

Publications

Client Alert: Ohio General Assembly Expands the Ohio Department of Taxation's Authority in Connection with Liquor License Renewals and Transfers

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Last summer the Ohio General Assembly passed Ohio's biennial budget and, in connection with doing so, expanded the Ohio Department of Taxation's authority relative to the state's processing of liquor license renewals and transfers. Now, in addition to verifying permit holders' sales tax and employer withholding tax compliance, the department is tasked with confirming that the permit holder has complied with all of Ohio's state level taxes. Of the taxes added to the department's authority, the one most likely to trigger a red flag is the commercial activity tax (CAT). We encourage all permit holders to carefully monitor any and all correspondence from the Ohio Department of Taxation and the Division of Liquor Control and respond promptly to any notice related to such taxes and their liquor permit. We anticipate that this is likely to first become an issue in connection with the June 1, 2018 renewal of all retail liquor permits located in the western one-third of the state. Further, if you want to be proactive in assessing your current compliance, you might also request a "statement of condition" in advance of renewing or transferring your liquor license to avoid any surprises. The department has a special form for doing so. The form is available [here](#).

Feel free to call your Vorys attorney if you have any questions. For questions regarding liquor license renewals and transfers contact Tim Bechtold (614.464.8257; tjbechtold@vorys.com). For questions regarding the CAT and employer withholding tax contact Dave Froling (614.464.3022; dafroling@vorys.com). For questions regarding sales tax contact Tony Ehler (614.464.8282; alehler@vorys.com).