

PRESCRIBED BY THE TAX
COMMISSIONER UNDER RULE
NO. TX-11-03**BLANKET CERTIFICATE OF EXEMPTION**

The undersigned hereby claims exemption to purchases of tangible personal property from

_____ on and after

NAME OF VENDOR

_____ and certifies that this claim

DATE

is based upon the purchaser's proposed use of the items purchased, the activity of the purchaser, or both, as shown hereon:

PURCHASER MUST STATE STATUTORY REASON FOR CLAIMING EXEMPTION OR EXCEPTION

This certificate shall continue in force until revoked and shall be considered a part of each order given to the above named vendor unless the order specifies otherwise.

(Purchaser's Name)_____
(Purchaser's Activity, i.e., Manufacturer, Public Utility, Church, etc.)_____
(Purchaser's Address)_____
(By — Signature and Title)_____
(Date Signed)_____
(Vendor's License, if any)

The appropriate reason from paragraphs (A) to (Z) of this rule shall be inserted in the unit or blank exemption certificate when claiming exemption or exception from the Ohio sales or use taxes. Parenthetical numerals following some of the reasons are references to explanations under paragraph (BB) of this rule.

(A) For resale in the form in which the same is, or is to be, received.

(B) For use or consumption:

(1) As a material or part for incorporation into personal property to be produced for sale by manufacturing, assembling, processing, or refining. (7)

(2) Directly in production of personal property for sale by mining. (1) (7)

(3) Primarily in a manufacturing operation to produce tangible personal property for sale. (7)

(4) Directly in the production of personal property for sale by farming, agriculture, horticulture, or floriculture. (2)

(5) Directly in the production of crude oil or natural gas. (3)

(6) Directly in rendition of a public utility service. (6)

(7) Directly in making retail sales. (5)

(8) Directly in commercial fishing.

(9) As a material or part for incorporation into magazines distributed as controlled circulation publications. (8)

(10) Directly in the production of magazines distributed as controlled circulation publications. (8)

(11) In the production and preparation in suitable condition for market and sale of printed, imprinted, overprinted, lithographic, multithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter.

(12) Directly in the preparation of eggs for sale, including the cleaning, sanitizing, preserving, grading, and sorting of eggs and the classifying of eggs by size.

(13) Primarily in the process of the reclamation of strip mined land as required by Chapters 1513, and 1514, of the Revised Code.

(14) To fulfill a contractual obligation incurred by a warrantor, vendor of a warranty, maintenance or service contract, or similar agreement.

(15) To use the benefit of a warranty, maintenance or service contract, or similar agreement, to repair tangible personal property that qualifies for exemption.

(C) To hold the thing transferred as security for the performance of an obligation of the vendor.

(D) To sell, hold, use, or consume the article as evidence of a contract of insurance.

(E) A sale:

(1) To a church.

(2) To a nonprofit organization operated exclusively for charitable purposes in this state (4)

(3) Of a ship or vessel for use principally in interstate or foreign commerce, or of repairs, alterations, fuels, and lubricants therefor.

(F) A sale of packages or of materials and parts therefor, or of machinery, equipment, and materials for use in packaging personal property produced for sale or sold at retail to a person engaged in:

(1) Production of personal property for sale by manufacturing, assembling, processing, or mining. (1) (7)

(2) Production of personal property for sale by farming, agriculture, horticulture, or floriculture.

(2)

(3) Production of crude oil or natural gas. (3)

(4) Making retail sales. (5)

(5) The preparation of eggs for sale.

(G) A sale to a person engaged in manufacturing, assembling, processing, refining, or the preparation of eggs for sale, of handling and transportation equipment, other than motor vehicles licensed to operate on public highways, for use in:

(1) Intraplant transfers of personal property in the process of production for sale, or of eggs in the process of preparation for sale;

(2) Shipment between plants operated by the same person of personal property in the process of production for sale, or of eggs in the process of preparation for sale.

(H) A sale to a person engaged in farming, agriculture, horticulture, or floriculture of tangible personal property for use or consumption: (2)

(1) Directly in the production of articles for use or consumption directly in the production of other personal property for sale;

(2) In conditioning or holding of products produced for sale, or in conditioning or holding of articles produced for use or consumption directly in the production of other personal property for sale;

(3) As a material or part for incorporation into articles to be produced for use or consumption directly in production of other personal property for sale.

(I) A sale:

(1) Of a hospital bed for use by a person with medical problems for medical purposes;

(2) Of oxygen and oxygen dispensing equipment for use by a person with medical problems for medical purposes;

(3) To a diabetic, of insulin as recognized in the official United States "Pharmacopoeia," materials to test urine for glucose or acetone, and hypodermic syringes and needles to be used for insulin injections.

(J) A sale:

(1) Of an artificial limb or portion thereof, a breast prosthesis, or other prosthetic device for a human; (11)

(2) Of a wheelchair or a device used to lift wheelchairs into motor vehicles and parts or accessories for such a device; (11)

(3) Of crutches or other devices to aid human perambulation; (11)

(4) Of tangible personal property used to supplement impaired functions of the human body such as respiration, hearing, or elimination. (11)

(K) A sale of emergency or fire protection vehicles or equipment to a nonprofit organization for use solely in providing fire protection and emergency service for a political subdivision of the state.

(L) A sale to the holder of an air or noise pollution control certificate of tangible personal property to be incorporated as a material or part into an air or noise pollution control facility.

(M) A sale to the holder of an industrial water pollution control certificate of tangible personal property to be incorporated as a material or part into an industrial water pollution control facility.

(N) A sale to the holder of an energy conversion, thermal efficiency improvement, or solid waste energy conversion certificate of tangible personal property to be incorporated as a material or part into an industrial or commercial energy conversion, thermal efficiency improvement, or solid waste energy conversion facility.

(O) A sale of tangible personal property manufactured in this state and sold by the manufacturer to a retailer for use in his retail business outside of this state with possession taken by the retailer from the manufacturer within this state for the sole purpose of immediately removing the property from this state in a vehicle owned by the purchaser.

(P) Sales of water to a consumer for residential use, except sales of bottled water, distilled water, mineral water, carbonated water, or ice.

(Q) A sale on or before December 31, 1985 of a solar, wind or hydrothermal energy system, or a component thereof, as defined in Chapter 1551.3-1 of the Administrative Code.

(R) Sales to a person licensed to conduct a food service operation under section 3732.03 of the Revised Code and Chapter 3701.21 of the Administrative Code of tangible personal property directly used in preserving, preparing, or serving food for human consumption, or directly used in maintaining or cleaning such property.

(S) Sales to a nonprofit corporation conducting research or furnishing services to libraries.

(T) Sales and installation of agricultural land tile for use in producing personal property for sale by farming, agriculture, horticulture, or floriculture.

(U) Sales and erection of portable grain bins for use in producing personal property for sale by farming, agriculture, horticulture, or floriculture.

(V) Sales of motor vehicles used primarily for highway transportation for hire including repair, maintenance, parts to and items attached thereto.

(W) Sales to and for the use of the state headquarters of a veteran's organization in Ohio chartered by the U.S. Congress or recognized by the U.S. Veterans Administration.

(X) Sales to a telecommunications service vendor of tangible personal property and services used directly and primarily in providing telecommunications service.

(Y) Sales of investment metal bullion and investment coins.

(Z) The appropriate reason, as shown in the following list, shall be checked on the construction contract exemption certificate when the articles of personal property purchased under the certificate are purchased for incorporation into:

(1) A structure or improvement to real property under a construction contract with the state of Ohio or a political subdivision thereof.

(2) A structure or improvement to real property under a construction contract with the United States government or one of its agencies.

(3) A house of public worship or religious education.

(4) A building used exclusively for charitable purposes under a construction contract with a nonprofit organization operated exclusively for the relief of poverty; the improvement of health through alleviation of illness, disease, or injury; 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; 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 which 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 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.

(5) A structure or improvement to real property which is accepted for ownership by this state or any of its political subdivisions at the time of completion of such structure or improvement.

(6) A structure or improvement to real property which is accepted for ownership by the United States government or one of its agencies.

(7) A structure or improvement to real property that is solar, wind, or hydrothermal energy system that meets the guidelines established under Chapter 1551.3-1 of the Administrative Code, provided that such tangible personal property was purchased on or before December 31, 1985.

(AA) The appropriate reason from the following list, shall be inserted in the certificate of exemption regarding sale of a motor vehicle as prescribed in rule 5703.9-10 of the Administrative Code:

(1) The intended use of the vehicle by the purchaser in this state is an exempt use in accordance with rule 5703.9-10 of the Administrative Code.

(2) The sale is being made to a nonprofit organization operated exclusively for charitable purposes in this state;

(3) The sale is in interstate commerce;

(4) The sale is an out-of-state resident for immediate removal of the motor vehicle from Ohio for exclusive use outside this state.

(BB) Explanations:

(1) Mining includes the extraction from the earth of all substances which are classed geologically as minerals.

(2) Persons engaged in rendering farming, agriculture, horticulture, or floriculture services for others are deemed engaged directly in farming, agriculture, horticulture, or floriculture.

(3) Persons engaged in rendering services in the exploration for and production of crude oil and natural gas for others are deemed engaged directly in the production of crude oil and natural gas.

(4) The law provides: "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 5703.13 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 which 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 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, or 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. Nothing in this division shall be deemed to exempt sales to any organization for use in the operation or carrying on of a trade or business, or sales to a home for the aged for use in the operation of independent living facilities as defined in Division (A) of Section 5709.12 of the Revised Code."

(5) "Making retail sales" means the effecting of transactions wherein one party is obligated to pay the price and the other party is obligated to provide a service or to transfer title to or possession of the item sold, but it does not include the delivery of items thereafter nor the preliminary acts of promoting or soliciting the retail sales, other than the distribution of printed matter which displays or describes and prices the items offered for sale.

(6) "Used directly in the rendition of a public utility service" means that property which is to be incorporated into and will become a part of the consumer's production, transmission, transportation, or distribution system and which retains its classification as tangible personal property after such incorporation, fuel or power used in the production, transmission, transportation, or distribution; and tangible personal property used in the repair and maintenance of the production, transmission, transportation, or distribution systems, including only such motor vehicles as are specially designed and equipped for such use.

(7) "Manufacturing operation" means a process in which materials are changed, converted or transformed into a different state or form from which they previously existed and includes refining material and parts by mixing, measuring, blending or otherwise committing such materials or parts to the manufacturing process.

(8) "Magazines distributed as controlled circulation publications" means magazines containing at least twenty-four pages, at least twenty-five per cent editorial content, issued at regular intervals four or more times a year, and circulated without charge to the recipient, provided that such magazines are not owned or controlled by individuals or business concerns which conduct such publications as an auxiliary to, and essentially for the advancement of the main business or calling those who own or control them.

(9) "Highway transportation for hire" means the transportation of personal property belonging to others for consideration by any of the following:

(1) The holder of a permit or certificate issued by this state or the United States authorizing the holder to engage in transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare;

(2) A person who engages in the transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare but who could not have engaged in such transportation on December 11, 1985 unless he was the holder of a permit or certificate of the types described in paragraph (1);

(3) A person who leases a motor vehicle to and operates it for a person described in paragraphs 1 or 2.

(10) "Telecommunications service" means the transmission of any interactive, two-way electromagnetic communications, including voice, image, data, and information, through the use of any medium such as wires, cables, microwaves, cellular radio, radio waves, light waves, or any combination of those or similar media.

(11) Paragraph (J) of this rule does not apply:

(a) To a sale of a nonprescription drug or remedy, an item or device to supplement vision, an item or device the function of which is solely or primarily cosmetic, or to physical fitness equipment.

(b) To purchases made by a physician or medical facility for use in treating a patient.

Effective: July, 1990