



CITY OF COLUMBUS OHIO

INCOME TAX DIVISION

General Rules and Regulations for

Chapters 375 and 376, Columbus City Code
City Auditor's Office – Division of Income Tax
City of Columbus, Ohio
Effective July 1, 2021

- I. General Provisions and Administration of Tax
 - A. **Authority:** Chapters 375 and 376 of the Columbus City Code establish the tax on amounts received as admission to any place located within the City of Columbus and authorizes the City Auditor or their designee to adopt and enforce rules and regulations pertaining to the administration and enforcement of the provisions of those chapters.
 - B. **Purpose of rules:** the rules and regulations herein are intended to clarify provisions in Columbus City Code Chapters 375 and 376 for the purposes of administration of and compliance with the chapters. The rules and regulations are a supplement to, and not a replacement of, the language contained in Columbus City Code Chapters 375 and 376.
 - C. **Admissions:** taxable admissions, as defined in 375.01(a) and 376.01(a), do not include the following:
 - i. Virtual events, streaming services, digital content, online services and subscriptions;
 - ii. Entry fees that are payments to participate in a competition, competitive event, fitness event, or exhibition.
 - iii. Fees for non-entertainment services that include entry or access to a facility only if the entry or access to the facility is ancillary to non-entertainment services provided. The burden of proving that any transaction is not subject to the tax imposed by this chapter is upon the person upon whom the duty to collect the tax is imposed.
 - D. **Location:** taxable admissions, as defined in 375.01(a) and 376.01(a) include admissions charged to places and events located within the Columbus taxing jurisdiction for income tax purposes.
 - E. **Designee of City Auditor:** Under 375.01(b) and 376.01(b), the Income Tax Administrator is hereby designated to carry out the administration and enforcement of the provisions of this chapter on behalf of the City Auditor and is hereby empowered to adopt and promulgate and to enforce rules and regulations relating to any matter or thing pertaining to the administration and enforcement of the provisions of this chapter.
 - F. **Collection and remittance:** Each vendor, or authorized agent thereof, shall on or before the twentieth day of each month make and file a return for the preceding month using Form A-1, Monthly Return of Admissions Tax.
- II. Memberships and Packages
 - A. **Applicability:** Memberships that grant admissions (including but not limited to memberships to attractions, exhibits, country clubs, etc.) shall be taxable under Chapters 375 and 376. Memberships for non-entertainment services (e.g. wine clubs, gym memberships, tanning beds, massage clubs, newspaper subscriptions, etc.) are not taxable. Memberships for non-entertainment services that include entry or

access to a facility are not taxable under Chapters 375 and 376 only if the entry or access to the facility is ancillary to the non-entertainment services provided (e.g., gym membership). The burden of proving that any transaction is not subject to the tax imposed by this chapter is upon the person upon whom the duty to collect the tax is imposed.

B. Taxable value of a membership:

- i. The taxable value of a membership is the daily non-member admission rate for one visit multiplied by the number of guests included in the membership.
- ii. For memberships that do not define number of guests that may be admitted, the taxable value of the membership is the lesser of:
 - a. The daily non-member admission rate for one visit multiplied by two guests, or
 - b. The total cost of the membership.

C. Taxable value of a package: For packages that include admission and other services (e.g. birthday party packages) or goods (e.g. merchandise, food, beverage), the taxable value of the package is the lesser of:

- i. The value of admissions included in the package if sold separately from the package, or
- ii. The total cost of the package.

D. Taxable value of resale admissions: A vendor making or facilitating the resale of admissions must tax the resale value, which shall be calculated as the difference between the full resale price and the face value price (also known as the established price or base ticket price) of admissions.

III. Exemptions

- A. **Venue capacity:** Capacity for a place where an event is conducted is determined by the total of all occupancy permits issued by the City of Columbus for that specific address.
- B. **Capacity vs. attendance:** Admissions to an event conducted in a place with capacity for 400 or fewer attendees are exempt from the admissions tax. The capacity exemption applies to a capacity of 400 or fewer people, not attendance of 400 or fewer people.
- C. **Proceeds partially benefit exempt organization:** The tax is applied to the full price to gain admission, except for admissions where the proceeds *exclusively* benefit an organization listed in C.C.C. 375.09(a) or 376.08(a). The full amount paid to gain admission to an event where proceeds partially benefit an organization listed in C.C.C. 375.09(a) or 376.08(a) shall be considered taxable.

IV. Third Party Vendors

- A. **Non-exempt vendors selling on behalf of an exempt organization:** Non-exempt organizations that charge admissions to an event where the admissions proceeds exclusively benefit an organization exempt from taxation under C.C.C. 375.09(a) are not required to charge or collect the admissions tax.
- B. **Tax collected at each point of sale:** The tax is charged at each point of sale. If an organization sells admissions *through* a third party vendor, the organization must charge the tax through the platform or vendor selling on behalf of the organization. If an organization sells tickets *to* a third party vendor for resale, the organization must charge the tax on the admissions sold to the third party.

V. Nexus for Remote Vendors

A. Nexus:

- i. "Substantial nexus with this city" means that the vendor has sufficient contact with this city, in accordance with Section 8 of Article I of the Constitution of the United States, to allow the city to require the vendor to collect and remit admissions tax made to consumers in this city. The vendor must engage in continuous and widespread solicitation of purchases from residents of this city or otherwise purposefully directs its business activities at residents of this city.
- ii. "Substantial nexus with this city" is presumed to exist when the vendor does any of the following:
 - a. Uses an office or any place of business within this city, whether operated by the vendor or any other person, other than a common carrier acting in its capacity as a common carrier.

- b. Regularly uses employees, agents, representatives, solicitors, salespersons, or other persons in this city for the purpose of conducting the business of the vendor.
 - c. Uses any person, other than a common carrier acting in its capacity as a common carrier, in this city for any of the following purposes:
 - a. Receiving or processing orders;
 - b. Using that person's employees or facilities in this city to advertise, promote, or facilitate sales by the vendor to customers;
 - d. Has an affiliated person that has substantial nexus with this city.
 - e. Has gross receipts in excess of one hundred thousand dollars in the current or preceding calendar year from the sale of admissions to events or places located in this city.
 - f. Engages, in the current or preceding calendar year, in two hundred or more separate transactions selling admissions to events or places located in this city.
- iii. A marketplace facilitator, as defined in C.C.C. 375.01(e) and C.C.C. 376.01(e), is presumed to have substantial nexus with this state if either of the following apply in the current or preceding calendar year:
- a. The aggregate gross receipts derived from sales of admissions to events or places located in this city, including sales made by the marketplace facilitator on its own behalf and sales facilitated by the marketplace facilitator on behalf of one or more marketplace sellers, exceed one hundred thousand dollars;
 - b. The marketplace facilitator engages in on its own behalf, or facilitates on behalf of one or more marketplace sellers, two hundred or more separate transactions selling admissions to events or places located in this city.