



## *Synopsis of House Committee Amendments\**

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*Legislative Service Commission*

### **Sub. S.B. 226**

124th General Assembly  
(H. State Government Committee)

Prescribes tax withholding requirements if the right to a lottery prize award is transferred.

Specifies that transferees and transferors of lottery prize awards are subject to Ohio income or corporate franchise taxes for the entire amount of income recognized from a prize award's transfer.

Provides that a lottery prize award transfer agreement is invalid unless it incorporates separate statements by the transferor and transferee agreeing to the applicable tax treatment and withholding requirements the bill establishes.

Removes the Senate-passed version's provisions (1) that permitted a lottery prize award to be the subject of a security interest or used as collateral under a transfer agreement and (2) made such a transfer of a lottery prize award subject to Ohio's Secured Transactions Law.

Requires that a disclosure statement need only be provided to a transferor who is a lottery prize winner, and modifies a few of the Senate-passed version's required elements of a disclosure statement.

Allows the State Lottery Commission to object to the transfer of a lottery prize award if the prize award has been transferred within 12 months immediately preceding the effective date of the proposed transfer.

Modifies a few aspects of the Senate-passed version's "court--application for advance approval of a transfer" procedure (filing deadline; notice to State Lottery Commission contents).

Changes the Senate-passed version's definitions of "prize winner," "transfer," and "transferor."

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\* This synopsis does not address amendments that may have been adopted on the House floor.