00
		\$92.50

Included in Line 1:

- \$950 in daily admissions. DO NOT include \$50 that was refunded.
- \$500 in ticket sales (July event). DO NOT include pre-sale for August event.
- \$800 in memberships (20 sold, taxable value is \$40)

Included in Line 2:

- Didn’t collect tax on tickets sold before July 1: \$100
- Didn’t collect tax on tickets that were \$10 or less: \$300

Form A-1 (Continued)

- Finishing the return:
 - Select recurring vendor or single event
 - Contact information:
 - Ohio Sales Tax ID
 - Business/Owner Name and Address
 - Email address: for correspondence, updates
- Checks payable to City Treasurer

Website resources

- Available this week!
- CCC Chapter 375 and 376
- Account creation forms
- Form A-1 and instructions
- Admissions Tax FAQ

Contact information

- www.columbustax.net
- Located at 77 N Front Street
- Hours are Monday – Friday 9:00 a.m. – 4:00 p.m.
- 614-645-7370

Questions? Feedback?



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