Admissions Tax Information Session
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 20\textsuperscript{th} of each month for the month preceding
    • The first filing deadline will be August 20\textsuperscript{th} 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
Form A-1

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      month of the return
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• 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)

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

<table>
<thead>
<tr>
<th>Events held at Nationwide Arena</th>
<th>Events held at other venues</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,250.00</td>
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<tr>
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<tr>
<td></td>
<td>$92.50</td>
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</table>
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?