



Phil Mullin

## *Bill Analysis*

Legislative Service Commission

### **H.B. 209**

126th General Assembly  
(As Introduced)

**Reps. Combs, Carano, Chandler, C. Evans, Harwood, Martin, Perry, Trakas**

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#### **BILL SUMMARY**

- Qualifies the owner or operator of a community arts center for issuance of a D-5h liquor permit.
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#### **CONTENT AND OPERATION**

##### **Current law**

Current law allows the D-5h liquor permit to be issued to any nonprofit organization that (1) is exempt from federal income taxation under subsection 501(c)(3) of the Internal Revenue Code (see **COMMENT**), (2) owns or operates a fine arts museum, and (3) has not less than 5,000 bona fide members possessing full membership privileges. The holder of a D-5h permit may sell beer and intoxicating liquor at retail, only by the individual drink in glass and from the container, for consumption on the premises where sold, but the permit holder cannot so sell beer or intoxicating liquor after 1 a.m. A D-5h permit cannot be transferred to another location, and no quota restrictions may be placed on the number of D-5h permits that can be issued. The fee for the D-5h permit is \$1,875. (R.C. 4303.181(H).)

##### **Changes proposed by the bill**

Under the bill, a D-5h permit also may be issued to any nonprofit organization that (1) is exempt from federal income taxation under subsection 501(c)(3) of the Internal Revenue Code and (2) owns or operates a community arts center. The bill defines "community arts center" as a facility that provides arts programming to the community in more than one arts discipline, including, but not limited to, exhibits of works of art and performances by both professional and amateur artists. (R.C. 4303.181(H)(2).)

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## COMMENT

Subsection 501(c)(3) of the Internal Revenue Code concerns corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or education purposes, or to foster national or international amateur sports competition (with a caveat), or for the prevention of cruelty to children or animals--no part of the net earnings of which entity inures to the benefit of any private shareholder or individual; no substantial part of the activities of which entity is carrying on propaganda, or otherwise attempting, to influence legislation (with a caveat); and which entity does not participate in, or intervene in (including statement publication or distribution), any political campaign on behalf of or in opposition to any candidate for public office.

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## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	04-20-05	p. 678

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