

5703-29-04**Excluded person -- consolidated elected and combined taxpayer groups.**

(A) As used in this rule, "exclusion amount" has the same meaning as in section 5751.01 of the Revised Code.

(B)

(1) A consolidated elected taxpayer group is formed by an election pursuant to section 5751.011 of the Revised Code. To make the election, the group needs to register as such a taxpayer. For tax periods beginning before January 1, 2024, even if the group's total taxable receipts are below one hundred fifty thousand dollars, with or without taking into account gross receipts excluded because they are from other members of the group, the group still needs to pay the flat (minimum) tax.

(2) For tax periods beginning on or after January 1, 2024:

(a) Notwithstanding the binding eight-calendar quarters for which a consolidated election applies under section 5751.011 of the Revised Code, if a registered consolidated elected taxpayer's taxable gross receipts will not exceed the exclusion amount in the calendar year, such taxpayer may cancel its account.

(b) If a group of persons who would be subject to the commercial activity tax if the group registered as a combined taxpayer, but whose aggregate taxable gross receipts would not exceed the exclusion amount in the calendar year if the group were to make a valid consolidated election under section 5751.011 of the Revised Code and exclude intermember receipts, the group of persons does not need to register for the commercial activity tax.

(C)

(1) A combined taxpayer group exists pursuant to the provisions of section 5751.012 of the Revised Code. This group is not formed by an election. For tax periods beginning before January 1, 2024, if the group's total taxable receipts are below one hundred fifty thousand dollars in a calendar year, such group does not need to register or pay the flat (minimum) tax. For tax periods beginning on or after January 1, 2024, if the group's taxable gross receipts do not exceed the exclusion amount in a calendar year, such group does not need to register or pay the tax in that calendar year

(2) For tax periods beginning before January 1, 2024, within thirty days of having taxable gross receipts of one hundred fifty thousand dollars or more, such

combined taxpayer group needs to register for, and is subject to, the commercial activity tax.

- (3) For calendar year 2024 and thereafter, within thirty days of having taxable gross receipts of more than the exclusion amount, such combined taxpayer group should register for and is subject to, the commercial activity tax.

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