

As Introduced

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Representative Sayre

**Cosponsors: Representatives Skindell, Hagan, R., Foley, Ujvagi, Stewart, D.,
McGregor, J., DeGeeter, Chandler, Williams, B., Williams, S., Yuko, Brady,
Celeste, Fende, Garrison, Letson, Hughes, Luckie, Boyd, Koziura**

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A B I L L

To enact section 121.231 of the Revised Code to 1
generally prohibit the award of state contracts 2
and tax credits and the use of state moneys for 3
loans, grants, or other assistance to expatriate 4
corporations. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 121.231 of the Revised Code be 6
enacted to read as follows: 7

Sec. 121.231. (A) As used in this section: 8

(1) "Compelling public interest" includes, but is not limited 9
to, the public interest in ensuring the provision of essential 10
services, ensuring the public health and safety, or responding to 11
an emergency. 12

(2) "Emergency" means a sudden, unexpected occurrence that 13
poses a clear and imminent danger and requires immediate action to 14
prevent or mitigate the loss or impairment of life, health, 15
property, or essential public services. 16

(3) "Expatriate corporation" means a publicly held 17

corporation to which all of the following apply: 18

(a) The corporation is incorporated in a tax haven country 19
included on the most recent list required under division (B) of 20
this section, whether or not, at an earlier time, it had been 21
incorporated under the laws of a state of the United States. 22

(b) The principal market for the public trading of the 23
corporation's stock is the United States. 24

(c) The corporation has no substantial business activities in 25
its place of incorporation. 26

(4) "Public moneys" and "public moneys of the state" have the 27
same meanings as in section 135.01 of the Revised Code. 28

(5) "Tax haven country" means a country that has no corporate 29
income tax or that has an effective tax rate of less than ten per 30
cent on income not arising in or derived from that country, but 31
excludes a country that is a signatory to a treaty or other 32
international agreement that would negate those tax policies. 33

(B) The secretary of state shall establish and maintain a 34
list of all tax haven countries for the purpose of this section. 35
The list shall be updated annually, published on the secretary of 36
state's web site, and publicly accessible at no cost. 37

(C)(1) No department, office, institution, board, commission, 38
authority, or other agency of this state, for the supply of goods 39
or services or of a public improvement, shall enter into a 40
contract with a corporation that is an expatriate corporation at 41
the time the contract is entered into. 42

(2) No person with which a department, office, institution, 43
board, commission, authority, or other agency of this state has 44
contracted for the supply of goods or services or of a public 45
improvement shall enter into any associated subcontract with a 46
corporation that is an expatriate corporation at the time the 47

associated subcontract is entered into. 48

(3) Divisions (C)(1) and (2) and (E) of this section do not 49
apply to a particular proposed contract or subcontract, described 50
in division (C)(1) or (2) of this section, with an expatriate 51
corporation upon a finding by a department, office, institution, 52
board, commission, authority, or other agency of this state that 53
the contract or subcontract is necessary to meet a compelling 54
public interest. Any such finding shall be in writing and be made 55
only by the agency's chief executive or his or her designee or, as 56
applicable, by affirmative vote of the majority of the agency's 57
governing body. 58

(D) No department, office, institution, board, commission, 59
authority, or other agency of this state shall award a state tax 60
credit or use public moneys of this state to make a loan or award 61
a grant or any other form of public financial assistance to a 62
corporation that is an expatriate corporation at the time the tax 63
credit, loan, grant, or assistance is awarded or made. 64

(E)(1) Immediately prior to entering into a contract or 65
subcontract described in division (C)(1) or (2) of this section or 66
to initially receiving a state tax credit or a loan, a grant, or 67
other public financial assistance described in division (D) of 68
this section, a corporation shall submit to the department, 69
office, institution, board, commission, authority, or other agency 70
of this state a written certification, signed by an officer of the 71
corporation or the officer's designee, that the corporation is not 72
an expatriate corporation. 73

(2) Whoever knowingly makes a false statement concerning a 74
certification under division (E)(1) of this section is guilty of 75
falsification under section 2921.13 of the Revised Code. 76