

***Via email to craig.johnson@sstgb.org***

Craig Johnson

Executive Director

Streamlined Sales and Use Tax Governing Board

Mr. Johnson,

On February 2, 2026, via letter from the Executive Committee of the Streamlined Sales Tax Governing Board, Ohio was notified that it was found to be not in substantial compliance with all the requirements of the Streamlined Sales and Use Tax Agreement, specifically with respect to Ohio's expanded sales tax holiday.

In 2023, the 135th General Assembly passed and the Governor signed Ohio's biennium budget, Am. Sub. H. B. 33, which contained language that allowed for an expanded sales tax holiday in the event of a budget surplus. The 2025 expanded sales tax holiday was for fourteen days and ran from August 1 through August 14, 2025, and the Department provided notice to vendors on May 30, 2025. The holiday included all tangible personal property of \$500 or less with limited exceptions, such as motor vehicles, watercraft, alcohol, tobacco, vapor and marijuana products. Currently, the Streamlined Sales and Use Tax Agreement does not contain a definition for vapor products, which are excluded in Ohio's expanded sales tax holiday. As noted, a sales tax holiday can only apply to items that are specifically defined under Part II or Part III of the Library of Definitions of the Agreement.

Note that, with the passage of Ohio H.B. 186, there will be no expanded sales tax holiday in 2026. Otherwise, the Department is not aware of any anticipated legislative modifications to the sales tax holiday at this time.

Sincerely,

*Alexander Fant*

Alex Fant

Division Counsel, Office of Chief Counsel