

As Introduced

**130th General Assembly
Regular Session
2013-2014**

H. B. No. 671

Representative Schuring

—

A BILL

To enact section 5703.95 of the Revised Code to 1
require the Department of Taxation to conduct a 2
one-time cost-benefit analysis of all existing tax 3
credits, to appropriate \$200,000 for that purpose, 4
and to require that, before a new tax credit may 5
be enacted, the Department must conduct a 6
cost-benefit analysis of the proposed credit. 7

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

Section 1. That section 5703.95 of the Revised Code be 8
enacted to read as follows: 9

Sec. 5703.95. (A) As used in this section: 10

(1) "Tax credit" means any credit allowed against a tax 11
administered by the department of taxation other than a credit 12
solely to reconcile excess tax payments or remittances. 13

(2) "Tax credit bill" means a bill introduced in the house of 14
representatives or the senate that proposes to enact one or more 15
tax credits. 16

(3) "State institution of higher education" has the same 17
meaning as in section 3345.011 of the Revised Code. 18

(B) Before a tax credit bill may be scheduled for a vote in 19

any legislative committee, the department of taxation shall 20
conduct a cost-benefit analysis of the proposed tax credit and 21
prepare a report of its findings and recommendations. The 22
department shall provide a copy of the report to each member of 23
the legislative committee to which the bill has been referred. 24

(C) The department of taxation may contract with a state 25
institution of higher education to assist in analyzing the costs 26
and benefits of the proposed tax credit and in preparing the 27
report of its findings and recommendations. 28

Section 2. (A) As used in this section: 29

(1) "Tax credit" means any credit allowed against a tax 30
administered by the Department of Taxation other than a credit 31
solely to reconcile excess tax payments or remittances. 32

(2) "Tax credit bill" means a bill introduced in the House of 33
Representatives or the Senate that proposes to enact one or more 34
tax credits. 35

(3) "Institution of higher education" has the same meaning as 36
in section 3345.011 of the Revised Code. 37

(B) On or before the first day of the thirteenth month after 38
the effective date of this act, the Department of Taxation shall 39
conduct a cost-benefit analysis of all existing tax credits and 40
prepare a report of its findings and recommendations. The 41
Department shall provide a copy of the report to the Governor, the 42
President and Minority Leader of the Senate, and the Speaker and 43
Minority Leader of the House of Representatives. Before issuing 44
the report, the Department shall allow any person to provide the 45
Department with evidence related to the costs or benefits of each 46
tax credit under review. 47

(C) The Department of Taxation may contract with a state 48
institution of higher education to assist in analyzing the costs 49

and benefits of each tax credit under review and in preparing the 50
report of its findings and recommendations. 51

Section 3. All items in this section are hereby appropriated 52
as designated out of any moneys in the state treasury to the 53
credit of the designated fund. For all appropriations made in this 54
act, those in the first column are for fiscal year 2014 and those 55
in the second column are for fiscal year 2015. The appropriations 56
made in this act are in addition to any other appropriations made 57
for the FY 2014-FY 2015 biennium. 58

TAX DEPARTMENT OF TAXATION 59

General Revenue Fund 60

GRF 110321 Operating Expenses	\$	0	\$	200,000	61
TOTAL GRF General Revenue Fund	\$	0	\$	200,000	62
TOTAL ALL BUDGET FUND GROUPS	\$	0	\$	200,000	63

TAX CREDIT REVIEW 64

The foregoing appropriation item 110321, Operating Expenses, 65
shall be used to conduct the cost-benefit analysis required under 66
Section 2 of this act. 67

Within the limits set forth in this act, the Director of 68
Budget and Management shall establish accounts indicating the 69
source and amount of funds for each appropriation made in this 70
act, and shall determine the form and manner in which 71
appropriation accounts shall be maintained. Expenditures from 72
appropriations contained in this act shall be accounted for as 73
though made in Am. Sub. H.B. 59 of the 130th General Assembly. 74

The appropriations made in this act are subject to all 75
provisions of Am. Sub. H.B. 59 of the 130th General Assembly that 76
are generally applicable to such appropriations. 77