

**As Introduced**

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**H. B. No. 255**

**Representative Balderson**

**Cosponsors: Representatives Gardner, Huffman, Wagner, Evans, Derickson,  
Zehringer, McGregor, Mecklenborg, Wachtmann, Ruhl, Stautberg, Snitchler,  
Domenick**

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**A B I L L**

To amend sections 5747.08 and 5747.98 and to enact 1  
section 5747.67 of the Revised Code to allow a 2  
\$400 income tax credit for volunteer firefighters. 3

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

**Section 1.** That sections 5747.08 and 5747.98 be amended and 4  
section 5747.67 of the Revised Code be enacted to read as follows: 5

**Sec. 5747.08.** An annual return with respect to the tax 6  
imposed by section 5747.02 of the Revised Code and each tax 7  
imposed under Chapter 5748. of the Revised Code shall be made by 8  
every taxpayer for any taxable year for which the taxpayer is 9  
liable for the tax imposed by that section or under that chapter, 10  
unless the total credits allowed under divisions (E), (F), and (G) 11  
of section 5747.05 of the Revised Code for the year are equal to 12  
or exceed the tax imposed by section 5747.02 of the Revised Code, 13  
in which case no return shall be required unless the taxpayer is 14  
liable for a tax imposed pursuant to Chapter 5748. of the Revised 15  
Code. 16

(A) If an individual is deceased, any return or notice 17

required of that individual under this chapter shall be made and 18  
filed by that decedent's executor, administrator, or other person 19  
charged with the property of that decedent. 20

(B) If an individual is unable to make a return or notice 21  
required by this chapter, the return or notice required of that 22  
individual shall be made and filed by the individual's duly 23  
authorized agent, guardian, conservator, fiduciary, or other 24  
person charged with the care of the person or property of that 25  
individual. 26

(C) Returns or notices required of an estate or a trust shall 27  
be made and filed by the fiduciary of the estate or trust. 28

(D)(1)(a) Except as otherwise provided in division (D)(1)(b) 29  
of this section, any pass-through entity may file a single return 30  
on behalf of one or more of the entity's investors other than an 31  
investor that is a person subject to the tax imposed under section 32  
5733.06 of the Revised Code. The single return shall set forth the 33  
name, address, and social security number or other identifying 34  
number of each of those pass-through entity investors and shall 35  
indicate the distributive share of each of those pass-through 36  
entity investor's income taxable in this state in accordance with 37  
sections 5747.20 to 5747.231 of the Revised Code. Such 38  
pass-through entity investors for whom the pass-through entity 39  
elects to file a single return are not entitled to the exemption 40  
or credit provided for by sections 5747.02 and 5747.022 of the 41  
Revised Code; shall calculate the tax before business credits at 42  
the highest rate of tax set forth in section 5747.02 of the 43  
Revised Code for the taxable year for which the return is filed; 44  
and are entitled to only their distributive share of the business 45  
credits as defined in division (D)(2) of this section. A single 46  
check drawn by the pass-through entity shall accompany the return 47  
in full payment of the tax due, as shown on the single return, for 48  
such investors, other than investors who are persons subject to 49

the tax imposed under section 5733.06 of the Revised Code. 50

(b)(i) A pass-through entity shall not include in such a 51  
single return any investor that is a trust to the extent that any 52  
direct or indirect current, future, or contingent beneficiary of 53  
the trust is a person subject to the tax imposed under section 54  
5733.06 of the Revised Code. 55

(ii) A pass-through entity shall not include in such a single 56  
return any investor that is itself a pass-through entity to the 57  
extent that any direct or indirect investor in the second 58  
pass-through entity is a person subject to the tax imposed under 59  
section 5733.06 of the Revised Code. 60

(c) Nothing in division (D) of this section precludes the tax 61  
commissioner from requiring such investors to file the return and 62  
make the payment of taxes and related interest, penalty, and 63  
interest penalty required by this section or section 5747.02, 64  
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 65  
of this section shall be construed to provide to such an investor 66  
or pass-through entity any additional deduction or credit, other 67  
than the credit provided by division (J) of this section, solely 68  
on account of the entity's filing a return in accordance with this 69  
section. Such a pass-through entity also shall make the filing and 70  
payment of estimated taxes on behalf of the pass-through entity 71  
investors other than an investor that is a person subject to the 72  
tax imposed under section 5733.06 of the Revised Code. 73

(2) For the purposes of this section, "business credits" 74  
means the credits listed in section 5747.98 of the Revised Code 75  
excluding the following credits: 76

(a) The retirement credit under division (B) of section 77  
5747.055 of the Revised Code; 78

(b) The senior citizen credit under division (C) of section 79  
5747.05 of the Revised Code; 80

(c) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code;	81 82
(d) The dependent care credit under section 5747.054 of the Revised Code;	83 84
(e) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	85 86
(f) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	87 88
(g) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	89 90
(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	91 92
(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	93 94
(j) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	95 96
(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	97 98
(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	99 100
(m) The low-income credit under section 5747.056 of the Revised Code;	101 102
<u>(n) The volunteer firefighter credit under section 5747.67 of the Revised Code.</u>	103 104
(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made.	105 106 107 108 109

Nothing in this division shall be construed to provide for any 110  
deduction or credit that would not be allowable if a nonresident 111  
pass-through entity investor were to file an annual return. 112

(4) If a pass-through entity makes the election provided for 113  
under division (D) of this section, the pass-through entity shall 114  
be liable for any additional taxes, interest, interest penalty, or 115  
penalties imposed by this chapter if the tax commissioner finds 116  
that the single return does not reflect the correct tax due by the 117  
pass-through entity investors covered by that return. Nothing in 118  
this division shall be construed to limit or alter the liability, 119  
if any, imposed on pass-through entity investors for unpaid or 120  
underpaid taxes, interest, interest penalty, or penalties as a 121  
result of the pass-through entity's making the election provided 122  
for under division (D) of this section. For the purposes of 123  
division (D) of this section, "correct tax due" means the tax that 124  
would have been paid by the pass-through entity had the single 125  
return been filed in a manner reflecting the tax commissioner's 126  
findings. Nothing in division (D) of this section shall be 127  
construed to make or hold a pass-through entity liable for tax 128  
attributable to a pass-through entity investor's income from a 129  
source other than the pass-through entity electing to file the 130  
single return. 131

(E) If a husband and wife file a joint federal income tax 132  
return for a taxable year, they shall file a joint return under 133  
this section for that taxable year, and their liabilities are 134  
joint and several, but, if the federal income tax liability of 135  
either spouse is determined on a separate federal income tax 136  
return, they shall file separate returns under this section. 137

If either spouse is not required to file a federal income tax 138  
return and either or both are required to file a return pursuant 139  
to this chapter, they may elect to file separate or joint returns, 140  
and, pursuant to that election, their liabilities are separate or 141

joint and several. If a husband and wife file separate returns 142  
pursuant to this chapter, each must claim the taxpayer's own 143  
exemption, but not both, as authorized under section 5747.02 of 144  
the Revised Code on the taxpayer's own return. 145

(F) Each return or notice required to be filed under this 146  
section shall contain the signature of the taxpayer or the 147  
taxpayer's duly authorized agent and of the person who prepared 148  
the return for the taxpayer, and shall include the taxpayer's 149  
social security number. Each return shall be verified by a 150  
declaration under the penalties of perjury. The tax commissioner 151  
shall prescribe the form that the signature and declaration shall 152  
take. 153

(G) Each return or notice required to be filed under this 154  
section shall be made and filed as required by section 5747.04 of 155  
the Revised Code, on or before the fifteenth day of April of each 156  
year, on forms that the tax commissioner shall prescribe, together 157  
with remittance made payable to the treasurer of state in the 158  
combined amount of the state and all school district income taxes 159  
shown to be due on the form, unless the combined amount shown to 160  
be due is one dollar or less, in which case that amount need not 161  
be remitted. 162

Upon good cause shown, the tax commissioner may extend the 163  
period for filing any notice or return required to be filed under 164  
this section and may adopt rules relating to extensions. If the 165  
extension results in an extension of time for the payment of any 166  
state or school district income tax liability with respect to 167  
which the return is filed, the taxpayer shall pay at the time the 168  
tax liability is paid an amount of interest computed at the rate 169  
per annum prescribed by section 5703.47 of the Revised Code on 170  
that liability from the time that payment is due without extension 171  
to the time of actual payment. Except as provided in section 172  
5747.132 of the Revised Code, in addition to all other interest 173

charges and penalties, all taxes imposed under this chapter or 174  
Chapter 5748. of the Revised Code and remaining unpaid after they 175  
become due, except combined amounts due of one dollar or less, 176  
bear interest at the rate per annum prescribed by section 5703.47 177  
of the Revised Code until paid or until the day an assessment is 178  
issued under section 5747.13 of the Revised Code, whichever occurs 179  
first. 180

If the tax commissioner considers it necessary in order to 181  
ensure the payment of the tax imposed by section 5747.02 of the 182  
Revised Code or any tax imposed under Chapter 5748. of the Revised 183  
Code, the tax commissioner may require returns and payments to be 184  
made otherwise than as provided in this section. 185

To the extent that any provision in this division conflicts 186  
with any provision in section 5747.026 of the Revised Code, the 187  
provision in that section prevails. 188

(H) If any report, claim, statement, or other document 189  
required to be filed, or any payment required to be made, within a 190  
prescribed period or on or before a prescribed date under this 191  
chapter is delivered after that period or that date by United 192  
States mail to the agency, officer, or office with which the 193  
report, claim, statement, or other document is required to be 194  
filed, or to which the payment is required to be made, the date of 195  
the postmark stamped on the cover in which the report, claim, 196  
statement, or other document, or payment is mailed shall be deemed 197  
to be the date of delivery or the date of payment. 198

If a payment is required to be made by electronic funds 199  
transfer pursuant to section 5747.072 of the Revised Code, the 200  
payment is considered to be made when the payment is received by 201  
the treasurer of state or credited to an account designated by the 202  
treasurer of state for the receipt of tax payments. 203

"The date of the postmark" means, in the event there is more 204

than one date on the cover, the earliest date imprinted on the 205  
cover by the United States postal service. 206

(I) The amounts withheld by the employer pursuant to section 207  
5747.06 of the Revised Code shall be allowed to the recipient of 208  
the compensation as credits against payment of the appropriate 209  
taxes imposed on the recipient by section 5747.02 and under 210  
Chapter 5748. of the Revised Code. 211

(J) If, in accordance with division (D) of this section, a 212  
pass-through entity elects to file a single return and if any 213  
investor is required to file the return and make the payment of 214  
taxes required by this chapter on account of the investor's other 215  
income that is not included in a single return filed by a 216  
pass-through entity, the investor is entitled to a refundable 217  
credit equal to the investor's proportionate share of the tax paid 218  
by the pass-through entity on behalf of the investor. The investor 219  
shall claim the credit for the investor's taxable year in which or 220  
with which ends the taxable year of the pass-through entity. 221  
Nothing in this chapter shall be construed to allow any credit 222  
provided in this chapter to be claimed more than once. For the 223  
purposes of computing any interest, penalty, or interest penalty, 224  
the investor shall be deemed to have paid the refundable credit 225  
provided by this division on the day that the pass-through entity 226  
paid the estimated tax or the tax giving rise to the credit. 227

(K) The tax commissioner shall ensure that each return 228  
required to be filed under this section includes a box that the 229  
taxpayer may check to authorize a paid tax preparer who prepared 230  
the return to communicate with the department of taxation about 231  
matters pertaining to the return. The return or instructions 232  
accompanying the return shall indicate that by checking the box 233  
the taxpayer authorizes the department of taxation to contact the 234  
preparer concerning questions that arise during the processing of 235  
the return and authorizes the preparer only to provide the 236



department with information that is missing from the return, to 237  
contact the department for information about the processing of the 238  
return or the status of the taxpayer's refund or payments, and to 239  
respond to notices about mathematical errors, offsets, or return 240  
preparation that the taxpayer has received from the department and 241  
has shown to the preparer. 242

Sec. 5747.67. A four hundred dollar credit is allowed against 243  
the tax imposed by section 5747.02 of the Revised Code for a 244  
taxpayer that performs services as a volunteer firefighter during 245  
the taxpayer's taxable year. The credit shall be claimed in the 246  
order required under section 5747.98 of the Revised Code. The 247  
credit may not exceed the tax otherwise due after deducting all 248  
other credits in that order. Excess credit may be applied against 249  
the taxpayer's tax liability in subsequent taxable years until 250  
fully used. For purposes of this section, "volunteer firefighter" 251  
means an individual who is authorized to act as a firefighter 252  
under section 3737.66 of the Revised Code, who serves as a 253  
firefighter on a less than full-time basis for a municipal 254  
corporation, township, township fire district, nonprofit fire 255  
company, or joint fire district, and who is not a part-time paid 256  
firefighter as defined in section 4765.01 of the Revised Code. 257

**Sec. 5747.98.** (A) To provide a uniform procedure for 258  
calculating the amount of tax due under section 5747.02 of the 259  
Revised Code, a taxpayer shall claim any credits to which the 260  
taxpayer is entitled in the following order: 261

(1) The retirement income credit under division (B) of 262  
section 5747.055 of the Revised Code; 263

(2) The senior citizen credit under division (C) of section 264  
5747.05 of the Revised Code; 265

(3) The lump sum distribution credit under division (D) of 266

section 5747.05 of the Revised Code;	267
(4) The dependent care credit under section 5747.054 of the Revised Code;	268 269
(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	270 271
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	272 273
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	274 275
(8) The low-income credit under section 5747.056 of the Revised Code;	276 277
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	278 279
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	280 281
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	282 283
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	284 285
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	286 287
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	288 289
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	290 291
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	292 293
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	294 295

(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	296 297
(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;	298 299
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	300 301
(21) The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code;	302 303 304
(22) The job training credit under section 5747.39 of the Revised Code;	305 306
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	307 308
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	309 310
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	311 312
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	313 314
(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	315 316
(28) The export sales credit under section 5747.057 of the Revised Code;	317 318
(29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	319 320
(30) The enterprise zone credits under section 5709.65 of the Revised Code;	321 322
(31) The research and development credit under section 5747.331 of the Revised Code;	323 324

(32) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	325 326
(33) <u>The volunteer firefighter credit under section 5747.67 of the Revised Code;</u>	327 328
<u>(34)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	329 330
<del>(34)</del> <u>(35)</u> The refundable jobs creation credit under division (A) of section 5747.058 of the Revised Code;	331 332
<del>(35)</del> <u>(36)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	333 334
<del>(36)</del> <u>(37)</u> The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code;	335 336 337
<del>(37)</del> <u>(38)</u> The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	338 339
<del>(38)</del> <u>(39)</u> The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.	340 341 342
(B) For any credit, except the <u>refundable</u> credits enumerated in <del>divisions (A)(33) to (38)</del> of this section and the credit granted under division (I) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.	343 344 345 346 347 348 349 350 351 352 353
<b>Section 2.</b> That existing sections 5747.08 and 5747.98 of the	354

Revised Code are hereby repealed.

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