

As Introduced

**128th General Assembly
Regular Session
2009-2010**

H. B. No. 378

Representative Yates

—

A B I L L

To amend sections 718.01, 718.02, and 718.03 of the Revised Code to eliminate authority of municipal corporations to exempt stock options and nonqualified deferred compensation from municipal income taxation.

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

Section 1. That sections 718.01, 718.02, and 718.03 of the Revised Code be amended to read as follows:

Sec. 718.01. (A) As used in this chapter:

(1) "Adjusted federal taxable income" means a C corporation's federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, adjusted as follows:

(a) Deduct intangible income to the extent included in federal taxable income. The deduction shall be allowed regardless of whether the intangible income relates to assets used in a trade or business or assets held for the production of income.

(b) Add an amount equal to five per cent of intangible income deducted under division (A)(1)(a) of this section, but excluding that portion of intangible income directly related to the sale,

exchange, or other disposition of property described in section 20
1221 of the Internal Revenue Code; 21

(c) Add any losses allowed as a deduction in the computation 22
of federal taxable income if the losses directly relate to the 23
sale, exchange, or other disposition of an asset described in 24
section 1221 or 1231 of the Internal Revenue Code; 25

(d)(i) Except as provided in division (A)(1)(d)(ii) of this 26
section, deduct income and gain included in federal taxable income 27
to the extent the income and gain directly relate to the sale, 28
exchange, or other disposition of an asset described in section 29
1221 or 1231 of the Internal Revenue Code; 30

(ii) Division (A)(1)(d)(i) of this section does not apply to 31
the extent the income or gain is income or gain described in 32
section 1245 or 1250 of the Internal Revenue Code. 33

(e) Add taxes on or measured by net income allowed as a 34
deduction in the computation of federal taxable income; 35

(f) In the case of a real estate investment trust and 36
regulated investment company, add all amounts with respect to 37
dividends to, distributions to, or amounts set aside for or 38
credited to the benefit of investors and allowed as a deduction in 39
the computation of federal taxable income; 40

(g) If the taxpayer is not a C corporation and is not an 41
individual, the taxpayer shall compute adjusted federal taxable 42
income as if the taxpayer were a C corporation, except: 43

(i) Guaranteed payments and other similar amounts paid or 44
accrued to a partner, former partner, member, or former member 45
shall not be allowed as a deductible expense; and 46

(ii) Amounts paid or accrued to a qualified self-employed 47
retirement plan with respect to an owner or owner-employee of the 48
taxpayer, amounts paid or accrued to or for health insurance for 49

an owner or owner-employee, and amounts paid or accrued to or for 50
life insurance for an owner or owner-employee shall not be allowed 51
as a deduction. 52

Nothing in division (A)(1) of this section shall be construed 53
as allowing the taxpayer to add or deduct any amount more than 54
once or shall be construed as allowing any taxpayer to deduct any 55
amount paid to or accrued for purposes of federal self-employment 56
tax. 57

Nothing in this chapter shall be construed as limiting or 58
removing the ability of any municipal corporation to administer, 59
audit, and enforce the provisions of its municipal income tax. 60

(2) "Internal Revenue Code" means the Internal Revenue Code 61
of 1986, 100 Stat. 2085, 26 U.S.C. 1, as amended. 62

(3) "Schedule C" means internal revenue service schedule C 63
filed by a taxpayer pursuant to the Internal Revenue Code. 64

(4) "Form 2106" means internal revenue service form 2106 65
filed by a taxpayer pursuant to the Internal Revenue Code. 66

(5) "Intangible income" means income of any of the following 67
types: income yield, interest, capital gains, dividends, or other 68
income arising from the ownership, sale, exchange, or other 69
disposition of intangible property including, but not limited to, 70
investments, deposits, money, or credits as those terms are 71
defined in Chapter 5701. of the Revised Code, and patents, 72
copyrights, trademarks, tradenames, investments in real estate 73
investment trusts, investments in regulated investment companies, 74
and appreciation on deferred compensation. "Intangible income" 75
does not include prizes, awards, or other income associated with 76
any lottery winnings or other similar games of chance. 77

(6) "S corporation" means a corporation that has made an 78
election under subchapter S of Chapter 1 of Subtitle A of the 79
Internal Revenue Code for its taxable year. 80

(7) For taxable years beginning on or after January 1, 2004, 81
"net profit" for a taxpayer other than an individual means 82
adjusted federal taxable income and "net profit" for a taxpayer 83
who is an individual means the individual's profit required to be 84
reported on schedule C, schedule E, or schedule F, other than any 85
amount allowed as a deduction under division (E)~~(2)~~(1) or ~~(3)~~(2) 86
of this section or amounts described in division (H) of this 87
section. 88

(8) "Taxpayer" means a person subject to a tax on income 89
levied by a municipal corporation. Except as provided in division 90
(L) of this section, "taxpayer" does not include any person that 91
is a disregarded entity or a qualifying subchapter S subsidiary 92
for federal income tax purposes, but "taxpayer" includes any other 93
person who owns the disregarded entity or qualifying subchapter S 94
subsidiary. 95

(9) "Taxable year" means the corresponding tax reporting 96
period as prescribed for the taxpayer under the Internal Revenue 97
Code. 98

(10) "Tax administrator" means the individual charged with 99
direct responsibility for administration of a tax on income levied 100
by a municipal corporation and includes: 101

(a) The central collection agency and the regional income tax 102
agency and their successors in interest, and other entities 103
organized to perform functions similar to those performed by the 104
central collection agency and the regional income tax agency; 105

(b) A municipal corporation acting as the agent of another 106
municipal corporation; and 107

(c) Persons retained by a municipal corporation to administer 108
a tax levied by the municipal corporation, but only if the 109
municipal corporation does not compensate the person in whole or 110
in part on a contingency basis. 111

(11) "Person" includes individuals, firms, companies, 112
business trusts, estates, trusts, partnerships, limited liability 113
companies, associations, corporations, governmental entities, and 114
any other entity. 115

(12) "Schedule E" means internal revenue service schedule E 116
filed by a taxpayer pursuant to the Internal Revenue Code. 117

(13) "Schedule F" means internal revenue service schedule F 118
filed by a taxpayer pursuant to the Internal Revenue Code. 119

(B) No municipal corporation shall tax income at other than a 120
uniform rate. 121

(C) No municipal corporation shall levy a tax on income at a 122
rate in excess of one per cent without having obtained the 123
approval of the excess by a majority of the electors of the 124
municipality voting on the question at a general, primary, or 125
special election. The legislative authority of the municipal 126
corporation shall file with the board of elections at least 127
seventy-five days before the day of the election a copy of the 128
ordinance together with a resolution specifying the date the 129
election is to be held and directing the board of elections to 130
conduct the election. The ballot shall be in the following form: 131
"Shall the Ordinance providing for a ... per cent levy on income 132
for (Brief description of the purpose of the proposed levy) be 133
passed? 134

	FOR THE INCOME TAX	
	AGAINST THE INCOME TAX	"

In the event of an affirmative vote, the proceeds of the levy 139
may be used only for the specified purpose. 140

(D)(1) Except as otherwise provided in this section, no 141

municipal corporation shall exempt from a tax on income 142
compensation for personal services of individuals over eighteen 143
years of age or the net profit from a business or profession. 144

(2)(a) For taxable years beginning on or after January 1, 145
2004, no municipal corporation shall tax the net profit from a 146
business or profession using any base other than the taxpayer's 147
adjusted federal taxable income. 148

(b) Division (D)(2)(a) of this section does not apply to any 149
taxpayer required to file a return under section 5745.03 of the 150
Revised Code or to the net profit from a sole proprietorship. 151

~~(E)(1) The legislative authority of a municipal corporation 152
may, by ordinance or resolution, exempt from withholding and from 153
a tax on income the following: 154~~

~~(a) Compensation arising from the sale, exchange, or other 155
disposition of a stock option, the exercise of a stock option, or 156
the sale, exchange, or other disposition of stock purchased under 157
a stock option; or 158~~

~~(b) Compensation attributable to a nonqualified deferred 159
compensation plan or program described in section 3121(v)(2)(C) of 160
the Internal Revenue Code. 161~~

~~(2)~~ The legislative authority of a municipal corporation may 162
adopt an ordinance or resolution that allows a taxpayer who is an 163
individual to deduct, in computing the taxpayer's municipal income 164
tax liability, an amount equal to the aggregate amount the 165
taxpayer paid in cash during the taxable year to a health savings 166
account of the taxpayer, to the extent the taxpayer is entitled to 167
deduct that amount on internal revenue service form 1040. 168

~~(3)~~(2) The legislative authority of a municipal corporation 169
may adopt an ordinance or resolution that allows a taxpayer who 170
has a net profit from a business or profession that is operated as 171
a sole proprietorship to deduct from that net profit the amount 172

that the taxpayer paid during the taxable year for medical care 173
insurance premiums for the taxpayer, the taxpayer's spouse, and 174
dependents as defined in section 5747.01 of the Revised Code. The 175
deduction shall be allowed to the same extent the taxpayer is 176
entitled to deduct the premiums on internal revenue service form 177
1040. The deduction allowed under this division shall be net of 178
any related premium refunds, related premium reimbursements, or 179
related insurance premium dividends received by the taxpayer 180
during the taxable year. 181

(F) If an individual's taxable income includes income against 182
which the taxpayer has taken a deduction for federal income tax 183
purposes as reportable on the taxpayer's form 2106, and against 184
which a like deduction has not been allowed by the municipal 185
corporation, the municipal corporation shall deduct from the 186
taxpayer's taxable income an amount equal to the deduction shown 187
on such form allowable against such income, to the extent not 188
otherwise so allowed as a deduction by the municipal corporation. 189

(G)(1) In the case of a taxpayer who has a net profit from a 190
business or profession that is operated as a sole proprietorship, 191
no municipal corporation may tax or use as the base for 192
determining the amount of the net profit that shall be considered 193
as having a taxable situs in the municipal corporation, an amount 194
other than the net profit required to be reported by the taxpayer 195
on schedule C or F from such sole proprietorship for the taxable 196
year. 197

(2) In the case of a taxpayer who has a net profit from 198
rental activity required to be reported on schedule E, no 199
municipal corporation may tax or use as the base for determining 200
the amount of the net profit that shall be considered as having a 201
taxable situs in the municipal corporation, an amount other than 202
the net profit from rental activities required to be reported by 203
the taxpayer on schedule E for the taxable year. 204

(H) A municipal corporation shall not tax any of the	205
following:	206
(1) The military pay or allowances of members of the armed	207
forces of the United States and of members of their reserve	208
components, including the Ohio national guard;	209
(2) The income of religious, fraternal, charitable,	210
scientific, literary, or educational institutions to the extent	211
that such income is derived from tax-exempt real estate,	212
tax-exempt tangible or intangible property, or tax-exempt	213
activities;	214
(3) Except as otherwise provided in division (I) of this	215
section, intangible income;	216
(4) Compensation paid under section 3501.28 or 3501.36 of the	217
Revised Code to a person serving as a precinct election official,	218
to the extent that such compensation does not exceed one thousand	219
dollars annually. Such compensation in excess of one thousand	220
dollars may be subjected to taxation by a municipal corporation. A	221
municipal corporation shall not require the payer of such	222
compensation to withhold any tax from that compensation.	223
(5) Compensation paid to an employee of a transit authority,	224
regional transit authority, or regional transit commission created	225
under Chapter 306. of the Revised Code for operating a transit bus	226
or other motor vehicle for the authority or commission in or	227
through the municipal corporation, unless the bus or vehicle is	228
operated on a regularly scheduled route, the operator is subject	229
to such a tax by reason of residence or domicile in the municipal	230
corporation, or the headquarters of the authority or commission is	231
located within the municipal corporation;	232
(6) The income of a public utility, when that public utility	233
is subject to the tax levied under section 5727.24 or 5727.30 of	234
the Revised Code, except a municipal corporation may tax the	235

following, subject to Chapter 5745. of the Revised Code:	236
(a) Beginning January 1, 2002, the income of an electric company or combined company;	237 238
(b) Beginning January 1, 2004, the income of a telephone company.	239 240
As used in division (H)(6) of this section, "combined company," "electric company," and "telephone company" have the same meanings as in section 5727.01 of the Revised Code.	241 242 243
(7) On and after January 1, 2003, items excluded from federal gross income pursuant to section 107 of the Internal Revenue Code;	244 245
(8) On and after January 1, 2001, compensation paid to a nonresident individual to the extent prohibited under section 718.011 of the Revised Code;	246 247 248
(9)(a) Except as provided in division (H)(9)(b) and (c) of this section, an S corporation shareholder's distributive share of net profits of the S corporation, other than any part of the distributive share of net profits that represents wages as defined in section 3121(a) of the Internal Revenue Code or net earnings from self-employment as defined in section 1402(a) of the Internal Revenue Code.	249 250 251 252 253 254 255
(b) If, pursuant to division (H) of former section 718.01 of the Revised Code as it existed before March 11, 2004, a majority of the electors of a municipal corporation voted in favor of the question at an election held on November 4, 2003, the municipal corporation may continue after 2002 to tax an S corporation shareholder's distributive share of net profits of an S corporation.	256 257 258 259 260 261 262
(c) If, on December 6, 2002, a municipal corporation was imposing, assessing, and collecting a tax on an S corporation shareholder's distributive share of net profits of the S	263 264 265

corporation to the extent the distributive share would be 266
allocated or apportioned to this state under divisions (B)(1) and 267
(2) of section 5733.05 of the Revised Code if the S corporation 268
were a corporation subject to taxes imposed under Chapter 5733. of 269
the Revised Code, the municipal corporation may continue to impose 270
the tax on such distributive shares to the extent such shares 271
would be so allocated or apportioned to this state only until 272
December 31, 2004, unless a majority of the electors of the 273
municipal corporation voting on the question of continuing to tax 274
such shares after that date vote in favor of that question at an 275
election held November 2, 2004. If a majority of those electors 276
vote in favor of the question, the municipal corporation may 277
continue after December 31, 2004, to impose the tax on such 278
distributive shares only to the extent such shares would be so 279
allocated or apportioned to this state. 280

(d) For the purposes of division (D) of section 718.14 of the 281
Revised Code, a municipal corporation shall be deemed to have 282
elected to tax S corporation shareholders' distributive shares of 283
net profits of the S corporation in the hands of the shareholders 284
if a majority of the electors of a municipal corporation vote in 285
favor of a question at an election held under division (H)(9)(b) 286
or (c) of this section. The municipal corporation shall specify by 287
ordinance or rule that the tax applies to the distributive share 288
of a shareholder of an S corporation in the hands of the 289
shareholder of the S corporation. 290

(10) Employee compensation that is not "qualifying wages" as 291
defined in section 718.03 of the Revised Code; 292

(11) Beginning August 1, 2007, compensation paid to a person 293
employed within the boundaries of a United States air force base 294
under the jurisdiction of the United States air force that is used 295
for the housing of members of the United States air force and is a 296
center for air force operations, unless the person is subject to 297

taxation because of residence or domicile. If the compensation is 298
subject to taxation because of residence or domicile, municipal 299
income tax shall be payable only to the municipal corporation of 300
residence or domicile. 301

(I) Any municipal corporation that taxes any type of 302
intangible income on March 29, 1988, pursuant to Section 3 of 303
Amended Substitute Senate Bill No. 238 of the 116th general 304
assembly, may continue to tax that type of income after 1988 if a 305
majority of the electors of the municipal corporation voting on 306
the question of whether to permit the taxation of that type of 307
intangible income after 1988 vote in favor thereof at an election 308
held on November 8, 1988. 309

(J) Nothing in this section or section 718.02 of the Revised 310
Code shall authorize the levy of any tax on income that a 311
municipal corporation is not authorized to levy under existing 312
laws or shall require a municipal corporation to allow a deduction 313
from taxable income for losses incurred from a sole proprietorship 314
or partnership. 315

(K)(1) Nothing in this chapter prohibits a municipal 316
corporation from allowing, by resolution or ordinance, a net 317
operating loss carryforward. 318

(2) Nothing in this chapter requires a municipal corporation 319
to allow a net operating loss carryforward. 320

(L)(1) A single member limited liability company that is a 321
disregarded entity for federal tax purposes may elect to be a 322
separate taxpayer from its single member in all Ohio municipal 323
corporations in which it either filed as a separate taxpayer or 324
did not file for its taxable year ending in 2003, if all of the 325
following conditions are met: 326

(a) The limited liability company's single member is also a 327
limited liability company; 328

(b) The limited liability company and its single member were 329
formed and doing business in one or more Ohio municipal 330
corporations for at least five years before January 1, 2004; 331

(c) Not later than December 31, 2004, the limited liability 332
company and its single member each make an election to be treated 333
as a separate taxpayer under division (L) of this section; 334

(d) The limited liability company was not formed for the 335
purpose of evading or reducing Ohio municipal corporation income 336
tax liability of the limited liability company or its single 337
member; 338

(e) The Ohio municipal corporation that is the primary place 339
of business of the sole member of the limited liability company 340
consents to the election. 341

(2) For purposes of division (L)(1)(e) of this section, a 342
municipal corporation is the primary place of business of a 343
limited liability company if, for the limited liability company's 344
taxable year ending in 2003, its income tax liability is greater 345
in that municipal corporation than in any other municipal 346
corporation in Ohio, and that tax liability to that municipal 347
corporation for its taxable year ending in 2003 is at least four 348
hundred thousand dollars. 349

Sec. 718.02. This section does not apply to taxpayers that 350
are subject to and required to file reports under Chapter 5745. of 351
the Revised Code. 352

(A) Except as otherwise provided in division (D) of this 353
section, net profit from a business or profession conducted both 354
within and without the boundaries of a municipal corporation shall 355
be considered as having a taxable situs in such municipal 356
corporation for purposes of municipal income taxation in the same 357
proportion as the average ratio of the following: 358

(1) The average original cost of the real and tangible 359
personal property owned or used by the taxpayer in the business or 360
profession in such municipal corporation during the taxable period 361
to the average original cost of all of the real and tangible 362
personal property owned or used by the taxpayer in the business or 363
profession during the same period, wherever situated. 364

As used in the preceding paragraph, real property shall 365
include property rented or leased by the taxpayer and the value of 366
such property shall be determined by multiplying the annual rental 367
thereon by eight; 368

(2) Wages, salaries, and other compensation paid during the 369
taxable period to persons employed in the business or profession 370
for services performed in such municipal corporation to wages, 371
salaries, and other compensation paid during the same period to 372
persons employed in the business or profession, wherever their 373
services are performed, excluding compensation that is not taxable 374
by the municipal corporation under section 718.011 of the Revised 375
Code; 376

(3) Gross receipts of the business or profession from sales 377
made and services performed during the taxable period in such 378
municipal corporation to gross receipts of the business or 379
profession during the same period from sales and services, 380
wherever made or performed. 381

If the foregoing apportionment formula does not produce an 382
equitable result, another basis may be substituted, under uniform 383
regulations, so as to produce an equitable result. 384

(B) As used in division (A) of this section, "sales made in a 385
municipal corporation" mean: 386

(1) All sales of tangible personal property delivered within 387
such municipal corporation regardless of where title passes if 388
shipped or delivered from a stock of goods within such municipal 389

corporation; 390

(2) All sales of tangible personal property delivered within 391
such municipal corporation regardless of where title passes even 392
though transported from a point outside such municipal corporation 393
if the taxpayer is regularly engaged through its own employees in 394
the solicitation or promotion of sales within such municipal 395
corporation and the sales result from such solicitation or 396
promotion; 397

(3) All sales of tangible personal property shipped from a 398
place within such municipal corporation to purchasers outside such 399
municipal corporation regardless of where title passes if the 400
taxpayer is not, through its own employees, regularly engaged in 401
the solicitation or promotion of sales at the place where delivery 402
is made. 403

(C) Except as otherwise provided in division (D) of this 404
section, net profit from rental activity not constituting a 405
business or profession shall be subject to tax only by the 406
municipal corporation in which the property generating the net 407
profit is located. 408

(D) This section does not apply to individuals who are 409
residents of the municipal corporation and, except as otherwise 410
provided in section 718.01 of the Revised Code, a municipal 411
corporation may impose a tax on all income earned by residents of 412
the municipal corporation to the extent allowed by the United 413
States Constitution. 414

~~(E) If, in computing the taxpayer's adjusted federal taxable 415
income, the taxpayer deducted any amount with respect to a stock 416
option granted to an employee, and if the employee is not required 417
to include in income any amount or any portion thereof because it 418
is exempted from taxation under division (H)(10) of section 718.01 419
of the Revised Code and division (A)(2)(d) of section 718.03 of 420~~

~~the Revised Code by a municipal corporation to which the taxpayer 421
has apportioned a portion of its net profit, the taxpayer shall 422
add the amount that is exempt from taxation to the taxpayer's net 423
profit that was apportioned to that municipal corporation. In no 424
case shall a taxpayer be required to add to its net profit that 425
was apportioned to that municipal corporation any amount other 426
than the amount upon which the employee would be required to pay 427
tax were the amount related to the stock option not exempted from 428
taxation. 429~~

~~This division applies solely for the purpose of making an 430
adjustment to the amount of a taxpayer's net profit that was 431
apportioned to a municipal corporation under divisions (A) and (B) 432
of this section. 433~~

Sec. 718.03. (A) As used in this section: 434

(1) "Other payer" means any person, other than an 435
individual's employer or the employer's agent, that pays an 436
individual any amount included in the federal gross income of the 437
individual. 438

(2) "Qualifying wages" means wages, as defined in section 439
3121(a) of the Internal Revenue Code, without regard to any wage 440
limitations, adjusted as follows: 441

(a) Deduct the following amounts: 442

(i) Any amount included in wages if the amount constitutes 443
compensation attributable to a plan or program described in 444
section 125 of the Internal Revenue Code; 445

(ii) For purposes of division (B) of this section, any amount 446
included in wages if the amount constitutes payment on account of 447
sickness or accident disability. 448

(b) Add the following amounts: 449

(i) Any amount not included in wages solely because the 450

employee was employed by the employer prior to April 1, 1986; 451

(ii) Any amount not included in wages because the amount 452
arises from the sale, exchange, or other disposition of a stock 453
option, the exercise of a stock option, or the sale, exchange, or 454
other disposition of stock purchased under a stock option ~~and the~~ 455
~~municipal corporation has not, by resolution or ordinance,~~ 456
~~exempted the amount from withholding and tax.~~ Division 457
(A)(2)(b)(ii) of this section applies only to those amounts 458
constituting ordinary income. 459

(iii) Any amount not included in wages if the amount is an 460
amount described in section 401(k) or 457 of the Internal Revenue 461
Code. Division (A)(2)(b)(iii) of this section applies only to 462
employee contributions and employee deferrals. 463

(iv) Any amount that is supplemental unemployment 464
compensation benefits described in section 3402(o)(2) of the 465
Internal Revenue Code and not included in wages. 466

~~(c) Deduct any amount attributable to a nonqualified deferred 467
compensation plan or program described in section 3121(v)(2)(C) of 468
the Internal Revenue Code if the compensation is included in wages 469
and has, by resolution or ordinance, been exempted from taxation 470
by the municipal corporation. 471~~

~~(d) Deduct any amount included in wages if the amount arises 472
from the sale, exchange, or other disposition of a stock option, 473
the exercise of a stock option, or the sale, exchange, or other 474
disposition of stock purchased under a stock option and the 475
municipal corporation has, by resolution or ordinance, exempted 476
the amount from withholding and tax. 477~~

(B) For taxable years beginning after 2003, no municipal 478
corporation shall require any employer, or any agent of any 479
employer or any other payer, to withhold tax with respect to any 480
amount other than qualifying wages. Nothing in this section 481

prohibits an employer from withholding tax on a basis greater than 482
qualifying wages. 483

(C) An employer is not required to make any withholding with 484
respect to an individual's disqualifying disposition of an 485
incentive stock option if, at the time of the disqualifying 486
disposition, the individual is not an employee of the corporation 487
with respect to whose stock the option has been issued. 488

(D)(1) An employee is not relieved from liability for a tax 489
by the failure of the employer to withhold the tax as required by 490
a municipal corporation or by the employer's exemption from the 491
requirement to withhold the tax. 492

(2) The failure of an employer to remit to the municipal 493
corporation the tax withheld relieves the employee from liability 494
for that tax unless the employee colluded with the employer in 495
connection with the failure to remit the tax withheld. 496

~~(E) Compensation deferred before June 26, 2003, is not 497
subject to any municipal corporation income tax or municipal 498
income tax withholding requirement to the extent the deferred 499
compensation does not constitute qualifying wages at the time the 500
deferred compensation is paid or distributed. 501~~

Section 2. That existing sections 718.01, 718.02, and 718.03 502
of the Revised Code are hereby repealed. 503

Section 3. The amendment by this act of sections 718.01, 504
718.02, and 718.03 of the Revised Code applies to taxable years 505
beginning on or after January 1, 2010. 506