

**As Introduced**

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

**S. B. No. 32**

**Senator Turner**

**Cosponsors: Senators Stewart, Smith**

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**A B I L L**

To amend section 5747.98 and to enact section 5747.61 1  
of the Revised Code to create a nonrefundable tax 2  
credit for individuals who purchase a new hybrid 3  
vehicle. 4

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

**Section 1.** That section 5747.98 be amended and section 5  
5747.61 of the Revised Code be enacted to read as follows: 6

**Sec. 5747.61.** (A) As used in this section: 7

(1) "Hybrid vehicle" means a road vehicle that draws 8  
propulsion energy from onboard sources of stored energy that are 9  
both an internal combustion or heat engine using consumable fuel 10  
and a rechargeable energy storage system. 11

(2) "Consumable fuel" means any solid, liquid, or gaseous 12  
matter that releases energy when consumed by a power unit. 13

(B) For taxable years beginning on or after January 1, 2009, 14  
a nonrefundable credit is allowed against the tax imposed by 15  
section 5747.02 of the Revised Code for a taxpayer who purchases a 16  
new hybrid vehicle. For the purposes of this section, a taxpayer 17  
purchases a new hybrid vehicle if, at the time of purchase, legal 18

title to the hybrid vehicle never has been transferred to a person 19  
other than a manufacturer, remanufacturer, distributor, or dealer 20  
as a dealer, and the taxpayer is the first person who in good 21  
faith purchases the hybrid vehicle for purposes other than resale. 22

The amount of the credit shall be calculated as follows: 23  
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(1) If the new hybrid vehicle has an average fuel economy for 25  
combined city and highway driving equal to or more than forty 26  
miles per gallon, as measured by the administrator of the United 27  
States environmental protection agency, the credit equals three 28  
thousand dollars. 29

(2) If the new hybrid vehicle has an average fuel economy for 30  
combined city and highway driving of less than forty miles per 31  
gallon, as measured by the administrator of the United States 32  
environmental protection agency, the credit equals two thousand 33  
dollars. 34

The taxpayer shall claim the credit for the taxable year in 35  
which the purchase was made and in the order required by section 36  
5747.98 of the Revised Code. 37

**Sec. 5747.98.** (A) To provide a uniform procedure for 38  
calculating the amount of tax due under section 5747.02 of the 39  
Revised Code, a taxpayer shall claim any credits to which the 40  
taxpayer is entitled in the following order: 41

(1) The retirement income credit under division (B) of 42  
section 5747.055 of the Revised Code; 43

(2) The senior citizen credit under division (C) of section 44  
5747.05 of the Revised Code; 45

(3) The lump sum distribution credit under division (D) of 46  
section 5747.05 of the Revised Code; 47

(4) The dependent care credit under section 5747.054 of the 48

Revised Code;	49
(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	50 51
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	52 53
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	54 55
(8) The low-income credit under section 5747.056 of the Revised Code;	56 57
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	58 59
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	60 61
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	62 63
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	64 65
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	66 67
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	68 69
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	70 71
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	72 73
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	74 75
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	76 77

(19) <u>The credit for purchasing a new hybrid vehicle under section 5747.61 of the Revised Code;</u>	78 79
(20) The job retention credit under division (B) of section 5747.058 of the Revised Code;	80 81
<del>(20)</del> (21) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	82 83
<del>(21)</del> (22) 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;	84 85 86
<del>(22)</del> (23) The job training credit under section 5747.39 of the Revised Code;	87 88
<del>(23)</del> (24) The enterprise zone credit under section 5709.66 of the Revised Code;	89 90
<del>(24)</del> (25) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	91 92
<del>(25)</del> (26) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	93 94
<del>(26)</del> (27) The ethanol plant investment credit under section 5747.75 of the Revised Code;	95 96
<del>(27)</del> (28) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	97 98
<del>(28)</del> (29) The export sales credit under section 5747.057 of the Revised Code;	99 100
<del>(29)</del> (30) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	101 102 103
<del>(30)</del> (31) The enterprise zone credits under section 5709.65 of the Revised Code;	104 105
<del>(31)</del> (32) The research and development credit under section	106

5747.331 of the Revised Code;	107
<del>(32)</del> <u>(33)</u> The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	108 109
<del>(33)</del> <u>(34)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	110 111
<del>(34)</del> <u>(35)</u> The refundable jobs creation credit under division (A) of section 5747.058 of the Revised Code;	112 113
<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;	114 115
<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;	116 117 118
<del>(37)</del> <u>(38)</u> The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	119 120
<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.	121 122 123
(B) For any credit, except the credits enumerated in divisions (A) <del>(33)</del> <u>(34)</u> to <del>(38)</del> <u>(39)</u> 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.	124 125 126 127 128 129 130 131 132 133 134
<b>Section 2.</b> That existing section 5747.98 of the Revised Code is hereby repealed.	135 136