Ohio | Department of Taxation

Information Release - Sports Gaming Receipts Tax (SGRT): SGRT 2022-01 – Definition of Taxpayer – May, 2022

This release contains draft language for a proposed rule to further clarify the definition of taxpayer for purposes of the sports gaming receipts tax (SGRT) and the withholding tax. Please direct any questions regarding this to Angela McNair at taxrules@tax.state.oh.us.

Proposed Rule – 5703-30-01

(A) Unless stated otherwise, terms not defined or clarified in this rule have the same meaning as in Chapter 3775 or 5753 of the Revised Code.

(B) For purposes of the sports gaming receipts tax, "taxpayer" is defined in section 5753.01 as "a sports gaming proprietor subject to the tax levied under section 5753.021 of the Revised Code." However, division (E)(1) of sections 3775.05 and 3775.051 of the Revised Code indicate that unless the context requires otherwise, references in the Revised Code to a sports gaming proprietor apply to a mobile management services provider and management service provider to the extent that the mobile management services provider or management service provider is acting on behalf of a type A or type B sports gaming proprietor, respectively, pursuant to the contract acknowledged in the same sections.

(C) For purposes of Title LVII of the Revised Code, due to the nature and responsibilities for tax liabilities, the statement in (E)(1) of sections 3775.05 and 3775.051 of the Revised Code is not applicable, except as authorized by division (D) of this rule. A sports gaming proprietor is the taxpayer with respect to the tax levied in section 5753.021 of the Revised Code.

(D) If a sports gaming proprietor is a professional sports organization and is a member of a league, association, or organization that prevents the sports gaming proprietor from being subject to the regulatory control of the Ohio casino control commission or from otherwise operating under the license issued by the Ohio casino control commission, the professional sports organization that has contractually appointed a designee operator may also identify the designee operator as the taxpayer for purposes of the tax levied in section 5753.021 of the Revised Code and the requirements imposed under section 5747.063 of the Revised Code. Because of the relationship between these two parties, if a designee operator is named the taxpayer, any correspondence, billings, assessments, or refunds will be issued in the name of the designee operator.

(E) Except as identified in section 3775.14 of the Revised Code, section 5753.04 of the Revised Code allows the tax commissioner to disclose any information in a return of a sports gaming proprietor concerning sports gaming receipts. This will be true regardless of whether the sports gaming proprietor or the designee operator is listed as the taxpayer.