

DIRECT PAYMENT AUTHORITY

Taxpayer Legal Name: The Pullman Company
Direct Payment Permit Number: 98-002406
Effective Date: 07/01/2017

Purpose:

This Direct Payment Authority is issued pursuant to Ohio Revised Code ("R.C.") 5739.031 at the discretion of the tax commissioner having determined that such provision will improve compliance with Ohio sales and use tax laws. The Permit Holder understands and agrees to the following requirements.

Notification to Vendors:

The Permit Holder agrees to furnish either (i) a copy of the Direct Payment Authority or (ii) a document that includes the name and address of the Permit Holder, the Direct Payment Permit Number and the Effective Date to each supplier, vendor or service provider from whom the Permit Holder purchases taxable tangible personal property or taxable services, with the following exceptions:

- Telecommunication services
- Purchases made with a purchasing card
- Transportation such as taxi service
- Credit card purchases related to travel such as lodging and meals
- Motor vehicles titled with the Bureau of Motor Vehicles

Note: Under audit, the Ohio Department of Taxation ("ODT") will treat sales tax paid to suppliers, vendors or service providers (other than the above excepted transactions) as errors. The Permit Holder must file a comprehensive refund claim and provide all invoices for tax paid to suppliers, vendors or service providers on non-excepted transactions.

Construction Contracts:

If the Permit Holder has a contract with a construction contractor and certifies that a portion of a construction contract relates to tangible personal property which remains as tangible personal property after installation, then R.C. 5739.03(C) allows the Permit Holder to certify such claim, and allows the construction contractor to accept the Direct Payment Authority with respect to the certified tangible personal property portion of the contract.

R.C. 5739.01(B)(5) explains that the Ohio sales and use tax does not apply to construction contracts that transfer property for the repair, modernization or new construction of real property. Because such contracts are not subject to Ohio sales and use tax, the Permit Holder must not claim Direct Payment Authority for any construction contract work performed in connection with real property.