

## Gross Receipts:

### Ohio: Changes to Transportation Service Provider Nexus Rule Reflect Increased CAT Exclusions

*Amended Rule section 5703-29-15*, Ohio Dept. of Tax. (eff. 10/7/24). The Ohio Department of Taxation (Department) amended its rule addressing whether the provider of transportation services has established nexus with Ohio under the Ohio commercial activity tax's (CAT) "bright-line presence standard," and describing how much such taxpayers should situs gross receipts from their activities to Ohio. The revisions update the CAT taxable gross receipts threshold to reflect budget legislation enacted in 2023 that removes the CAT minimum tax and increases the taxable gross receipts exclusion to the first \$3 million beginning in 2024 and to the first \$6 million beginning in 2025 [see H.B. 33 (2023) and previously issued Multistate Tax Alert for more details on this legislation]. The changes also reflect that the CAT taxable gross receipts threshold applies to both combined taxpayers and consolidated elected taxpayers. Please contact us with any questions.

**URL:** <https://www.registerofohio.state.oh.us/rules/search/details/344614>

**URL:** <https://www.legislature.ohio.gov/legislation/135/hb33>

**URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-ohio-passes-fy2024-fy2025-operating-budget-enacting-various-tax-changes.pdf>

— Courtney Clark (Columbus)  
Partner  
Deloitte Tax LLP  
courtneyclark@deloitte.com

Norm Lobins (Cleveland)  
Managing Director  
Deloitte Tax LLP  
nlobins@deloitte.com

Matt Culp (Columbus)  
Senior Manager  
Deloitte Tax LLP  
mculp@deloitte.com

Paige Purcell (Columbus)  
Senior Manager  
Deloitte Tax LLP  
pfitzwater@deloitte.com

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