



Ohio Revised Code

Section 5709.03 Fixing situs of certain classes of property within or without this state.

Effective: October 1, 1953

Legislation: Senate Bill 361 - 100th General Assembly

Property of the kinds mentioned in this section, when used in business, shall be considered to arise out of business transacted in a state other than that in which the owner resides, under the circumstances following:

- (A) Accounts receivable resulting from the sale of property by an agent having an office in such other state or from a stock of goods maintained therein, or from services performed by an officer, agent, or employee connected with, sent from, or reporting to any officer or at any office located in such other state;
- (B) Prepaid items, when the right acquired thereby relates exclusively to the business transacted in such other state, or to property used in such business;
- (C) In the case of accounts payable, the proportion of the entire amount of accounts receivable, wherever arising, represented by those arising out of business transacted in such other state ascertained as provided in this section, shall be taken to represent the proportion of the entire amount of accounts payable arising out of the business transacted in such other state;
- (D) Deposits, other than those used in business outside of such other state, when withdrawable in the course of such business by an officer or agent having an office in such other state; but deposits representing general reserves or balances of the owner thereof maintained for the purpose of his entire business wherever transacted, shall be considered located in the state in which the owner resides, if an individual, or in which its actual principal executive office is situated, if a partnership or association, or under whose laws it is organized, if a corporation, by whomsoever they may be withdrawable;
- (E) Money kept on hand at an office or place of business in such other state;



(F) Investments not held in trust, when made, created, or acquired in the course of repeated transactions of the same kind, conducted from an office of the owner in such other state, when either:

(1) Such investments represent obligations of persons residing in such other state or secured by property located therein;

(2) An officer or agent of the owner at the owner's office in such other state has authority, in the course of the owner's business, to receive or collect the income thereon, the principal, or both, when due, or to sell and dispose of the same.

This section shall be reciprocally applied, so that all property of the kinds mentioned in this section having a business situs in this state shall be taxed in this state, and no such property belonging to a person residing in this state and having a business situs outside of this state shall be taxed. The assignment of a business situs outside of this state to property of a person residing in this state, in any case and under any circumstances mentioned in this section, is inseparable from the assignment of such situs in this state to property of a person residing outside of this state in a like case and under similar circumstances. If any provision of this section is held invalid as applied to property of a nonresident person, such decision shall be deemed also to affect such provision as applied to property of a resident, but shall not affect any other provision hereof.