

RESOLUTION ARB2026-0001

Sales Tax Policy and Procedures

Whereas, County entities may adopt, amend, rescind, and administer rules on matters within their respective jurisdictions, as established by the County Charter, the County Code, or general law; and

Whereas, Section 205.09(A) of the Cuyahoga County Code establishes the Cuyahoga County Administrative Rules Board; and

Whereas, per Section 113.02(G) of the Cuyahoga County Code, the Administrative Rules Board is given approval authority over rules promulgated by County entities based on a determination of: (1) whether the requesting entity has the authority to adopt, amend, or rescind the rule and (2) whether the proposed rule conflicts with the County Code; and

Whereas, the Cuyahoga County Department of Purchasing administers the Sales Tax Policy and Procedures;

NOW, THEREFORE, BE IT RESOLVED BY THE ADMINISTRATIVE RULES BOARD OF CUYAHOGA COUNTY, OHIO:

Section 1. The Sales Tax Policy and Procedures, as attached, is hereby enacted as part of the Cuyahoga County Administrative Code.

Section 2. The Resolution shall go into immediate effect and remain in full force and effect until rescinded by the Administrative Rules Board.

Section 3. It is found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were passed in an open meeting of this Board and that all deliberations of this Board that resulted in such formal actions were in meetings open to the public and in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

The foregoing resolution was duly adopted on February 19, 2026.



*Audrey Bucholtz
Clerk of the Board*

Cuyahoga County Sales Tax Policy and Procedures

Background

Sales tax is a tax paid to a governing body (state or local) on the sale of certain goods and services. The purpose of this policy is to define the applicability of sales taxes when the County or individuals working on behalf of the County are purchasing goods or services during the course of business.

Authority

Ohio Revised Code Section 5739.02 defines the purpose, rate, and exemptions for the levy of sales tax in the State of Ohio. Cuyahoga County has formulated this policy to provide guidance and instruction to County employees making purchases for the County.

General Information

The Ohio sales and use tax applies to the sales of goods and services within the State of Ohio. . Within Ohio, sales taxes do not apply to political subdivisions in accordance with Ohio Revised Code Section 5739.02 (B) (1). “Political subdivision” is defined in various provisions of the Ohio Revised Code to include Counties.

Responsibilities – In-State Purchases

County employees conducting any transactions related to the business, operations, maintenance, or any other purchase on behalf of the County within Ohio shall present the Ohio Department of Taxation Sales and Use Tax Blanket Exemption Certificate (Form STEC B) at the time of the transaction. The vendor is responsible for collecting and maintaining the Form STEC B at the time of the transaction.

Form STEC B can be obtained here:

https://dam.assets.ohio.gov/image/upload/procure.ohio.gov/pdf/ST_STEC_B_FI.pdf

Sales tax for transactions occurring within Ohio are not subject to sales tax. Sales tax shall not be paid by the employee conducting the transaction. Should sales tax be paid on county transactions, the employee making the transaction shall be responsible for:

1. Reimbursement to the county in the amount of tax paid, or
2. Contact with the vendor for a rebate on the amount of sales tax paid

Sales tax charged for transactions within Ohio which are not in compliance with this policy will not be reimbursed.

Should the employee present the STEC B at the time of the transaction, but the vendor refuses to honor the exemption, employees shall seek out an alternative vendor willing to accept the sales tax exemption.

Any sales taxes paid on transactions conducted within the State of Ohio are the responsibility of the employee making the transaction.

Responsibilities – Out-of-State Purchases

Employees travelling out of state on County business shall familiarize themselves with the requirements of the state in which they will be conducting business (refer to Appendix A). Should specific documentation be required for a sales tax exemption, employees shall obtain that documentation prior to travel (some forms are identified in Appendix A, but this is not considered to be an exhaustive list). Employees shall present the required documentation at the time of the transaction, requesting the appropriate exemption.

Should a request for an authorized exemption be refused at the time of the transaction, employees shall proceed with making the purchase while noting their request for exemption was refused. The employee shall be reimbursed for the full amount of such purchases, including any sales tax charged.

Employees should be aware that while certain states have no sales tax (Alaska, Delaware, etc.), state law may allow for individual municipalities to impose sales tax upon transactions made within their jurisdiction. Should this occur, employees shall request an exemption. If the exemption is denied, employees shall comply with the above described course of action.

Responsibilities – Remote Purchases

Remote sales are considered to be those occurring through mail order, telephone or online.

Per the Ohio Department of Taxation, sourcing is used to determine the applicability of sales tax to an individual transaction. For all remote sales within Ohio, whether the vendor is in or out of the state, the source is considered to be the location known to the vendor where the consumer receives the tangible personal property or service, including the location indicated by instructions for delivery to the consumer as provided in Ohio Revised Code Section 5739.033 (C)(2). As a result, any remote purchases or transactions made pursuant to the operations of the County shall not have sales tax applied. Persons making such transactions shall:

1. Ascertain if the vendor has a tax exempt status option
2. Provide the required information pertaining to the tax exempt status of the County (such as uploading a copy of the STEC B)

3. When completed with the order process, but prior to checking out, ensure that sales tax exemption has been applied
 - a. If sales tax was applied, do not complete the transaction
 - b. Contact the vendor to clarify tax exempt status
4. If tax exempt status has been verified, complete the transaction
5. If tax is mistakenly charged
 - a. Attempt to cancel the transaction
 - b. Retain a written record of the cancellation confirmation and/or order confirmation
 - c. Request refund of sales tax
6. Retain any receipts and submit them to the Fiscal Office for reconciliation.

Use of Personal Cards for Purchases

To the degree practicable, County employees shall ensure tax exemption by using a County-issued P-Card or Credit Card instead of a personal card.

Notwithstanding the above, if purchase with a County-issued P-Card or Credit Card is not practicable, purchases made by employees using their personal cards or bank accounts may not be honored as tax exempt by the retail merchants/vendors, but those transactions shall be reimbursed in full by the County, including applicable sales tax.

APPENDIX A

OTHER STATE EXEMPTION REQUIREMENTS

STATE	EXEMPTION YES/NO	REQUIREMENTS
AL	N	
AK	Other	No state sales tax; several borough's and cities have their own ability to level sales taxes, which are not controlled by the state.
AZ		

AR	No	
CA	No	
CO	No	
CT	No	
DE	Other	No state sales tax
DC	Yes*	Code of D.C. 47-2005 (2); states requesting exemptions must provide those same exemptions to DC
FL	Yes	F.S. 212.08 (Sales, rental, use, consumption, distribution and storage tax; specified exemptions. Requires the filing of an Application for a Consumer's Certificate of Exemption (DR-5) or (DR-14)
GA	No	
HI	Other	No state sales tax; may charge other excise taxes
ID	No	
IL	YES	With limitations; does not apply to hotel rooms (IL Admin Code, Title 86, Chapter 1, Part 480, Section 480.101).For other purposes, form STAX-1 (Application for sales tax exemption) must be filed. <i>Purchases made with credit cards bearing the individuals name WILL NOT be exempt, even if it is secondary to the governmental entities identification on the card.</i>
IN	No	
IA	No	
KY	Yes	Must file For 51A125 (Application for purchase exemption sales and use tax), with a copy or our State of Ohio exemption letter)
LA	No	
ME	No	
MD		
MA	No	
MI	No	
MN	Yes	Does not apply to lodging and prepared foods. Requires submission of MN Dept. of Revenue Form ST3, completed and filed at point of purchase
MS	No	
MO	Maybe	144.030.1 provides for exemptions between Missouri and "any other State..." but does not specify political subdivisions of any other state
MT	No	
NE	No	

NV	No	
NH	Other	No state sales tax
NJ	No	
NM	No	
NY	No	
NC	No	
ND	Yes*	Requires the filing of an application for Sales Tax Exemption Certificate, and only provides an exemption to states that treats ND sales in the same manner
OH	Yes	
OK	No	They do exempt sales tax ONLY to adjacent states
OR	Other	No state sales tax; no exemptions for lodging tax
PA	No	
PR		
RI	Yes	Only applies to contractors or construction materials
SC		
SD	Yes	No exemption certificate required; billing invoice must indicate that payment was received from the governmental entity or that the purchases were made by a credit card issued to and in the name of the governmental entity.
TN	No	
TX	No	
UT	No	
VT	No	
VA	No	
WA	No	
WV	Yes*	Requires the filing of the Streamlined Sales Tax Certificate of Exemption; only applies with other states that have reciprocity with WV
WI	No	
WY	No	
		<i>* Only applies to traffic control devices or similar items</i>

