

As Introduced

**129th General Assembly
Regular Session
2011-2012**

S. B. No. 184

Senator Tavares

Cosponsor: Senator Turner

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A B I L L

To amend sections 5725.98, 5729.98, 5733.01, 5733.98, 1
5747.98, and 5751.98 and to enact section 715.58 2
of the Revised Code to authorize nonrefundable tax 3
credits for authorized donations to projects of 4
nonprofit entities and municipal agencies 5
providing community services. 6

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

Section 1. That sections 5725.98, 5729.98, 5733.01, 5733.98, 7
5747.98, and 5751.98 be amended and section 715.58 of the Revised 8
Code be enacted to read as follows: 9

Sec. 715.58. (A) As used in this section: 10

(1) "Application year" means the calendar year beginning the 11
year following the calendar year in which a taxpayer applies for a 12
tax credit in the application period. 13

(2) "Application period" means the period between the 14
fifteenth day of September and the first day of October of each 15
year, as described in division (C)(3) of this section. 16

(3) "Authorized donation" means a donation of more than two 17
hundred fifty dollars made to a project approved and authorized by 18

the tax commissioner in accordance with division (C) of this 19
section. 20

(4) "Donation" means an unconditional gift of cash. 21

(5) "Pass-through entity" has the same meaning as in section 22
5733.04 of the Revised Code and includes a sole proprietorship. 23

(6) "Project" means a project or activity proposed by a 24
municipal corporation that involves providing, either directly or 25
through a neighborhood organization, neighborhood assistance, job 26
training or education, community services, crime prevention, 27
energy conservation, or construction or rehabilitation of dwelling 28
units for persons of low and moderate income in the state, or 29
donation of money to an open space acquisition fund of any 30
political subdivision of the state or any nonprofit land 31
conservation organization that meets the requirements of division 32
(B) of section 5301.69 of the Revised Code. 33

(7) "Taxpayer" means a person subject to a tax against which 34
a credit is allowed under this section. 35

(8) "Tax period" means: 36

(a) In the case of a dealer in intangibles, a domestic 37
insurance company, or a foreign insurance company, the calendar 38
year ending on the thirty-first day of December next preceding the 39
day the report or annual statement is required to be returned 40
under section 5725.14, 5725.18, or 5729.02 of the Revised Code; 41

(b) In the case of a financial institution subject to 42
taxation under Chapter 5733. of the Revised Code, the financial 43
institution's taxable year for the purposes of that chapter; 44

(c) In the case of a public utility, electric distribution 45
company, or natural gas distribution company, the calendar year; 46

(d) In the case of a pass-through entity subject to taxation 47
under Chapter 5747. of the Revised Code, the pass-through entity's 48

taxable year for the purposes of that chapter; 49

(e) In the case of a person subject to taxation under Chapter 5751. of the Revised Code, the calendar year. 50
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(9) "Community services" means any type of counseling and advice, emergency assistance, alcoholism prevention and treatment, or medical care furnished to individuals or groups in the state. 52
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(10) "Crime prevention" means any activity that aids in the reduction of crime in the state. 55
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(11) "Education" means any type of scholastic instruction or scholarship assistance to any person who resides in the state. 57
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(12) "Job training" means any type of instruction to any person who resides in the state that enables the person to acquire vocational skills to become employable or seek a higher grade of employment. 59
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(13) "Neighborhood" means any specific geographic area that is experiencing problems endangering the area's economic viability and stability. 63
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(14) "Neighborhood assistance" means the furnishing of financial assistance, labor, material, or technical advice to aid in the physical improvement or rehabilitation of all or any part of a neighborhood. 66
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(15) "Neighborhood organization" means any organization performing community services in the state that satisfies any of the following: 70
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(a) It is exempt from income taxation under the Internal Revenue Code. 73
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(b) It is designated as a community development corporation by the United States government under Title VII of the Economic Opportunity Act of 1964. 75
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(c) It is incorporated as a charitable corporation or trust 78

under Chapter 1716. of the Revised Code, a community improvement corporation under Chapter 1724. of the Revised Code, a charitable organization described under section 5301.69 of the Revised Code, or a community redevelopment corporation under Chapter 1728. of the Revised Code. 79
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(16) "Persons of low and moderate income" means persons satisfying the criteria for designation as persons of low- and moderate-income established by the housing finance agency pursuant to section 175.01 of the Revised Code. 84
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(B) A nonrefundable credit is allowed against the tax levied by section 5707.03 and assessed under section 5725.15, the tax imposed by section 5725.18, 5727.24, 5727.30, 5727.81, or 5727.811, the tax assessed under Chapter 5729., or the tax imposed by section 5733.06, 5747.02, or 5751.03 of the Revised Code for a taxpayer that makes an authorized donation or that is an equity owner of a pass-through entity that makes an authorized donation. If a pass-through entity claims a credit under this section, it may apply the credit to the tax imposed under section 5751.03 of the Revised Code, or its equity owners may apply the credit to the tax imposed on them under section 5747.02 of the Revised Code, but the credit for any authorized donation may not be applied to both of those taxes. 88
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The credit equals sixty per cent of the amount of the authorized donation a taxpayer or pass-through entity makes in an application year. The amount of the credit granted to a taxpayer may not exceed seventy-five thousand dollars for an application year; if the authorized donation is made by a pass-through entity and the credit is to be applied against the tax imposed under section 5747.02 of the Revised Code, the credit may not exceed the taxpayer's distributive or proportionate share of seventy-five thousand dollars. 101
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The credit shall be claimed for the tax period in which the 110

authorized donation is made and shall be claimed in the order 111
required under section 5725.98, 5729.98, 5733.98, 5747.98, or 112
5751.98 of the Revised Code, except that an individual claiming a 113
distributive share of a credit as an owner of a pass-through 114
entity shall claim the credit for the taxpayer's taxable year that 115
includes the last day of the entity's taxable year in which the 116
donation was made. The amount of the credit may not exceed the tax 117
otherwise due after allowing for all other credits in that order. 118
Excess credit not used in the tax period during which the 119
authorized donation was made may be carried back and applied to 120
not more than two of the immediately preceding tax periods. If the 121
taxpayer is required to pay the tax imposed by section 5727.24 or 122
5727.30 of the Revised Code more frequently than once per calendar 123
year, or claims the credit against the tax imposed by section 124
5727.81 or 5727.811 of the Revised Code, the amount of the credit 125
allowed for a calendar year shall be claimed in substantially 126
equal amounts against each tax payment required during the year 127
and after the donation is made. 128

(C)(1) To qualify one or more projects as eligible to receive 129
a donation eligible for the tax credit provided by this section, 130
the legislative authority of a municipal corporation, on or before 131
the first day of July of each year, may deliver to the tax 132
commissioner a list of projects for which it seeks eligibility to 133
receive donations eligible for the credit provided by this 134
section. The list prepared by the legislative authority shall, for 135
each project, set forth all of the following: 136

- (a) The objective or mission of the project; 137
- (b) The neighborhood area to be served; 138
- (c) Why the project is needed; 139
- (d) The estimated cost of the project; 140
- (e) The suggested plan for implementing the project, 141

including the projected length of time the project will be 142
undertaken; 143

(f) The name and address of the agency designated by the 144
municipal corporation to oversee implementation of the project; 145
and 146

(g) Other information as the commissioner may prescribe. 147

The projected length of time a project will be undertaken 148
shall not exceed two consecutive years. 149

Before submitting the list to the tax commissioner the 150
legislative authority shall hold at least one public hearing for 151
the purpose of discussing the programs to be included on the list 152
and receiving public testimony. 153

(2) Annually, on or before the first day of September, the 154
tax commissioner shall compile and post on the department of 155
taxation's web site a list of all projects submitted by municipal 156
corporations that are eligible to receive applications for 157
donations eligible to receive a credit under this section. The 158
list shall be organized by each municipal corporation that applied 159
and shall indicate the estimated cost of each project as shown on 160
the municipal corporation's list. Each year, the commissioner also 161
shall publish a copy of the list in paper form. The commissioner 162
shall update the list as necessary. 163

(3) To be eligible for a tax credit under this section, a 164
taxpayer must donate to one or more projects appearing on the list 165
prepared by the tax commissioner and apply to the commissioner on 166
a form prescribed by the commissioner. Applications shall be 167
submitted to the commissioner during the application period. The 168
commissioner shall forward a copy of the application to the agency 169
designated by the municipal corporation to oversee implementation 170
of the project. 171

The agency to which the commissioner has forwarded an 172

application shall approve or deny the application within thirty 173
days after receiving the application from the commissioner. 174
Failure of an agency to approve an application within that 175
thirty-day period constitutes denial of the application. After the 176
approval of the agency or the passing of the thirty-day period, an 177
application shall be approved or denied by the commissioner based 178
on the compliance of the proposed donation with the provisions of 179
this section. 180

The commissioner may approve an application only if it is 181
received by the commissioner during the application period and 182
only if it has been approved by the agency. After the commissioner 183
approves or denies an application, the commissioner shall issue 184
written notice of the commissioner's decision to the applicant by 185
ordinary mail within twenty days after reaching a decision. If the 186
commissioner approves an application, the commissioner shall 187
forward a copy of the commissioner's decision to the taxpayer 188
eligible to claim the credit. The commissioner shall consider and 189
approve applications in the order received. 190

The commissioner shall not approve an application for an 191
authorized donation to any project for any application period in 192
an amount that would cause the total authorized donations for that 193
project for the application period to exceed one hundred fifty 194
thousand dollars. If an application proposes a donation in an 195
amount that would cause the total authorized donations to the 196
project to exceed one hundred fifty thousand dollars, the 197
commissioner shall notify the applicant, and the applicant, in a 198
manner prescribed by the commissioner, may propose a donation to 199
the project in a lesser amount or propose a donation to another 200
project. 201

(4) If a project is to be undertaken over more than one year, 202
the applicant for authorized donations shall indicate in the 203
application the amount of the donation to be made in each 204

application year, and the amounts so indicated shall be applied to 205
the annual credit limit under division (E) of this section for the 206
corresponding application year. 207

(5) The tax commissioner may charge a reasonable fee for the 208
filing of an application under division (C)(3) of this section to 209
defray the costs of processing the application and administering 210
this section. 211

(6) The commissioner may remove a project from the list 212
created by the commissioner under this section if the project 213
fails to satisfy the requirements of a project as defined in 214
division (A)(6) of this section. 215

(D) No tax credit shall be granted to any person under this 216
section unless the person furnishes evidence to the commissioner 217
that the amount of funds the person expended for charitable 218
purposes and for the support of organizations eligible for 219
assistance under this section in the year for which the credit is 220
claimed equals or exceeds the amount the person expended for such 221
purposes in the immediately preceding year. 222

(E) The total amount of credits that may be claimed under 223
this section in any year shall not exceed five million dollars. 224
If, for any year, all of the applications submitted to the tax 225
commissioner pursuant to this section claim tax credits in excess 226
of that amount, the commissioner, on or before the fifteenth day 227
of November each year, shall prorate the amounts of tax credits in 228
proportion to each taxpayer's authorized donation amount. 229

(F) A single neighborhood organization may propose multiple 230
projects, but may not receive more than one hundred fifty thousand 231
dollars in authorized donations during an application year. 232

(G) If the total funds donated in any year by any taxpayer in 233
a project in which a neighborhood organization is involved exceeds 234
twenty-five thousand dollars, the organization, upon completion of 235

the project, shall engage an independent public accountant to 236
audit the finances of the project and file the audit report with 237
the municipal corporation or agency overseeing the project. The 238
accountant's report shall verify whether the organization's 239
expenditures were made in accordance with the project as proposed 240
and approved by the commissioner. The municipal corporation or 241
agency shall forward each audit to the commissioner. 242

The tax commissioner shall review each audit report for 243
evidence of fraud or embezzlement. If the commissioner discovers 244
evidence of fraud or embezzlement, the commissioner shall report 245
the commissioner's findings to the county prosecutor of the county 246
in which the project is located. If the commissioner finds 247
evidence of unsound or irregular financial practice in relation to 248
generally accepted accounting standards, the commissioner may make 249
any projects in which the audited organization is involved 250
ineligible to receive authorized donations. 251

(H) The commissioner may adopt rules to implement this 252
section. 253

Sec. 5725.98. (A) To provide a uniform procedure for 254
calculating the amount of tax imposed by section 5725.18 of the 255
Revised Code that is due under this chapter, a taxpayer shall 256
claim any credits and offsets against tax liability to which it is 257
entitled in the following order: 258

(1) The credit for an insurance company or insurance company 259
group under section 5729.031 of the Revised Code; 260

(2) The credit for eligible employee training costs under 261
section 5725.31 of the Revised Code; 262

(3) The nonrefundable credit for authorized donations under 263
section 715.58 of the Revised Code; 264

(4) The credit for purchasers of qualified low-income 265

community investments under section 5725.33 of the Revised Code;	266
(4) (5) The nonrefundable job retention credit under division	267
(B)(1) of section 122.171 of the Revised Code;	268
(5) (6) The offset of assessments by the Ohio life and health	269
insurance guaranty association permitted by section 3956.20 of the	270
Revised Code;	271
(6) (7) The refundable credit for Ohio job retention under	272
division (B)(2) of section 122.171 of the Revised Code;	273
(7) (8) The refundable credit for Ohio job creation under	274
section 5725.32 of the Revised Code;	275
(8) (9) The refundable credit under section 5725.19 of the	276
Revised Code for losses on loans made under the Ohio venture	277
capital program under sections 150.01 to 150.10 of the Revised	278
Code.	279
(B) For any credit except the refundable credits enumerated	280
in this section, the amount of the credit for a taxable year shall	281
not exceed the tax due after allowing for any other credit that	282
precedes it in the order required under this section. Any excess	283
amount of a particular credit may be carried forward if authorized	284
under the section creating that credit. Nothing in this chapter	285
shall be construed to allow a taxpayer to claim, directly or	286
indirectly, a credit more than once for a taxable year.	287
Sec. 5729.98. (A) To provide a uniform procedure for	288
calculating the amount of tax due under this chapter, a taxpayer	289
shall claim any credits and offsets against tax liability to which	290
it is entitled in the following order:	291
(1) The credit for an insurance company or insurance company	292
group under section 5729.031 of the Revised Code;	293
(2) The credit for eligible employee training costs under	294
section 5729.07 of the Revised Code;	295

(3) <u>The nonrefundable credit for authorized donations under section 715.58 of the Revised Code;</u>	296 297
<u>(4)</u> The credit for purchases of qualified low-income community investments under section 5729.16 of the Revised Code;	298 299
(4) <u>(5)</u> The nonrefundable job retention credit under division (B)(1) of section 122.171 of the Revised Code;	300 301
(5) <u>(6)</u> The offset of assessments by the Ohio life and health insurance guaranty association against tax liability permitted by section 3956.20 of the Revised Code;	302 303 304
(6) <u>(7)</u> The refundable credit for Ohio job retention under division (B)(2) of section 122.171 of the Revised Code;	305 306
(7) <u>(8)</u> The refundable credit for Ohio job creation under section 5729.032 of the Revised Code;	307 308
(8) <u>(9)</u> The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.	309 310 311 312
(B) For any credit except the refundable credits enumerated in this section, 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.	313 314 315 316 317 318 319 320
Sec. 5733.01. (A) The tax provided by this chapter for domestic corporations shall be the amount charged against each corporation organized for profit under the laws of this state and each nonprofit corporation organized pursuant to Chapter 1729. of the Revised Code, except as provided in sections 5733.09 and	321 322 323 324 325

5733.10 of the Revised Code, for the privilege of exercising its 326
franchise during the calendar year in which that amount is 327
payable, and the tax provided by this chapter for foreign 328
corporations shall be the amount charged against each corporation 329
organized for profit and each nonprofit corporation organized or 330
operating in the same or similar manner as nonprofit corporations 331
organized under Chapter 1729. of the Revised Code, under the laws 332
of any state or country other than this state, except as provided 333
in sections 5733.09 and 5733.10 of the Revised Code, for the 334
privilege of doing business in this state, owning or using a part 335
or all of its capital or property in this state, holding a 336
certificate of compliance with the laws of this state authorizing 337
it to do business in this state, or otherwise having nexus in or 338
with this state under the Constitution of the United States, 339
during the calendar year in which that amount is payable. 340

(B) A corporation is subject to the tax imposed by section 341
5733.06 of the Revised Code for each calendar year that it is so 342
organized, doing business, owning or using a part or all of its 343
capital or property, holding a certificate of compliance, or 344
otherwise having nexus in or with this state under the 345
Constitution of the United States, on the first day of January of 346
that calendar year. 347

(C) Any corporation subject to this chapter that is not 348
subject to the federal income tax shall file its returns and 349
compute its tax liability as required by this chapter in the same 350
manner as if that corporation were subject to the federal income 351
tax. 352

(D) For purposes of this chapter, a federally chartered 353
financial institution shall be deemed to be organized under the 354
laws of the state within which its principal office is located. 355

(E) For purposes of this chapter, any person, as defined in 356
section 5701.01 of the Revised Code, shall be treated as a 357

corporation if the person is classified for federal income tax 358
purposes as an association taxable as a corporation, and an equity 359
interest in the person shall be treated as capital stock of the 360
person. 361

(F) For the purposes of this chapter, "disregarded entity" 362
has the same meaning as in division (D) of section 5745.01 of the 363
Revised Code. 364

(1) A person's interest in a disregarded entity, whether held 365
directly or indirectly, shall be treated as the person's ownership 366
of the assets and liabilities of the disregarded entity, and the 367
income, including gain or loss, shall be included in the person's 368
net income under this chapter. 369

(2) Any sale, exchange, or other disposition of the person's 370
interest in the disregarded entity, whether held directly or 371
indirectly, shall be treated as a sale, exchange, or other 372
disposition of the person's share of the disregarded entity's 373
underlying assets or liabilities, and the gain or loss from such 374
sale, exchange, or disposition shall be included in the person's 375
net income under this chapter. 376

(3) The disregarded entity's payroll, property, and sales 377
factors shall be included in the person's factors. 378

(G) The tax a corporation is required to pay under this 379
chapter shall be as follows: 380

(1)(a) For financial institutions, the greater of the minimum 381
payment required under division (E) of section 5733.06 of the 382
Revised Code or the difference between all taxes charged the 383
financial institution under this chapter, without regard to 384
division (G)(2) of this section, less any credits allowable 385
against such tax. 386

(b) A corporation satisfying the description in division 387
(E)(5), (6), (7), (8), or (10) of section 5751.01 of the Revised 388

Code that is not a financial institution, insurance company, or 389
dealer in intangibles is subject to the taxes imposed under this 390
chapter as a corporation and not subject to tax as a financial 391
institution, and shall pay the greater of the minimum payment 392
required under division (E) of section 5733.06 of the Revised Code 393
or the difference between all the taxes charged under this 394
chapter, without regard to division (G)(2) of this section, less 395
any credits allowable against such tax. 396

(2) For all corporations other than those persons described 397
in division (G)(1)(a) or (b) of this section, the amount under 398
division (G)(2)(a) of this section applicable to the tax year 399
specified less the amount under division (G)(2)(b) of this 400
section: 401

(a)(i) For tax year 2005, the greater of the minimum payment 402
required under division (E) of section 5733.06 of the Revised Code 403
or the difference between all taxes charged the corporation under 404
this chapter and any credits allowable against such tax; 405

(ii) For tax year 2006, the greater of the minimum payment 406
required under division (E) of section 5733.06 of the Revised Code 407
or four-fifths of the difference between all taxes charged the 408
corporation under this chapter and any credits allowable against 409
such tax, except the qualifying pass-through entity tax credit 410
described in division (A)~~(30)~~ of section 5733.98 of the Revised 411
Code and the refundable credits ~~described in divisions (A)(31) to~~ 412
~~(35) of section 5733.98 of the Revised Code~~ applicable to that tax 413
year; 414

(iii) For tax year 2007, the greater of the minimum payment 415
required under division (E) of section 5733.06 of the Revised Code 416
or three-fifths of the difference between all taxes charged the 417
corporation under this chapter and any credits allowable against 418
such tax, except the qualifying pass-through entity tax credit 419
described in division (A)~~(30)~~ of section 5733.98 of the Revised 420

Code and the refundable credits ~~described in divisions (A)(31) to~~ 421
~~(35) of section 5733.98 of the Revised Code applicable to that tax~~ 422
year; 423

(iv) For tax year 2008, the greater of the minimum payment 424
required under division (E) of section 5733.06 of the Revised Code 425
or two-fifths of the difference between all taxes charged the 426
corporation under this chapter and any credits allowable against 427
such tax, except the qualifying pass-through entity tax credit 428
described in division ~~(A)(30)~~ of section 5733.98 of the Revised 429
Code and the refundable credits ~~described in divisions (A)(31) to~~ 430
~~(35) of section 5733.98 of the Revised Code applicable to that tax~~ 431
year; 432

(v) For tax year 2009, the greater of the minimum payment 433
required under division (E) of section 5733.06 of the Revised Code 434
or one-fifth of the difference between all taxes charged the 435
corporation under this chapter and any credits allowable against 436
such tax, except the qualifying pass-through entity tax credit 437
described in division ~~(A)(30)~~ of section 5733.98 of the Revised 438
Code and the refundable credits ~~described in divisions (A)(31),~~ 439
~~(32), (33), and (34) of section 5733.98 of the Revised Code~~ 440
applicable to that tax year; 441

(vi) For tax year 2010 and each tax year thereafter, no tax. 442

(b) A corporation shall subtract from the amount calculated 443
under division (G)(2)(a)(ii), (iii), (iv), or (v) of this section 444
any qualifying pass-through entity tax credit described in 445
division ~~(A)(30)~~ of section 5733.98 of the Revised Code and any 446
refundable credits ~~described in divisions (A)(31) to (35) of~~ 447
~~section 5733.98 of the Revised Code applicable to that tax year~~ to 448
which the corporation is entitled. Any unused qualifying 449
pass-through entity tax credit is not refundable. 450

(c) For the purposes of computing the amount of a credit that 451

may be carried forward to a subsequent tax year under division 452
(G)(2) of this section, a credit is utilized against the tax for a 453
tax year to the extent the credit applies against the tax for that 454
tax year, even if the difference is then multiplied by the 455
applicable fraction under division (G)(2)(a) of this section. 456

(3) Nothing in division (G) of this section eliminates or 457
reduces the tax imposed by section 5733.41 of the Revised Code on 458
a qualifying pass-through entity. 459

Sec. 5733.98. (A) To provide a uniform procedure for 460
calculating the amount of tax imposed by section 5733.06 of the 461
Revised Code that is due under this chapter, a taxpayer shall 462
claim any credits to which it is entitled in the following order, 463
except as otherwise provided in section 5733.058 of the Revised 464
Code: 465

(1) For tax year 2005, the credit for taxes paid by a 466
qualifying pass-through entity allowed under section 5733.0611 of 467
the Revised Code; 468

(2) The credit allowed for financial institutions under 469
section 5733.45 of the Revised Code; 470

(3) The credit for qualifying affiliated groups under section 471
5733.068 of the Revised Code; 472

(4) The subsidiary corporation credit under section 5733.067 473
of the Revised Code; 474

(5) The savings and loan assessment credit under section 475
5733.063 of the Revised Code; 476

(6) The credit for recycling and litter prevention donations 477
under section 5733.064 of the Revised Code; 478

(7) The credit for employers that enter into agreements with 479
child day-care centers under section 5733.36 of the Revised Code; 480

(8) The credit for employers that reimburse employee child care expenses under section 5733.38 of the Revised Code;	481 482
(9) The credit for maintaining railroad active grade crossing warning devices under section 5733.43 of the Revised Code;	483 484
(10) The credit for purchases of lights and reflectors under section 5733.44 of the Revised Code;	485 486
(11) The nonrefundable job retention credit under division (B) of section 5733.0610 of the Revised Code;	487 488
(12) The credit for tax years 2008 and 2009 for selling alternative fuel under section 5733.48 of the Revised Code;	489 490
(13) The second credit for purchases of new manufacturing machinery and equipment under section 5733.33 of the Revised Code;	491 492
(14) The job training credit under section 5733.42 of the Revised Code;	493 494
(15) <u>The nonrefundable credit for authorized donations under section 715.58 of the Revised Code;</u>	495 496
<u>(16)</u> The credit for qualified research expenses under section 5733.351 of the Revised Code;	497 498
(16) <u>(17)</u> The enterprise zone credit under section 5709.66 of the Revised Code;	499 500
(17) <u>(18)</u> The credit for the eligible costs associated with a voluntary action under section 5733.34 of the Revised Code;	501 502
(18) <u>(19)</u> The credit for employers that establish on-site child day-care centers under section 5733.37 of the Revised Code;	503 504
(19) <u>(20)</u> The ethanol plant investment credit under section 5733.46 of the Revised Code;	505 506
(20) <u>(21)</u> The credit for purchases of qualifying grape production property under section 5733.32 of the Revised Code;	507 508
(21) <u>(22)</u> The export sales credit under section 5733.069 of	509

the Revised Code;	510
(22) <u>(23)</u> The credit for research and development and	511
technology transfer investors under section 5733.35 of the Revised	512
Code;	513
(23) <u>(24)</u> The enterprise zone credits under section 5709.65 of	514
the Revised Code;	515
(24) <u>(25)</u> The credit for using Ohio coal under section 5733.39	516
of the Revised Code;	517
(25) <u>(26)</u> The credit for purchases of qualified low-income	518
community investments under section 5733.58 of the Revised Code;	519
(26) <u>(27)</u> The credit for small telephone companies under	520
section 5733.57 of the Revised Code;	521
(27) <u>(28)</u> The credit for eligible nonrecurring 9-1-1 charges	522
under section 5733.55 of the Revised Code;	523
(28) <u>(29)</u> For tax year 2005, the credit for providing programs	524
to aid the communicatively impaired under division (A) of section	525
5733.56 of the Revised Code;	526
(29) <u>(30)</u> The research and development credit under section	527
5733.352 of the Revised Code;	528
(30) <u>(31)</u> For tax years 2006 and subsequent tax years, the	529
credit for taxes paid by a qualifying pass-through entity allowed	530
under section 5733.0611 of the Revised Code;	531
(31) <u>(32)</u> The refundable credit for rehabilitating a historic	532
building under section 5733.47 of the Revised Code;	533
(32) <u>(33)</u> The refundable jobs creation credit or job retention	534
credit under division (A) of section 5733.0610 of the Revised	535
Code;	536
(33) <u>(34)</u> The refundable credit for tax withheld under	537
division (B)(2) of section 5747.062 of the Revised Code;	538

~~(34)~~(35) The refundable credit under section 5733.49 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;

~~(35)~~(36) For tax years 2006, 2007, and 2008, the refundable credit allowable under division (B) of section 5733.56 of the Revised Code;

~~(36)~~(37) The refundable motion picture production credit under section 5733.59 of the Revised Code.

(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a tax 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.

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

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

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

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

(4) The dependent care credit under section 5747.054 of the Revised Code;

(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;

(6) The lump sum retirement income credit under division (D)

of section 5747.055 of the Revised Code;	568
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	569 570
(8) The low-income credit under section 5747.056 of the Revised Code;	571 572
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	573 574
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	575 576
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	577 578
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	579 580
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	581 582
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	583 584
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	585 586
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	587 588
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	589 590
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	591 592
(19) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	593 594
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	595 596

(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;	597 598 599
(22) The job training credit under section 5747.39 of the Revised Code;	600 601
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	602 603
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	604 605
(25) <u>The nonrefundable credit for authorized donations under section 715.58 of the Revised Code;</u>	606 607
<u>(26)</u> The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	608 609
(26) <u>(27)</u> The ethanol plant investment credit under section 5747.75 of the Revised Code;	610 611
(27) <u>(28)</u> The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	612 613
(28) <u>(29)</u> The export sales credit under section 5747.057 of the Revised Code;	614 615
(29) <u>(30)</u> The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	616 617 618
(30) <u>(31)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	619 620
(31) <u>(32)</u> The research and development credit under section 5747.331 of the Revised Code;	621 622
(32) <u>(33)</u> The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	623 624
(33) <u>(34)</u> The refundable credit for rehabilitating a historic	625

building under section 5747.76 of the Revised Code;	626
(34) (35) The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	627 628
(35) (36) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	629 630
(36) (37) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code;	631 632 633
(37) (38) The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	634 635
(38) (39) The refundable credit for tax withheld under section 5747.063 of the Revised Code;	636 637
(39) (40) 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;	638 639 640
(40) (41) The refundable motion picture production credit under section 5747.66 of the Revised Code.	641 642
(B) For any credit, except the refundable credits enumerated in 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.	643 644 645 646 647 648 649 650 651 652
Sec. 5751.98. (A) To provide a uniform procedure for calculating the amount of tax due under this chapter, a taxpayer shall claim any credits to which it is entitled in the following	653 654 655

order:	656
(1) The nonrefundable jobs retention credit under division	657
(B) of section 5751.50 of the Revised Code;	658
(2) The nonrefundable credit for qualified research expenses	659
under division (B) of section 5751.51 of the Revised Code;	660
(3) <u>The nonrefundable credit for authorized donations under</u>	661
<u>section 715.58 of the Revised Code;</u>	662
<u>(4)</u> The nonrefundable credit for a borrower's qualified	663
research and development loan payments under division (B) of	664
section 5751.52 of the Revised Code;	665
(4) <u>(5)</u> The nonrefundable credit for calendar years 2010 to	666
2029 for unused net operating losses under division (B) of section	667
5751.53 of the Revised Code;	668
(5) <u>(6)</u> The refundable credit for calendar year 2030 for	669
unused net operating losses under division (C) of section 5751.53	670
of the Revised Code;	671
(6) <u>(7)</u> The refundable jobs creation credit or job retention	672
credit under division (A) of section 5751.50 of the Revised Code.	673
(B) For any credit except the refundable credits enumerated	674
in this section, the amount of the credit for a tax period shall	675
not exceed the tax due after allowing for any other credit that	676
precedes it in the order required under this section. Any excess	677
amount of a particular credit may be carried forward if authorized	678
under the section creating the credit.	679
Section 2. That existing sections 5725.98, 5729.98, 5733.01,	680
5733.98, 5747.98, and 5751.98 of the Revised Code are hereby	681
repealed.	682
Section 3. If this act becomes effective before July 1 of the	683
current calendar year, projects may be submitted by municipal	684

corporations to the Tax Commissioner under section 715.58 of the 685
Revised Code on or before the first day of July of the current 686
calendar year. If this act becomes effective on or after July 1 of 687
the current calendar year, projects may be submitted by municipal 688
corporations to the Tax Commissioner on or before the first day of 689
July of the following calendar year. 690