Ohio | Department of Taxation

ST 1993-04 – Exterminating Service – Issued March 31, 1993; Reissued and Revised August 2020; April 2025

This release is reissued to add to the frequently asked questions and update outdated information. Ohio Revised Code Section 5739.01(B)(3)(m) was enacted effective January 1, 1993 to include "exterminating service" in the definition of "sale" and "selling", which makes the provision of this service a sale subject to the Ohio sales and use tax.

Section 5739.01(LL) defines "exterminating service" as the service of eradicating or attempting to eradicate vermin infestations from a building or structure, or the area surrounding a building or structure, and includes activities to inspect, detect, or prevent vermin infestation of a building or structure.

The purpose of this information release is to answer some of the commonly asked questions regarding exterminating services.

A) IF I AM PROVIDING THIS SERVICE, WHAT TYPE OF LICENSE DO I NEED AND HOW DO I OBTAIN THIS LICENSE?

A person in the business of providing exterminating service with a fixed place of business in Ohio must obtain a county vendor's license by registering with the Department through the Ohio Business Gateway or with their county auditor. A person operating from a temporary place of business in Ohio must obtain a transient vendor's license from the Department.

There is a $50 application fee.

B) IF MY BUSINESS IS LOCATED OUTSIDE OF OHIO BUT I PROVIDE A TAXABLE SERVICE TO OHIO CONSUMERS, MUST I REGISTER AND COLLECT OHIO USE TAX?

YES

You must register as an out-of-state seller and collect and remit the Ohio use tax if you are providing this service in Ohio. Registration is available on the Ohio Business Gateway or through the Streamlined Sales Tax Registration System.

C) IS REGISTRATION BASED ON THE AMOUNT OF SALES GENERATED BY THIS SERVICE?

NO

If you are providing this service, you must be licensed or registered, and you must collect and remit sales tax regardless of the dollar amount of sales.

D) CAN I CLAIM EXEMPTION ON MY PURCHASES OR REPAIRS OF EQUIPMENT, MOTOR VEHICLES, CHEMICALS AND OTHER SUPPLIES USED IN PROVIDING AN EXTERMINATING SERVICE?

You can claim exemption from tax only on certain types of items.

Pursuant to R.C. 5739.02(B)(42)(m), you can claim exemption on the purchase of items that are permanently transferred to the consumer as an integral part of the performance of the service. This includes the purchase of chemicals that are applied to the area in and surrounding a building or structure in an effort to eradicate vermin (i.e. fleas, ticks, chiggers, etc.) that are harmful to pets or humans.

Pursuant to R.C. 5739.01(D)(5), you cannot claim exemption on equipment and tools that are used in providing an exterminating service nor can you claim exemption on other consumable items used in providing the service. This includes tools used for the application of pesticides or chemicals such as sprayers, dusters, bait application guns, fogging machines, and safety items such as gloves, clothing, safety goggles, masks, and respirators. Other types of equipment that are taxable include, but are not limited to, over-the-road motor vehicles (i.e., cars, trucks, and trailers), warehouse equipment, uniforms, etc. You also cannot claim exemption on repairs to equipment or motor vehicles.

If you are purchasing equipment, chemicals or other supplies for the purpose of selling these items over-the-counter, you may continue claiming the "resale" exemption and charging Ohio sales tax on the sale accordingly.

E) WHAT IS THE "PRICE" USED IN CALCULATING THE SALES TAX?

The total amount billed to your customer for the taxable services is the "price" and should include such things as delivery, mileage, miscellaneous supplies, etc.

If, however, you are also providing an exempt service, you must separately charge for this service or else it will be considered part of the exterminating service and become part of the "price" for calculating the tax.

F) WHAT TAX RATE DO I CHARGE?

You must charge tax at the rate in effect in the county where the building or structure is located. If you provide exterminating service to a single consumer with buildings located in several counties, you must separate the charges for each location and collect the tax based on the rates in effect in the different counties.

G) HOW WILL I REPORT THE TAX COLLECTED ON THESE SERVICES?

As a vendor, you will file the universal sales tax form (Form UST-1) via the Ohio Business Gateway or TeleFile. TeleFile is only available to vendors with a regular county vendor's license who report sales for a single county. Returns are generally filed monthly, however, the tax commissioner may allow semi-annual returns, and returns must be filed even if no sales are made or no tax is due. If you temporarily discontinue your business because of the seasonal nature of the work, you must continue filing returns. You are entitled to a 3/4 of 1% (.0075) discount when returns are timely filed with full payment of the amount due. Failure to file returns on time and/or remit the amount due subjects you to an additional charge of 10% or $50, whichever is greater, and/or a 50% penalty.

H) WHEN IS THE TAX TO BE REPORTED AND PAID TO THE STATE OF OHIO?

The tax applies and is collectible when the sale is made, regardless of the time when the price is paid or delivered. Therefore, the tax is to be reported on a sales tax return covering the period when the sale is made. Returns and payment of the tax are due on the twenty-third day of the month following the end of the reporting period.

I) WHAT IS THE "AREA SURROUNDING" A BUILDING OR STRUCTURE?

For purposes of administering the law, we consider the "area surrounding a building or structure" to be land that is in close proximity to a building or structure, where vermin may be found, that may result in the infestation of the building or structure (termites, mice, fleas, ants, roaches, etc.) or impede the enjoyment of the land that is in close proximity to a building or structure (chiggers, ants, fleas, moles, mosquitoes, etc.).

J) ARE THE FOLLOWING ACTIVITIES CONSIDERED AN EXTERMINATING SERVICE?

Exterminating Service	Not an Exterminating Service
Applying chemicals to the interior or exterior of a building to eradicate termites and other insects	Applying fungicides to control mildew or fungi
Removing small animals such as mice, rats, skunks, etc., from a house, garage, business, barn etc.	Applying pesticides to farmland prior to planting or during the growing period
Spraying or removing a bee's nest in or on a building or structure or in a tree next to a building or structure	On-site treatment of pets or farm animals for fleas, ticks, etc.
Applying pesticides to a yard to eradicate insects that are harmful to pets or humans	Applying pesticides to a yard to eradicate bugs or insects that are harmful to the yard or other plants. This is considered a landscaping and lawn care service.
Trapping (including live trapping) animals, such as mice, bats, rats, skunks, raccoons, squirrels, etc., for removal from buildings or the area surrounding a building	Erecting permanent barriers, such as chimney caps, to prevent vermin from gaining entry to a building, structure or the area surrounding
Treating a construction site for termites or other vermin prior to or during construction	
Inspecting a building, structure or surrounding areas for infestations including prior to the sale or purchase of a home or business	
Setting out poison to kill pigeons, rats, etc.	
Using a dog and trainer to detect bed bugs, eggs and/or vermin through scent	

NOTES

Those activities indicated as NOT being exterminating services are either sales and installation of tangible personal property, construction contracts, landscaping and lawn care service, or personal/professional services. As such, they continue to be taxable or exempt from sales or use tax in accordance with applicable law.

As always, you must separate your taxable charges from your non-taxable charges when you are engaged in performing both a taxable and a non-taxable activity.

K) IF I AM PROVIDING "WHOLE HOUSE" INSPECTIONS (INSPECTING FOR STRUCTURAL INTEGRITY, MECHANICAL OPERATION, AND VERMIN INFESTATION), MUST I CHARGE SALES TAX?

If separately stated, you would charge sales tax only on the amount of the inspection fee attributed to inspecting the house for vermin infestation. If you do not separate the vermin inspection fee from the other inspection fees, the entire amount would be taxable.

L) IF I AM TREATING A BARN FOR FLY INFESTATION, CAN THE PURCHASER (FARMER) CLAIM EXEMPTION FROM SALES OR USE TAX?

NO

Farmers have no statutory exemption on the purchase of taxable services, such as exterminating service.

M) IF THE PURCHASER IS CLAIMING EXCEPTION OR EXEMPTION FROM THE TAX, WHAT EVIDENCE MUST I OBTAIN?

If the purchaser is never subject to the tax (Federal Government, State of Ohio or any of its political subdivisions, etc.), you must clearly indicate the identity of the purchaser on the sales invoice.

If the purchaser is claiming "direct payment authority" as an exemption, you must obtain either (1) a copy of the direct payment authorization or (2) the name and address of the direct payment permit holder, the direct payment permit number (8 digit number beginning with 98) and the date the Tax Commissioner issued the direct payment authority. A complete list of all direct payment permit holders is included within the “List of Active Vendors” on the Department’s website.

If the purchaser is claiming that the service is otherwise not subject to the sales or use tax (purchased for resale, purchased by a nonprofit, charitable organization, purchased by a church, etc.), you must have a fully completed exemption certificate on file.

N) MUST I CHARGE TAX ON THE SALE OF A WARRANTY OR SERVICE AGREEMENT FOR AN EXTERMINATING SERVICE?

YES

O) IF I RETURN AND PROVIDE MY SERVICE BASED ON A WARRANTY OR SERVICE AGREEMENT, MUST I CHARGE TAX?

If you charge your customer for re-applying chemicals under a warranty or service agreement, you will collect sales tax on the amount charged (this would most likely be the amount of your "deductible"). If, however, you are re-applying chemicals without additional charge, you would not be collecting sales tax.

P) CAN AN EXTERMINATOR CLAIM EXEMPTION BY REASON OF "RESALE" WHEN PURCHASING AN EXTERMINATING SERVICE FROM ANOTHER EXTERMINATOR?

YES

If an exterminator (Party A) is subcontracting part of an exterminating service out to another exterminator (Party B), Party A's purchase from Party B will be exempt based on the "resale" exemption. Party A must provide a fully completed exemption certificate to Party B. If more than one subcontractor is used, Party A must provide exemption certificates to all the other subcontractors.

Q) CAN A DEVELOPER, LANDLORD, CONDOMINIUM ASSOCIATION OR CONSTRUCTION CONTRACTOR CLAIM EXEMPTION BASED ON "RESALE" ON THE PURCHASE OF EXTERMINATING SERVICE?

NO

A developer, landlord, condominium association, or construction contractor is considered the consumer of the service as they are not "selling" the service to the occupant of the building.

R) CAN A LANDLORD PURCHASE AN EXTERMINATING SERVICE EXEMPT BECAUSE THE TENANT (FEDERAL GOVERNMENT, STATE OF OHIO, ETC.) OF THE BUILDING IS EXEMPT FROM SALES TAX ON ITS PURCHASES?

NO

Since the landlord is making the purchase of the exterminating service instead of the tenant (Federal Government, State of Ohio, etc.), the landlord has no claim for the exemption.

S) WHAT ARE MY RESPONSIBILITIES IF THE CONSUMER REFUSES TO PAY THE TAX?

As a vendor or seller, you are responsible for charging, collecting, and remitting the sales or use tax. The sales or use tax charged by you is a legal charge against the consumer which can be collected by you through all legal means.

Please contact Taxpayer Services at 1-888-405-4039, or e-mail us through our website: tax.ohio.gov with any questions regarding this release.

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