



## Ohio Revised Code

### Section 5747.063 Withholding from casino winnings.

Effective: March 23, 2015

Legislation: House Bill 5 - 130th General Assembly

---

The requirements imposed under this section are in addition to the municipal income tax withholding requirements under section 718.031 of the Revised Code.

(A)(1) If a person's winnings at a casino facility are an amount for which reporting to the internal revenue service of the amount is required by section 6041 of the Internal Revenue Code, as amended, the casino operator shall deduct and withhold Ohio income tax from the person's winnings at a rate of four per cent of the amount won. A person's amount of winnings shall be determined each time the person exchanges amounts won in tokens, chips, casino credit, or other prepaid representations of value for cash or a cash equivalent. The casino operator shall issue, to a person from whose winnings an amount has been deducted and withheld, a receipt for the amount deducted and withheld, and also shall obtain from the person additional information that will be necessary for the casino operator to prepare the returns required by this section.

(2) If a person's winnings at a casino facility require reporting to the internal revenue service under division (A)(1) of this section, the casino operator also shall require the person to state in writing, under penalty of falsification, whether the person is in default under a support order.

(B) Amounts deducted and withheld by a casino operator are held in trust for the benefit of the state.

(1) On or before the tenth day of each month, the casino operator shall file a return electronically with the tax commissioner identifying the persons from whose winnings amounts were deducted and withheld, the amount of each such deduction and withholding during the preceding calendar month, the amount of the winnings from which each such amount was withheld, the type of casino gaming that resulted in such winnings, and any other information required by the tax commissioner. With the return, the casino operator shall remit electronically to the commissioner all the amounts deducted and withheld during the preceding month.

(2)(a) A casino operator shall maintain a record of each written statement provided under division



(A)(2) of this section in which a person admits to being in default under a support order. The casino operator shall make these records available to the director of job and family services upon request.

(b) A casino operator shall maintain copies of receipts issued under division (A)(1) of this section and of written statements provided under division (A)(2) of this section and shall make these copies available to the tax commissioner upon request.

(c) A casino operator shall maintain the information described in divisions (B)(2)(a) and (b) of this section in accordance with section 5747.17 of the Revised Code and any rules adopted pursuant thereto.

(3) Annually, on or before the thirty-first day of January, a casino operator shall file an annual return electronically with the tax commissioner indicating the total amount deducted and withheld during the preceding calendar year. The casino operator shall remit electronically with the annual return any amount that was deducted and withheld and that was not previously remitted. If the identity of a person and the amount deducted and withheld with respect to that person were omitted on a monthly return, that information shall be indicated on the annual return.

(4)(a) A casino operator who fails to file a return and remit the amounts deducted and withheld is personally liable for the amount deducted and withheld and not remitted. The commissioner may impose a penalty up to one thousand dollars if a return is filed late, if amounts deducted and withheld are remitted late, if a return is not filed, or if amounts deducted and withheld are not remitted. Interest accrues on past due amounts deducted and withheld at the rate prescribed in section 5703.47 of the Revised Code. The commissioner may collect past due amounts deducted and withheld and penalties and interest thereon by assessment under section 5747.13 of the Revised Code as if they were income taxes collected by an employer.

(b) If a casino operator sells the casino facility or otherwise quits the casino business, the amounts deducted and withheld and any penalties and interest thereon are immediately due and payable. The successor shall withhold an amount of the purchase money that is sufficient to cover the amounts deducted and withheld and penalties and interest thereon until the predecessor casino operator produces either a receipt from the commissioner showing that the amounts deducted and withheld and penalties and interest thereon have been paid or a certificate from the commissioner indicating



that no amounts deducted and withheld or penalties and interest thereon are due. If the successor fails to withhold purchase money, the successor is personally liable for payment of the amounts deducted and withheld and penalties and interest thereon, up to the amount of the purchase money.

(C)(1) Annually, on or before the thirty-first day of January, a casino operator shall issue an information return to each person with respect to whom an amount has been deducted and withheld during the preceding calendar year. The information return shall show the total amount deducted from the person's winnings by the casino operator during the preceding calendar year.

(2) Annually, on or before the thirty-first day of January, a casino operator shall provide to the commissioner a copy of each information return issued under division (C)(1) of this section for the preceding calendar year. The commissioner may require that the copies be transmitted electronically.

(D) Amounts deducted and withheld shall be allowed as a credit against payment of the tax imposed by section 5747.02 of the Revised Code and shall be treated as taxes paid for purposes of section 5747.09 of the Revised Code. This division applies only to the person for whom the amount is deducted and withheld.

(E) The failure of a casino operator to deduct and withhold the required amount from a person's winnings does not relieve the person from liability for the tax imposed by section 5747.02 of the Revised Code with respect to those winnings. And compliance with this section does not relieve a casino operator or a person who has winnings at a casino facility from compliance with relevant provisions of federal tax laws.

(F) The commissioner shall prescribe the form of the receipt and returns required by this section. The director of job and family services shall prescribe the form of the statement required by this section.

(G) The commissioner may adopt rules that are necessary to administer this section.