



## Research and Development Sales Tax Exemption

<b>Overview</b>	Provides an exemption from the usual state and county sales tax for companies that purchase equipment for research and development activities.
<b>Benefits</b>	Provides significant tax savings for companies undertaking research and development activities in Ohio.
<b>Eligibility</b>	Includes research and development activity in both direct and pure research. Direct research refers to research conducted to design, create or formulate new or better products, equipment or processes. Pure research refers to scientific or technological inquiry and experimentation in the physical sciences.
<b>Rate/Terms</b>	Exempts entire state and county sales tax for purchases of machinery and equipment used primarily for research and development Provide vendor with a blanket exemption certificate, available on the Ohio Department of Taxation's web site: <a href="http://www.tax.ohio.gov">www.tax.ohio.gov</a> under Business, Tax Forms.
<b>Contact</b>	Youngstown/Warren Regional Chamber at 330.392.6140 Ohio Department of Development at 330.797.6301. Ohio Department of Taxation, Sales Tax Division at 888.405.4039 or 614.466-7351.

*This summary is prepared as a reference, and should not be construed as the actual law. For more information, contact the Youngstown/Warren Regional Chamber.*