

As Introduced

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

H. B. No. 685

Representatives Foley, Hagan, R.

Cosponsor: Representative Ramos

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A B I L L

To amend sections 1509.02, 1509.34, 1509.50, 1513.08, 1
1513.182, 1514.11, 5705.27, 5705.32, 5731.02, 2
5731.19, 5731.21, 5731.39, 5731.48, 5747.02, 3
5747.03, 5749.01, 5749.02, 5749.06, and 5749.11 4
and to enact sections 321.50 and 3745.15 of the 5
Revised Code to create the State Environmental 6
Restoration Authority, to use revenue from an 7
increase in the income tax rate on the highest 8
income bracket to fund the Authority, to replace 9
existing oil and gas severance taxes with a tax on 10
the first sale of oil or gas and use the revenue 11
to fund local governments, oil and gas regulation, 12
and the Authority, and to levy a tax on decedents' 13
estates and use the revenue to fund local 14
governments and the Authority. 15

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

Section 1. That sections 1509.02, 1509.34, 1509.50, 1513.08, 16
1513.182, 1514.11, 5705.27, 5705.32, 5731.02, 5731.19, 5731.21, 17
5731.39, 5731.48, 5747.02, 5747.03, 5749.01, 5749.02, 5749.06, and 18
5749.11 be amended and sections 321.50 and 3745.15 of the Revised 19
Code be enacted to read as follows: 20

Sec. 321.50. Every county treasurer shall create in the 21
county treasury a severance tax infrastructure fund. The treasurer 22
shall deposit any money received by the treasurer under section 23
5749.02 of the Revised Code into the fund. The treasurer shall 24
notify the county auditor whenever the treasurer deposits money 25
into the fund. 26

Within ten days after receiving such a notice from the 27
treasurer, the auditor shall schedule a hearing of the county 28
budget commission and notify applicable taxing authorities as 29
provided in section 5705.27 of the Revised Code. 30

Sec. 1509.02. There is hereby created in the department of 31
natural resources the division of oil and gas resources 32
management, which shall be administered by the chief of the 33
division of oil and gas resources management. The division has 34
sole and exclusive authority to regulate the permitting, location, 35
and spacing of oil and gas wells and production operations within 36
the state, excepting only those activities regulated under federal 37
laws for which oversight has been delegated to the environmental 38
protection agency and activities regulated under sections 6111.02 39
to 6111.028 of the Revised Code. The regulation of oil and gas 40
activities is a matter of general statewide interest that requires 41
uniform statewide regulation, and this chapter and rules adopted 42
under it constitute a comprehensive plan with respect to all 43
aspects of the locating, drilling, well stimulation, completing, 44
and operating of oil and gas wells within this state, including 45
site construction and restoration, permitting related to those 46
activities, and the disposal of wastes from those wells. In order 47
to assist the division in the furtherance of its sole and 48
exclusive authority as established in this section, the chief may 49
enter into cooperative agreements with other state agencies for 50
advice and consultation, including visitations at the surface 51

location of a well on behalf of the division. Such cooperative 52
agreements do not confer on other state agencies any authority to 53
administer or enforce this chapter and rules adopted under it. In 54
addition, such cooperative agreements shall not be construed to 55
dilute or diminish the division's sole and exclusive authority as 56
established in this section. Nothing in this section affects the 57
authority granted to the director of transportation and local 58
authorities in section 723.01 or 4513.34 of the Revised Code, 59
provided that the authority granted under those sections shall not 60
be exercised in a manner that discriminates against, unfairly 61
impedes, or obstructs oil and gas activities and operations 62
regulated under this chapter. 63

The chief shall not hold any other public office, nor shall 64
the chief be engaged in any occupation or business that might 65
interfere with or be inconsistent with the duties as chief. 66

All moneys collected by the chief pursuant to sections 67
1509.06, 1509.061, 1509.062, 1509.071, 1509.13, 1509.22, 1509.222, 68
1509.28, 1509.34, and 1509.50 of the Revised Code, ~~ninety per cent~~ 69
~~and the portion of the~~ moneys received ~~by the treasurer of state~~ 70
from the tax levied in divisions ~~(A)~~(B)(5) and (6) ~~and (C)~~ of 71
section 5749.02 of the Revised Code, all civil penalties paid 72
under section 1509.33 of the Revised Code, and, notwithstanding 73
any section of the Revised Code relating to the distribution or 74
crediting of fines for violations of the Revised Code, all fines 75
imposed under divisions (A) and (B) of section 1509.99 of the 76
Revised Code and fines imposed under divisions (C) and (D) of 77
section 1509.99 of the Revised Code for all violations prosecuted 78
by the attorney general and for violations prosecuted by 79
prosecuting attorneys that do not involve the transportation of 80
brine by vehicle shall be deposited into the state treasury to the 81
credit of the oil and gas well fund, which is hereby created. 82
Fines imposed under divisions (C) and (D) of section 1509.99 of 83

the Revised Code for violations prosecuted by prosecuting attorneys that involve the transportation of brine by vehicle and penalties associated with a compliance agreement entered into pursuant to this chapter shall be paid to the county treasury of the county where the violation occurred.

The fund shall be used solely and exclusively for the purposes enumerated in division (B) of section 1509.071 of the Revised Code, for the expenses of the division associated with the administration of this chapter and Chapter 1571. of the Revised Code and rules adopted under them, and for expenses that are critical and necessary for the protection of human health and safety and the environment related to oil and gas production in this state. The expenses of the division in excess of the moneys available in the fund shall be paid from general revenue fund appropriations to the department.

Sec. 1509.34. (A)(1) If an owner fails to pay the fees imposed by this chapter, or if the chief of the division of oil and gas resources management incurs costs under division (E) of section 1509.071 of the Revised Code to correct conditions associated with the owner's well that the chief reasonably has determined are causing imminent health or safety risks, the division of oil and gas resources management shall have a priority lien against that owner's interest in the applicable well in front of all other creditors for the amount of any such unpaid fees and costs incurred. The chief shall file a statement in the office of the county recorder of the county in which the applicable well is located of the amount of the unpaid fees and costs incurred as described in this division. The statement shall constitute a lien on the owner's interest in the well as of the date of the filing. The lien shall remain in force so long as any portion of the lien remains unpaid or until the chief issues a certificate of release of the lien. If the chief issues a certificate of release of the

lien, the chief shall file the certificate of release in the 116
office of the applicable county recorder. 117

(2) A lien imposed under division (A)(1) of this section 118
shall be in addition to any lien imposed by the attorney general 119
for failure to pay the assessment imposed by section 1509.50 of 120
the Revised Code or the tax levied under division ~~(A)~~(B)(5) or (6) 121
or (C) of section 5749.02 of the Revised Code, as applicable. 122

(3) If the attorney general cannot collect from a severer or 123
an owner for an outstanding balance of amounts due under section 124
1509.50 of the Revised Code or of unpaid taxes levied under 125
division ~~(A)~~(B)(5) or (6) or (C) of section 5749.02 of the Revised 126
Code, as applicable, the tax commissioner may request the chief to 127
impose a priority lien against the owner's interest in the 128
applicable well. Such a lien has priority in front of all other 129
creditors. 130

(B) The chief promptly shall issue a certificate of release 131
of a lien under either of the following circumstances: 132

(1) Upon the repayment in full of the amount of unpaid fees 133
imposed by this chapter or costs incurred by the chief under 134
division (E) of section 1509.071 of the Revised Code to correct 135
conditions associated with the owner's well that the chief 136
reasonably has determined are causing imminent health or safety 137
risks; 138

(2) Any other circumstance that the chief determines to be in 139
the best interests of the state. 140

(C) The chief may modify the amount of a lien under this 141
section. If the chief modifies a lien, the chief shall file a 142
statement in the office of the county recorder of the applicable 143
county of the new amount of the lien. 144

(D) An owner regarding which the division has recorded a lien 145

against the owner's interest in a well in accordance with this 146
section shall not transfer a well, lease, or mineral rights to 147
another owner or person until the chief issues a certificate of 148
release for each lien against the owner's interest in the well. 149

(E) All money from the collection of liens under this section 150
shall be deposited in the state treasury to the credit of the oil 151
and gas well fund created in section 1509.02 of the Revised Code. 152

Sec. 1509.50. (A) ~~An~~ For oil and gas severed before January 153
1, 2015, a regulatory cost recovery assessment is hereby imposed 154
by this section on an owner. An owner shall pay the assessment in 155
the same manner as a severer who is required to file a return 156
under section 5749.06 of the Revised Code. However, an owner may 157
designate a severer who shall pay the owner's assessment on behalf 158
of the owner on the return that the severer is required to file 159
under that section. If a severer so pays an owner's assessment, 160
the severer may recoup from the owner the amount of the 161
assessment. Except for an exempt domestic well, the assessment 162
imposed shall be in addition to the taxes levied on the severance 163
of oil and gas under section 5749.02 of the Revised Code. 164

(B)(1) Except for an exempt domestic well, the oil and gas 165
regulatory cost recovery assessment shall be calculated on a 166
quarterly basis and shall be one of the following: 167

(a) If the sum of ten cents per barrel of oil for all of the 168
wells of the owner, one-half of one cent per one thousand cubic 169
feet of natural gas for all of the wells of the owner, and the 170
amount of the severance tax levied on each severer for all of the 171
wells of the owner under divisions (A)(5) and (6) of section 172
5749.02 of the Revised Code, as applicable, is greater than the 173
sum of fifteen dollars for each well owned by the owner, the 174
amount of the assessment is the sum of ten cents per barrel of oil 175
for all of the wells of the owner and one-half of one cent per one 176

thousand cubic feet of natural gas for all of the wells of the owner. 177
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(b) If the sum of ten cents per barrel of oil for all of the wells of the owner, one-half of one cent per one thousand cubic feet of natural gas for all of the wells of the owner, and the amount of the severance tax levied on each severer for all of the wells of the owner under divisions (A)(5) and (6) of section 5749.02 of the Revised Code, as applicable, is less than the sum of fifteen dollars for each well owned by the owner, the amount of the assessment is the sum of fifteen dollars for each well owned by the owner less the amount of the tax levied on each severer for all of the wells of the owner under divisions (A)(5) and (6) of section 5749.02 of the Revised Code, as applicable. 179
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(2) The oil and gas regulatory cost recovery assessment for a well that becomes an exempt domestic well on and after June 30, 2010, shall be sixty dollars to be paid to the division of oil and gas resources management on the first day of July of each year. 190
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(C) All money collected pursuant to this section shall be credited to the severance tax receipts fund. After the director of budget and management transfers money from the severance tax receipts fund as required in division (H) of section 5749.06 of the Revised Code, money in the severance tax receipts fund from amounts collected pursuant to this section shall be credited to the oil and gas well fund created in section 1509.02 of the Revised Code. 194
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(D) Except for purposes of revenue distribution as specified in division (B) of section 5749.02 of the Revised Code, the oil and gas regulatory cost recovery assessment imposed by this section shall be treated the same and equivalent for all purposes as the taxes levied on the severance of oil and gas under that section. However, the assessment imposed by this section is not a tax under Chapter 5749. of the Revised Code. 202
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Sec. 1513.08. (A) After a coal mining and reclamation permit 209
application has been approved, the applicant shall file with the 210
chief of the division of mineral resources management, on a form 211
prescribed and furnished by the chief, the performance security 212
required under this section that shall be payable to the state and 213
conditioned on the faithful performance of all the requirements of 214
this chapter and rules adopted under it and the terms and 215
conditions of the permit. 216

(B) Using the information contained in the permit 217
application; the requirements contained in the approved permit and 218
reclamation plan; and, after considering the topography, geology, 219
hydrology, and revegetation potential of the area of the approved 220
permit, the probable difficulty of reclamation; the chief shall 221
determine the estimated cost of reclamation under the initial term 222
of the permit if the reclamation has to be performed by the 223
division of mineral resources management in the event of 224
forfeiture of the performance security by the applicant. The chief 225
shall send written notice of the amount of the estimated cost of 226
reclamation by certified mail to the applicant. The applicant 227
shall send written notice to the chief indicating the method by 228
which the applicant will provide the performance security pursuant 229
to division (C) of this section. 230

(C) The applicant shall provide the performance security in 231
an amount using one of the following: 232

(1) If the applicant elects to provide performance security 233
without reliance on the reclamation forfeiture fund created in 234
section 1513.18 of the Revised Code, the amount of the estimated 235
cost of reclamation as determined by the chief under division (B) 236
of this section for the increments of land on which the operator 237
will conduct a coal mining and reclamation operation under the 238
initial term of the permit as indicated in the application; 239

(2) If the applicant elects to provide performance security 240
together with reliance on the reclamation forfeiture fund through 241
payment of the additional tax on the severance of coal that is 242
levied under division ~~(A)~~(B)(8) of section 5749.02 of the Revised 243
Code, an amount of twenty-five hundred dollars per acre of land on 244
which the operator will conduct coal mining and reclamation under 245
the initial term of the permit as indicated in the application. 246
However, in order for an applicant to be eligible to provide 247
performance security in accordance with division (C)(2) of this 248
section, the applicant, an owner and controller of the applicant, 249
or an affiliate of the applicant shall have held a permit issued 250
under this chapter for any coal mining and reclamation operation 251
for a period of not less than five years. In the event of 252
forfeiture of performance security that was provided in accordance 253
with division (C)(2) of this section, the difference between the 254
amount of that performance security and the estimated cost of 255
reclamation as determined by the chief under division (B) of this 256
section shall be obtained from money in the reclamation forfeiture 257
fund as needed to complete the reclamation. 258

The performance security provided under division (C) of this 259
section for the entire area to be mined under one permit issued 260
under this chapter shall not be less than ten thousand dollars. 261

The performance security shall cover areas of land affected 262
by mining within or immediately adjacent to the permitted area, so 263
long as the total number of acres does not exceed the number of 264
acres for which the performance security is provided. However, the 265
authority for the performance security to cover areas of land 266
immediately adjacent to the permitted area does not authorize a 267
permittee to mine areas outside an approved permit area. As 268
succeeding increments of coal mining and reclamation operations 269
are to be initiated and conducted within the permit area, the 270
permittee shall file with the chief additional performance 271

security to cover the increments in accordance with this section. 272

If a permittee intends to mine areas outside the approved permit 273
area, the permittee shall provide additional performance security 274
in accordance with this section to cover the areas to be mined. 275

If an applicant or permittee has not held a permit issued 276
under this chapter for any coal mining and reclamation operation 277
for a period of five years or more, the applicant or permittee 278
shall provide performance security in accordance with division 279
(C)(1) of this section in the full amount of the estimated cost of 280
reclamation as determined by the chief for a permitted coal 281
preparation plant or coal refuse disposal area that is not located 282
within a permitted area of a mine. If an applicant for a permit 283
for a coal preparation plant or coal refuse disposal area or a 284
permittee of a permitted coal preparation plant or coal refuse 285
disposal area that is not located within a permitted area of a 286
mine has held a permit issued under this chapter for any coal 287
mining and reclamation operation for a period of five years or 288
more, the applicant or permittee may provide performance security 289
for the coal preparation plant or coal refuse disposal area either 290
in accordance with division (C)(1) of this section in the full 291
amount of the estimated cost of reclamation as determined by the 292
chief or in accordance with division (C)(2) of this section in an 293
amount of twenty-five hundred dollars per acre of land with 294
reliance on the reclamation forfeiture fund. If a permittee has 295
previously provided performance security under division (C)(1) of 296
this section for a coal preparation plant or coal refuse disposal 297
area that is not located within a permitted area of a mine and 298
elects to provide performance security in accordance with division 299
(C)(2) of this section, the permittee shall submit written notice 300
to the chief indicating that the permittee elects to provide 301
performance security in accordance with division (C)(2) of this 302
section. Upon receipt of such a written notice, the chief shall 303
release to the permittee the amount of the performance security 304

previously provided under division (C)(1) of this section that 305
exceeds the amount of performance security that is required to be 306
provided under division (C)(2) of this section. 307

(D) A permittee's liability under the performance security 308
shall be limited to the obligations established under the permit, 309
which include completion of the reclamation plan in order to make 310
the land capable of supporting the postmining land use that was 311
approved in the permit. The period of liability under the 312
performance security shall be for the duration of the coal mining 313
and reclamation operation and for a period coincident with the 314
operator's responsibility for revegetation requirements under 315
section 1513.16 of the Revised Code. 316

(E) The amount of the estimated cost of reclamation 317
determined under division (B) of this section and the amount of a 318
permittee's performance security provided in accordance with 319
division (C)(1) of this section shall be adjusted by the chief as 320
the land that is affected by mining increases or decreases or if 321
the cost of reclamation increases or decreases. If the performance 322
security was provided in accordance with division (C)(2) of this 323
section and the chief has issued a cessation order under division 324
(D)(2) of section 1513.02 of the Revised Code for failure to abate 325
a violation of the contemporaneous reclamation requirement under 326
division (A)(15) of section 1513.16 of the Revised Code, the chief 327
may require the permittee to increase the amount of performance 328
security from twenty-five hundred dollars per acre of land to five 329
thousand dollars per acre of land. 330

The chief shall notify the permittee, each surety, and any 331
person who has a property interest in the performance security and 332
who has requested to be notified of any proposed adjustment to the 333
performance security. The permittee may request an informal 334
conference with the chief concerning the proposed adjustment, and 335
the chief shall provide such an informal conference. 336

If the chief increases the amount of performance security 337
under this division, the permittee shall provide additional 338
performance security in an amount determined by the chief. If the 339
chief decreases the amount of performance security under this 340
division, the chief shall determine the amount of the reduction of 341
the performance security and send written notice of the amount of 342
reduction to the permittee. The permittee may reduce the amount of 343
the performance security in the amount determined by the chief. 344

(F) A permittee may request a reduction in the amount of the 345
performance security by submitting to the chief documentation 346
proving that the amount of the performance security provided by 347
the permittee exceeds the estimated cost of reclamation if the 348
reclamation would have to be performed by the division in the 349
event of forfeiture of the performance security. The chief shall 350
examine the documentation and determine whether the permittee's 351
performance security exceeds the estimated cost of reclamation. If 352
the chief determines that the performance security exceeds that 353
estimated cost, the chief shall determine the amount of the 354
reduction of the performance security and send written notice of 355
the amount to the permittee. The permittee may reduce the amount 356
of the performance security in the amount determined by the chief. 357
Adjustments in the amount of performance security under this 358
division shall not be considered release of performance security 359
and are not subject to section 1513.16 of the Revised Code. 360

(G) If the performance security is a bond, it shall be 361
executed by the operator and a corporate surety licensed to do 362
business in this state. If the performance security is a cash 363
deposit or negotiable certificates of deposit of a bank or savings 364
and loan association, the bank or savings and loan association 365
shall be licensed and operating in this state. The cash deposit or 366
market value of the securities shall be equal to or greater than 367
the amount of the performance security required under this 368

section. The chief shall review any documents pertaining to the 369
performance security and approve or disapprove the documents. The 370
chief shall notify the applicant of the chief's determination. 371

(H) If the performance security is a bond, the chief may 372
accept the bond of the applicant itself without separate surety 373
when the applicant demonstrates to the satisfaction of the chief 374
the existence of a suitable agent to receive service of process 375
and a history of financial solvency and continuous operation 376
sufficient for authorization to self-insure or bond the amount. 377

(I) Performance security provided under this section may be 378
held in trust, provided that the state is the primary beneficiary 379
of the trust and the custodian of the performance security held in 380
trust is a bank, trust company, or other financial institution 381
that is licensed and operating in this state. The chief shall 382
review the trust document and approve or disapprove the document. 383
The chief shall notify the applicant of the chief's determination. 384

(J) If a surety, bank, savings and loan association, trust 385
company, or other financial institution that holds the performance 386
security required under this section becomes insolvent, the 387
permittee shall notify the chief of the insolvency, and the chief 388
shall order the permittee to submit a plan for replacement 389
performance security within thirty days after receipt of notice 390
from the chief. If the permittee provided performance security in 391
accordance with division (C)(1) of this section, the permittee 392
shall provide the replacement performance security within ninety 393
days after receipt of notice from the chief. If the permittee 394
provided performance security in accordance with division (C)(2) 395
of this section, the permittee shall provide the replacement 396
performance security within one year after receipt of notice from 397
the chief, and, for a period of one year after the permittee's 398
receipt of notice from the chief or until the permittee provides 399
the replacement performance security, whichever occurs first, 400

money in the reclamation forfeiture fund shall be the permittee's 401
replacement performance security in an amount not to exceed the 402
estimated cost of reclamation as determined by the chief. 403

(K) If a permittee provided performance security in 404
accordance with division (C)(1) of this section, the permittee's 405
responsibility for repairing material damage and replacement of 406
water supply resulting from subsidence shall be satisfied by 407
either of the following: 408

(1) The purchase prior to mining of a noncancelable 409
premium-prepaid liability insurance policy in lieu of the 410
permittee's performance security for subsidence damage. The 411
insurance policy shall contain terms and conditions that 412
specifically provide coverage for repairing material damage and 413
replacement of water supply resulting from subsidence. 414

(2) The provision of additional performance security in the 415
amount of the estimated cost to the division of mineral resources 416
management to repair material damage and replace water supplies 417
resulting from subsidence until the repair or replacement is 418
completed. However, if such repair or replacement is completed, or 419
compensation for structures that have been damaged by subsidence 420
is provided, by the permittee within ninety days of the occurrence 421
of the subsidence, additional performance security is not 422
required. In addition, the chief may extend the ninety-day period 423
for a period not to exceed one year if the chief determines that 424
the permittee has demonstrated in writing that subsidence is not 425
complete and that probable subsidence-related damage likely will 426
occur and, as a result, the completion of repairs of 427
subsidence-related material damage to lands or protected 428
structures or the replacement of water supply within ninety days 429
of the occurrence of the subsidence would be unreasonable. 430

(L) If the performance security provided in accordance with 431
this section exceeds the estimated cost of reclamation, the chief 432

may authorize the amount of the performance security that exceeds 433
the estimated cost of reclamation together with any interest or 434
other earnings on the performance security to be paid to the 435
permittee. 436

(M) A permittee that held a valid coal mining and reclamation 437
permit immediately prior to April 6, 2007, shall provide, not 438
later than a date established by the chief, performance security 439
in accordance with division (C)(1) or (2) of this section, rather 440
than in accordance with the law as it existed prior to that date, 441
by filing it with the chief on a form that the chief prescribes 442
and furnishes. Accordingly, for purposes of this section, 443
"applicant" is deemed to include such a permittee. 444

(N) As used in this section: 445

(1) "Affiliate of the applicant" means an entity that has a 446
parent entity in common with the applicant. 447

(2) "Owner and controller of the applicant" means a person 448
that has any relationship with the applicant that gives the person 449
authority to determine directly or indirectly the manner in which 450
the applicant conducts coal mining operations. 451

Sec. 1513.182. (A) There is hereby created the reclamation 452
forfeiture fund advisory board consisting of the director of 453
natural resources, the director of insurance, and seven members 454
appointed by the governor with the advice and consent of the 455
senate. Of the governor's appointments, one shall be a certified 456
public accountant, one shall be a registered professional engineer 457
with experience in reclamation of mined land, two shall represent 458
agriculture, agronomy, or forestry, one shall be a representative 459
of operators of coal mining operations that have valid permits 460
issued under this chapter and that have provided performance 461
security under division (C)(1) of section 1513.08 of the Revised 462
Code, one shall be a representative of operators of coal mining 463

operations that have valid permits issued under this chapter and 464
that have provided performance security under division (C)(2) of 465
section 1513.08 of the Revised Code, and one shall be a 466
representative of the public. 467

Of the original members appointed by the governor, two shall 468
serve an initial term of two years, three an initial term of three 469
years, and two an initial term of four years. Thereafter, terms of 470
appointed members shall be for four years, with each term ending 471
on the same date as the original date of appointment. An appointed 472
member shall hold office from the date of appointment until the 473
end of the term for which the member was appointed. Vacancies 474
shall be filled in the same manner as original appointments. A 475
member appointed to fill a vacancy occurring prior to the 476
expiration of the term for which the member's predecessor was 477
appointed shall hold office for the remainder of that term. A 478
member shall continue in office subsequent to the expiration date 479
of the member's term until the member's successor takes office or 480
until a period of sixty days has elapsed, whichever occurs first. 481
The governor may remove an appointed member of the board for 482
misfeasance, nonfeasance, or malfeasance. 483

The directors of natural resources and insurance shall not 484
receive compensation for serving on the board, but shall be 485
reimbursed for the actual and necessary expenses incurred in the 486
performance of their duties as members of the board. The members 487
appointed by the governor shall receive per diem compensation 488
fixed pursuant to division (J) of section 124.15 of the Revised 489
Code and reimbursement for the actual and necessary expenses 490
incurred in the performance of their duties. 491

(B) The board annually shall elect from among its members a 492
chairperson, a vice-chairperson, and a secretary to record the 493
board's meetings. 494

(C) The board shall hold meetings as often as necessary as 495

the chairperson or a majority of the members determines. 496

(D) The board shall establish procedures for conducting 497
meetings and for the election of its chairperson, 498
vice-chairperson, and secretary. 499

(E) The board shall do all of the following: 500

(1) Review the deposits into and expenditures from the 501
reclamation forfeiture fund created in section 1513.18 of the 502
Revised Code; 503

(2) Retain periodically a qualified actuary to perform an 504
actuarial study of the reclamation forfeiture fund; 505

(3) Based on an actuarial study and as determined necessary 506
by the board, adopt rules in accordance with Chapter 119. of the 507
Revised Code to adjust the rate of the tax levied under division 508
~~(A)~~(B)(8) of section 5749.02 of the Revised Code and the balance 509
of the reclamation forfeiture fund that pertains to that rate; 510

(4) Evaluate any rules, procedures, and methods for 511
estimating the cost of reclamation for purposes of determining the 512
amount of performance security that is required under section 513
1513.08 of the Revised Code; the collection of forfeited 514
performance security; payments to the reclamation forfeiture fund; 515
reclamation of sites for which operators have forfeited the 516
performance security; and the compliance of operators with their 517
reclamation plans; 518

(5) Provide a forum for discussion of issues related to the 519
reclamation forfeiture fund and the performance security that is 520
required under section 1513.08 of the Revised Code; 521

(6) Submit a report biennially to the governor that describes 522
the financial status of the reclamation forfeiture fund and the 523
adequacy of the amount of money in the fund to accomplish the 524
purposes of the fund and that may discuss any matter related to 525

the performance security that is required under section 1513.08 of 526
the Revised Code; 527

(7) Make recommendations to the governor, if necessary, of 528
alternative methods of providing money for or using money in the 529
reclamation forfeiture fund and issues related to the reclamation 530
of land or water resources that have been adversely affected by 531
past coal mining for which the performance security was forfeited; 532

(8) Adopt rules in accordance with Chapter 119. of the 533
Revised Code that are necessary to administer this section. 534

Sec. 1514.11. In addition to the purposes authorized in 535
section 1514.06 of the Revised Code, the chief of the division of 536
mineral resources management may use moneys in the surface mining 537
fund created under that section for the administration and 538
enforcement of this chapter, for the reclamation of land affected 539
by surface or in-stream mining under a permit issued under this 540
chapter that the operator failed to reclaim and for which the 541
performance bond filed by the operator is insufficient to complete 542
the reclamation, and for the reclamation of land affected by 543
surface or in-stream mining that was abandoned and left 544
unreclaimed and for which no permit was issued or bond filed under 545
this chapter. Also, the chief may use the portion of the surface 546
mining fund that consists of moneys collected from the severance 547
taxes levied under section 5749.02 of the Revised Code for mine 548
safety and first aid training. For purposes of this section, the 549
chief shall expend moneys in the fund in accordance with the 550
procedures and requirements established in section 1514.06 of the 551
Revised Code and may enter into contracts and perform work in 552
accordance with that section. 553

Fees collected under sections 1514.02 and 1514.03 of the 554
Revised Code, one-half of the moneys collected from the severance 555
taxes levied under divisions ~~(A)~~(B)(3) and (4) of section 5749.02 556

of the Revised Code, and all of the moneys collected from the 557
severance tax levied under division ~~(A)~~(B)(7) of section 5749.02 558
of the Revised Code shall be credited to the fund in accordance 559
with those sections. Notwithstanding any section of the Revised 560
Code relating to the distribution or crediting of fines for 561
violations of the Revised Code, all fines imposed under section 562
1514.99 of the Revised Code shall be credited to the fund. 563

Sec. 3745.15. (A) There is hereby created within the 564
environmental protection agency the state environmental 565
restoration authority, headed by the chief of environmental 566
restoration. The chief shall be appointed by and shall serve at 567
the pleasure of the governor. The authority, under the supervision 568
of the chief, shall be responsible for the restoration of forests 569
and waterways, promoting and developing urban parks and 570
greenbelts, and funding environmental programs for primary school 571
students. The chief may appoint such personnel as are necessary to 572
assist the chief in carrying out those responsibilities. 573

(B) There is hereby created in the state treasury the 574
environmental restoration fund, which shall consist of moneys 575
credited to the fund under division (C) of this section and from 576
the tax levied under division (C) of section 5749.02 of the 577
Revised Code. The chief of environmental restoration shall use 578
money in the fund to pay for the operations and responsibilities 579
of the state environmental restoration authority. 580

(C)(1) On or before the fifteenth day of July of each year, 581
the tax commissioner shall calculate and certify to the director 582
of budget and management the extent to which the total revenue 583
collected from the tax levied under section 5747.02 of the Revised 584
Code for taxable years ending in the preceding year exceeds the 585
amount of such revenue that would have been collected for those 586
taxable years had the tax levied under that section been levied at 587

the rates in effect for taxable years beginning in 2014. The 588
director of budget and management shall, on or before the last day 589
of July of each year, transfer to the environmental restoration 590
fund an amount from the general revenue fund equal to that excess. 591

(2) On or before the twentieth day of June of each year, the 592
chief shall certify to the commissioner the amount of the revenue 593
described in division (C)(1) of this section that was distributed 594
to each county in the preceding calendar year. 595

Sec. 5705.27. There is hereby created in each county a county 596
budget commission consisting of the county auditor, the county 597
treasurer, and the prosecuting attorney. Upon petition filed with 598
the board of elections, signed by the number of electors of the 599
county equal in amount to three per cent of the total number of 600
votes cast for governor at the most recent election therefor, 601
there shall be submitted to the electors of the county at the next 602
general election occurring not sooner than ninety days after the 603
filing of the petition, the question "Shall the county budget 604
commission consist of two additional members to be elected from 605
the county?" Provision shall be made on the ballot for the 606
election from the county at large of two additional members of the 607
county budget commission who shall be electors of the county if a 608
majority of the electors voting on the question shall have voted 609
in the affirmative. In such counties, where the electors have 610
voted in the affirmative, the county budget commission shall 611
consist of such two elected members in addition to the county 612
auditor, the county treasurer and the prosecuting attorney. Such 613
members, who shall not hold any other public office, shall serve 614
for a term of four years. ~~The~~ 615

The commission shall meet at the office of the county auditor 616
~~in each county~~ on the first Monday in February and on the first 617
Monday in August, annually, and shall complete its work on or 618

before the first day of September, annually, unless for good cause 619
the tax commissioner extends the time for completing the work. A 620
The commission shall meet at the call of the county auditor to 621
hold a hearing not later than forty days following the deposit of 622
any money into the severance tax infrastructure fund created under 623
section 321.50 of the Revised Code for the purpose of distributing 624
such money to subdivisions in accordance with division (G) of 625
section 5705.32 of the Revised Code. At least thirty days before 626
the hearing, the auditor shall notify the taxing authorities of 627
all subdivisions located in the county that money has been 628
deposited in the severance tax infrastructure fund and that each 629
taxing authority receiving notice may appear and testify to 630
demonstrate the subdivision's need, if any, for such money to pay 631
for permanent improvements or for reconstructing, improving, 632
repairing, or equipping roads or bridges. The notification shall 633
require a subdivision to respond within fifteen days after the 634
auditor sends the notification to the subdivision notifying the 635
auditor that a representative of the subdivision will appear and 636
give testimony or evidence at the hearing. If no subdivision 637
responds within this period, the commission may cancel the 638
scheduled hearing. In any event, the commission shall proceed as 639
provided in division (G) of section 5705.32 of the Revised Code. 640

A majority of members shall constitute a quorum, provided 641
that no action of the commission shall be valid unless agreed to 642
by a majority of the members of the commission. The auditor shall 643
be the secretary of the commission and shall keep a full and 644
accurate record of all proceedings. ~~The~~ 645

The county auditor shall appoint ~~such~~ messengers and clerks 646
as the commission deems necessary, and the budget commissioners 647
shall be allowed their actual and necessary expenses. The elected 648
members of the commission shall also receive twenty dollars for 649
each day in attendance at commission meetings and in discharge of 650

official duties. Any vacancy among such elected members shall be 651
filled by the presiding judge of the court of common pleas. ~~It~~ 652

In adjusting the rates of taxation and fixing the amount of 653
taxes to be levied each year, the commissioners shall be governed 654
by the amount of the taxable property shown on the auditor's tax 655
list for the current year; provided that if the auditor's tax list 656
has not been completed, the auditor shall estimate, as nearly as 657
practicable, the amount of the taxable property for such year, and 658
such officers shall be governed by such estimate. 659

In any county in which two members of the commission are 660
elected, upon petition filed with the board of elections, signed 661
by the number of electors of the county equal in amount to three 662
per cent of the votes cast for governor at the most recent 663
election therefor, there shall be submitted to the electors of the 664
county at the next general election occurring not sooner than 665
ninety days after the filing of the petition, the question "Shall 666
the elected members be eliminated from the county budget 667
commission?" If the majority of the electors voting thereon shall 668
have voted in the affirmative, the county budget commission shall 669
consist solely of the county auditor, the county treasurer, and 670
the prosecuting attorney. 671

Sec. 5705.32. (A) The county budget commission shall adjust 672
the estimated amounts required from the general property tax for 673
each fund, as shown by the tax budgets or other information 674
required to be provided under section 5705.281 of the Revised 675
Code, so as to bring the tax levies required therefor within the 676
limitations specified in sections 5705.01 to 5705.47 of the 677
Revised Code, for such levies, but no levy shall be reduced below 678
a minimum fixed by law. The commission may revise and adjust the 679
estimate of balances and receipts from all sources for each fund 680
and shall determine the total appropriations that may be made 681

therefrom. 682

(B) The commission shall fix the amount of the county public 683
library fund to be distributed to each board of public library 684
trustees that has qualified under section 5705.28 of the Revised 685
Code for participation in the proceeds of such fund. The amount 686
paid to all libraries in the county from such fund shall never be 687
a smaller per cent of the fund than the average of the percentages 688
of the county's classified taxes that were distributed to 689
libraries in 1982, 1983, and 1984, as determined by the county 690
auditor. The commission shall base the amount for distribution on 691
the needs of such library for the construction of new library 692
buildings, parts of buildings, improvements, operation, 693
maintenance, or other expenses. In determining the needs of each 694
library board of trustees, and in calculating the amount to be 695
distributed to any library board of trustees on the basis of its 696
needs, the commission shall make no reduction in its allocation 697
from the fund on account of additional revenues realized by a 698
library from increased taxes or service charges voted by its 699
electorate, from revenues received through federal or state 700
grants, projects, or programs, or from grants from private 701
sources. 702

(C) Notwithstanding the fact that alternative methods of 703
financing such needs are available, after fixing the amount to be 704
distributed to libraries, the commission shall fix the amount, if 705
any, of the county public library fund to be distributed to each 706
board of township park commissioners, the county, and each 707
municipal corporation in accordance with the following: 708

(1) Each municipal corporation in the county shall receive a 709
per cent of the remainder that equals the per cent that the county 710
auditor determines the classified property taxes originating in 711
such municipal corporation in 1984 were of the total of all of the 712
county's classified property taxes in 1984. The commission may 713

deduct from this amount any amount that the budget commission 714
allows to the board of township park commissioners of a township 715
park district, the boundaries of which are coextensive with or 716
contained within the boundaries of the municipal corporation. 717

(2) The county shall receive a per cent of the remainder that 718
equals the per cent that the county auditor determines the 719
classified property taxes originating outside of the boundaries of 720
municipal corporations in the county in 1984 were of the total of 721
all of the county's classified property taxes in 1984. The 722
commission may deduct from this amount any amount that the budget 723
commission allows to the board of township park commissioners of a 724
township park district, the boundaries of which are not 725
coextensive with or contained within those of any municipal 726
corporation in the county. 727

(D) The commission shall separately set forth the amounts 728
fixed and determined under divisions (B) and (C) of this section 729
in the "official certificate of estimated resources," as provided 730
in section 5705.35 of the Revised Code, and separately certify 731
such amount to the county auditor who shall be guided thereby in 732
the distribution of the county public library fund for and during 733
the fiscal year. In determining such amounts, the commission shall 734
be guided by the estimate certified by the tax commissioner and 735
presented by the auditor under section 5705.31 of the Revised 736
Code, as to the total amount of revenue to be received in the 737
county public library fund during such fiscal year. 738

(E)(1) At least five days before the date of any meeting at 739
which the budget commission plans to discuss the distribution of 740
the county public library fund, it shall notify each legislative 741
authority and board of public library trustees, county 742
commissioners, and township park commissioners eligible to 743
participate in the distribution of the fund of the date, time, 744
place, and agenda for the meeting. Any legislative authority or 745

board entitled to notice under this division may designate an 746
officer or employee of such legislative authority or board to whom 747
the commission shall deliver the notice. 748

(2) Before the final determination of the amount to be 749
allotted to each subdivision from any source, the commission shall 750
permit representatives of each subdivision and of each board of 751
public library trustees to appear before it to explain its 752
financial needs. 753

(F) If any public library receives and expends any funds 754
allocated to it under this section for the construction of new 755
library buildings or parts of buildings, such library shall be 756
free and open to the inhabitants of the county in which it is 757
located. Any board of library trustees that receives funds under 758
this section and section 5747.48 of the Revised Code shall have 759
its financial records open for public inspection at all reasonable 760
times. 761

(G)(1) A representative of a subdivision that has responded 762
to the notice of a hearing as provided in section 5705.27 of the 763
Revised Code may appear and give testimony and evidence 764
demonstrating the need of the subdivision for money from the 765
severance tax infrastructure fund to pay for permanent 766
improvements or for reconstructing, improving, repairing, or 767
equipping roads or bridges. 768

Subject to division (G)(2) of this section, the commission 769
shall determine the amount, if any, to be distributed to each 770
subdivision represented at the hearing on the basis of the 771
testimony and evidence presented, and shall issue an order to the 772
county treasurer distributing all or a portion of the money in the 773
severance tax infrastructure fund to such subdivisions. An order 774
of the commission under this division may not be appealed. If the 775
commission canceled the hearing because no subdivisions responded 776
to the notice, the commission shall hold a meeting to determine 777

whether money in the fund shall be distributed and, if so, the 778
amounts to be distributed, based on any information in the 779
commission's possession. 780

The county treasurer shall distribute money in the severance 781
tax infrastructure fund in accordance with the order of the 782
commission. A taxing authority may use money received from the 783
severance tax infrastructure fund to pay for permanent 784
improvements or for reconstructing, improving, repairing, or 785
equipping roads or bridges. 786

(2) The county budget commission shall distribute at least 787
twenty per cent of any revenue deposited in the severance tax 788
infrastructure fund to one or more townships for the purpose of 789
reconstructing, improving, repairing, or equipping roads or 790
bridges owned by the township, the necessity of which is directly 791
associated with the presence of producing oil and gas wells. 792

(3) In distributing funds under divisions (G)(1) and (2) of 793
this section, the county budget commission shall prioritize 794
permanent improvements and road or bridge repairs directly 795
associated with the presence of producing oil and gas wells. 796

Sec. 5731.02. (A) A tax is hereby levied on the transfer of 797
the taxable estate, determined as provided in section 5731.14 of 798
the Revised Code, of every person dying on or after July 1, 1968, 799
and before January 1, 2013, who at the time of death was a 800
resident of this state, as follows: 801

If the taxable estate is:	The tax shall be:	
Not over \$40,000	2% of the taxable estate	802
Over \$40,000 but not over \$100,000	\$800 plus 3% of the excess over \$40,000	803
Over \$100,000 but not over \$200,000	\$2,600 plus 4% of the excess over \$100,000	804
Over \$200,000 but not over	\$6,600 plus 5% of the excess over	805

\$300,000	\$200,000	
Over \$300,000 but not over	\$11,600 plus 6% of the excess	807
\$500,000	over \$300,000	
Over \$500,000	\$23,600 plus 7% of the excess	808
	over \$500,000.	

(B) A credit shall be allowed against the tax imposed by 809
division (A) of this section equal to the lesser of five hundred 810
dollars or the amount of the tax for persons dying on or after 811
July 1, 1968, but before January 1, 2001; the lesser of six 812
thousand six hundred dollars or the amount of the tax for persons 813
dying on or after January 1, 2001, but before January 1, 2002; or 814
the lesser of thirteen thousand nine hundred dollars or the amount 815
of the tax for persons dying on or after January 1, 2002. 816

(C) For the purposes of funding local governments and the 817
state environmental restoration authority, a tax is hereby levied 818
on the transfer of the taxable estate, determined under section 819
5731.14 of the Revised Code, of every person dying on or after 820
January 1, 2015, who at the time of death was a resident of this 821
state. The rate of the tax shall equal seven per cent of the 822
amount of the taxable estate. 823

(D) A credit shall be allowed against the tax imposed by 824
division (C) of this section equal to the lesser of thirty-five 825
thousand dollars or the amount of the tax. 826

Sec. 5731.19. (A) A tax is hereby levied upon the transfer of 827
so much of the taxable estate of every person dying on or after 828
July 1, 1968, and before January 1, 2013 or on or after January 1, 829
2015, who, at the time of death, was not a resident of this state, 830
as consists of real property situated in this state, tangible 831
personal property having an actual situs in this state, and 832
intangible personal property employed in carrying on a business 833
within this state unless exempted from tax under the provisions of 834

section 5731.34 of the Revised Code. 835

(B) The amount of the tax on such real and tangible personal 836
property shall be determined as follows: 837

(1) Determine the amount of tax which would be payable under 838
Chapter 5731. of the Revised Code if the decedent had died a 839
resident of this state with all the decedent's property situated 840
or located within this state; 841

(2) Multiply the tax so determined by a fraction, the 842
denominator of which shall be the value of the gross estate 843
wherever situated and the numerator of which shall be the said 844
gross estate value of the real property situated and the tangible 845
personal property having an actual situs in this state and 846
intangible personal property employed in carrying on a business 847
within this state and not exempted from tax under section 5731.34 848
of the Revised Code. The product shall be the amount of tax 849
payable to this state. 850

(C) In addition to the tax levied by division (A) of this 851
section, an additional tax is hereby levied on such real and 852
tangible personal property determined as follows: 853

(1) Determine the amount of tax which would be payable under 854
division (A) of section 5731.18 of the Revised Code, if the 855
decedent had died a resident of this state with all the decedent's 856
property situated or located within this state; 857

(2) Multiply the tax so determined by a fraction, the 858
denominator of which shall be the value of the gross estate 859
wherever situated and the numerator of which shall be the said 860
gross estate value of the real property situated and the tangible 861
property having an actual situs in this state and intangible 862
personal property employed in carrying on a business within this 863
state and not exempted from tax under section 5731.34 of the 864
Revised Code. The product so derived shall be credited with the 865

amount of the tax determined under division (B) of this section. 866

Sec. 5731.21. (A)(1)(a) Except as provided under division 867
(A)(3) of this section, the executor or administrator, or, if no 868
executor or administrator has been appointed, another person in 869
possession of property the transfer of which is subject to estate 870
taxes under section 5731.02 or division (A) of section 5731.19 of 871
the Revised Code, shall file an estate tax return, within nine 872
months of the date of the decedent's death, in the form prescribed 873
by the tax commissioner, in duplicate, with the probate court of 874
the county. The return shall include all property the transfer of 875
which is subject to estate taxes, whether that property is 876
transferred under the last will and testament of the decedent or 877
otherwise. The time for filing the return may be extended by the 878
tax commissioner. 879

(b) The estate tax return described in division (A)(1)(a) of 880
this section shall be accompanied by a certificate, in the form 881
prescribed by the tax commissioner, that is signed by the 882
executor, administrator, or other person required to file the 883
return, and that states all of the following: 884

(i) The fact that the return was filed; 885

(ii) The date of the filing of the return; 886

(iii) The fact that the estate taxes under section 5731.02 or 887
division (A) of section 5731.19 of the Revised Code, that are 888
shown to be due in the return, have been paid in full; 889

(iv) If applicable, the fact that real property listed in the 890
inventory for the decedent's estate is included in the return; 891

(v) If applicable, the fact that real property not listed in 892
the inventory for the decedent's estate, including, but not 893
limited to, survivorship tenancy property as described in section 894
5302.17 of the Revised Code or transfer on death property as 895

described in sections 5302.22 and 5302.23 of the Revised Code, 896
also is included in the return. In this regard, the certificate 897
additionally shall describe that real property by the same 898
description used in the return. 899

(2) The probate court shall forward one copy of the estate 900
tax return described in division (A)(1)(a) of this section to the 901
tax commissioner. 902

(3) A person shall not be required to file a return under 903
division (A) of this section if the decedent was a resident of 904
this state and the value of the decedent's gross estate is 905
twenty-five thousand dollars or less in the case of a decedent 906
dying on or after July 1, 1968, but before January 1, 2001; two 907
hundred thousand dollars or less in the case of a decedent dying 908
on or after January 1, 2001, but before January 1, 2002; or three 909
hundred thirty-eight thousand three hundred thirty-three dollars 910
or less in the case of a decedent dying on or after January 1, 911
2002. No return shall be filed for estates of decedents dying on 912
or after January 1, 2013. A person shall not be required to file a 913
return if the decedent died on or after January 1, 2015, and the 914
value of the decedent's gross estate is five hundred thousand 915
dollars or less. 916

(4)(a) Upon receipt of the estate tax return described in 917
division (A)(1)(a) of this section and the accompanying 918
certificate described in division (A)(1)(b) of this section, the 919
probate court promptly shall give notice of the return, by a form 920
prescribed by the tax commissioner, to the county auditor. The 921
auditor then shall make a charge based upon the notice and shall 922
certify a duplicate of the charge to the county treasurer. The 923
treasurer then shall collect, subject to division (A) of section 924
5731.25 of the Revised Code or any other statute extending the 925
time for payment of an estate tax, the tax so charged. 926

(b) Upon receipt of the return and the accompanying 927

certificate, the probate court also shall forward the certificate 928
to the auditor. When satisfied that the estate taxes under section 929
5731.02 or division (A) of section 5731.19 of the Revised Code, 930
that are shown to be due in the return, have been paid in full, 931
the auditor shall stamp the certificate so forwarded to verify 932
that payment. The auditor then shall return the stamped 933
certificate to the probate court. 934

(5)(a) The certificate described in division (A)(1)(b) of 935
this section is a public record subject to inspection and copying 936
in accordance with section 149.43 of the Revised Code. It shall be 937
kept in the records of the probate court pertaining to the 938
decedent's estate and is not subject to the confidentiality 939
provisions of section 5731.90 of the Revised Code. 940

(b) All persons are entitled to rely on the statements 941
contained in a certificate as described in division (A)(1)(b) of 942
this section if it has been filed in accordance with that 943
division, forwarded to a county auditor and stamped in accordance 944
with division (A)(4) of this section, and placed in the records of 945
the probate court pertaining to the decedent's estate in 946
accordance with division (A)(5)(a) of this section. The real 947
property referred to in the certificate shall be free of, and may 948
be regarded by all persons as being free of, any lien for estate 949
taxes under section 5731.02 and division (A) of section 5731.19 of 950
the Revised Code. 951

(B) An estate tax return filed under this section, in the 952
form prescribed by the tax commissioner, and showing that no 953
estate tax is due shall result in a determination that no estate 954
tax is due, if the tax commissioner within three months after the 955
receipt of the return by the department of taxation, fails to file 956
exceptions to the return in the probate court of the county in 957
which the return was filed. A copy of exceptions to a return of 958
that nature, when the tax commissioner files them within that 959

period, shall be sent by ordinary mail to the person who filed the 960
return. The tax commissioner is not bound under this division by a 961
determination that no estate tax is due, with respect to property 962
not disclosed in the return. 963

(C) If the executor, administrator, or other person required 964
to file an estate tax return fails to file it within nine months 965
of the date of the decedent's death, the tax commissioner may 966
determine the estate tax in that estate and issue a certificate of 967
determination in the same manner as is provided in division (B) of 968
section 5731.27 of the Revised Code. A certificate of 969
determination of that nature has the same force and effect as 970
though a return had been filed and a certificate of determination 971
issued with respect to the return. 972

Sec. 5731.39. This section does not apply to, and the written 973
permission of the tax commissioner is not required for asset 974
transfers with respect to, decedents dying on or after January 1, 975
2013, or before January 1, 2015. 976

(A) No corporation organized or existing under the laws of 977
this state shall transfer on its books or issue a new certificate 978
for any share of its capital stock registered in the name of a 979
decedent, or in trust for a decedent, or in the name of a decedent 980
and another person or persons, without the written consent of the 981
tax commissioner. 982

(B) No safe deposit company, trust company, financial 983
institution as defined in division (A) of section 5725.01 of the 984
Revised Code, or other corporation or person, having in 985
possession, control, or custody a deposit standing in the name of 986
a decedent, or in trust for a decedent, or in the name of a 987
decedent and another person or persons, shall deliver or transfer 988
an amount in excess of three-fourths of the total value of such 989
deposit, including accrued interest and dividends, as of the date 990

of decedent's death, without the written consent of the tax 991
commissioner. The written consent of the tax commissioner need not 992
be obtained prior to the delivery or transfer of amounts having a 993
value of three-fourths or less of said total value. 994

(C) No life insurance company shall pay the proceeds of an 995
annuity or matured endowment contract, or of a life insurance 996
contract payable to the estate of a decedent, or of any other 997
insurance contract taxable under Chapter 5731. of the Revised 998
Code, without the written consent of the tax commissioner. Any 999
life insurance company may pay the proceeds of any insurance 1000
contract not specified in this division (C) without the written 1001
consent of the tax commissioner. 1002

(D) No trust company or other corporation or person shall pay 1003
the proceeds of any death benefit, retirement, pension, or 1004
profit-sharing plan in excess of two thousand dollars, without the 1005
written consent of the tax commissioner. Such trust company or 1006
other corporation or person, however, may pay the proceeds of any 1007
death benefit, retirement, pension, or profit-sharing plan which 1008
consists of insurance on the life of the decedent payable to a 1009
beneficiary other than the estate of the insured without the 1010
written consent of the tax commissioner. 1011

(E) No safe deposit company, trust company, financial 1012
institution as defined in division (A) of section 5725.01 of the 1013
Revised Code, or other corporation or person, having in 1014
possession, control, or custody securities, assets, or other 1015
property (including the shares of the capital stock of, or other 1016
interest in, such safe deposit company, trust company, financial 1017
institution as defined in division (A) of section 5725.01 of the 1018
Revised Code, or other corporation), standing in the name of a 1019
decedent, or in trust for a decedent, or in the name of a decedent 1020
and another person or persons, and the transfer of which is 1021
taxable under Chapter 5731. of the Revised Code, shall deliver or 1022

transfer any such securities, assets, or other property which have 1023
a value as of the date of decedent's death in excess of 1024
three-fourths of the total value thereof, without the written 1025
consent of the tax commissioner. The written consent of the tax 1026
commissioner need not be obtained prior to the delivery or 1027
transfer of any such securities, assets, or other property having 1028
a value of three-fourths or less of said total value. 1029

(F) No safe deposit company, financial institution as defined 1030
in division (A) of section 5725.01 of the Revised Code, or other 1031
corporation or person having possession or control of a safe 1032
deposit box or similar receptacle standing in the name of a 1033
decedent or in the name of the decedent and another person or 1034
persons, or to which the decedent had a right of access, except 1035
when such safe deposit box or other receptacle stands in the name 1036
of a corporation or partnership, or in the name of the decedent as 1037
guardian or executor, shall deliver any of the contents thereof 1038
unless the safe deposit box or similar receptacle has been opened 1039
and inventoried in the presence of the tax commissioner or the 1040
commissioner's agent, and a written consent to transfer issued; 1041
provided, however, that a safe deposit company, financial 1042
institution, or other corporation or person having possession or 1043
control of a safe deposit box may deliver wills, deeds to burial 1044
lots, and insurance policies to a representative of the decedent, 1045
but that a representative of the safe deposit company, financial 1046
institution, or other corporation or person must supervise the 1047
opening of the box and make a written record of the wills, deeds, 1048
and policies removed. Such written record shall be included in the 1049
tax commissioner's inventory records. 1050

(G) Notwithstanding any provision of this section: 1051

(1) The tax commissioner may authorize any delivery or 1052
transfer or waive any of the foregoing requirements under such 1053
terms and conditions as the commissioner may prescribe; 1054

(2) A home, as defined in section 3721.10 of the Revised Code, or a residential facility licensed under section 5119.34 of the Revised Code that provides accommodations, supervision, and personal care services for three to sixteen unrelated adults, may transfer or use the money in a personal needs allowance account in accordance with section 5162.22 of the Revised Code without the written consent of the tax commissioner, and without the account having been opened and inventoried in the presence of the commissioner or the commissioner's agent.

Failure to comply with this section shall render such safe deposit company, trust company, life insurance company, financial institution as defined in division (A) of section 5725.01 of the Revised Code, or other corporation or person liable for the amount of the taxes and interest due under the provisions of Chapter 5731. of the Revised Code on the transfer of such stock, deposit, proceeds of an annuity or matured endowment contract or of a life insurance contract payable to the estate of a decedent, or other insurance contract taxable under Chapter 5731. of the Revised Code, proceeds of any death benefit, retirement, pension, or profit-sharing plan in excess of two thousand dollars, securities, assets, or other property of any resident decedent, and in addition thereto, to a penalty of not less than five hundred or more than five thousand dollars.

Sec. 5731.48. (A) If a decedent dies on or after July 1, 1989, and before January 1, 2001, sixty-four per cent of the gross amount of taxes levied and paid under this chapter shall be for the use of the municipal corporation or township in which the tax originates, and shall be credited as provided in division (A)(1), (2), or (3) of this section:

(1) To the general revenue fund in the case of a city;

(2) To the general revenue fund of a village or to the board

of education of a village, for school purposes, as the village council by resolution may approve;

(3) To the general revenue fund or to the board of education of the school district of which the township is a part, for school purposes, as the board of township trustees by resolution may approve, in the case of a township.

The remainder of the taxes levied and paid shall be for the use of the state and shall be credited to the general revenue fund.

(B) If a decedent dies on or after January 1, 2001, and before January 1, 2002, seventy per cent of the gross amount of taxes levied and paid under this chapter shall be for the use of the municipal corporation or township in which the tax originates and credited as provided in division (A)(1), (2), or (3) of this section, and the remainder shall be for the use of the state and credited to the general revenue fund.

(C) If a decedent dies on or after January 1, 2002, and before January 1, 2013, eighty per cent of the gross amount of taxes levied and paid under this chapter, less any deduction from the municipal corporation's or township's share of those taxes for fees or expenses charged under section 5731.47 of the Revised Code, shall be for the use of the municipal corporation or township in which the tax originates and credited as provided in division (A)(1), (2), or (3) of this section, and the remainder, less any deduction from the state's share of those taxes for fees or expenses charged under section 5731.47 of the Revised Code, shall be for the use of the state and shall be credited to the general revenue fund.

(D) If a decedent dies on or after January 1, 2015, fifty per cent of the gross amount of taxes levied and paid under this chapter, less any deduction from the municipal corporation's or

township's share of those taxes for fees or expenses charged under 1117
section 5731.47 of the Revised Code, shall be for the use of the 1118
municipal corporation or township in which the tax originates and 1119
credited as provided in division (A)(1), (2), or (3) of this 1120
section, and the remainder, less any deduction from the state's 1121
share of those taxes for fees or expenses charged under section 1122
5731.47 of the Revised Code, shall be credited to the 1123
environmental restoration fund created in section 3745.15 of the 1124
Revised Code. 1125

(E) If a municipal corporation is in default with respect to 1126
the principal or interest of any outstanding notes or bonds, one 1127
half of the taxes distributed under this section shall be credited 1128
to the sinking or bond retirement fund of the municipal 1129
corporation, and the residue shall be credited to the general 1130
revenue fund. 1131

~~(E)~~(F) The council, board of trustees, or other legislative 1132
authority of a village or township may, by ordinance in the case 1133
of a village, or by resolution in the case of a township, provide 1134
that whenever there is money in the treasury of the village or 1135
township from taxes levied under this chapter, not required for 1136
immediate use, that money may be invested in federal, state, 1137
county, or municipal bonds, upon which there has been no default 1138
of the principal during the preceding five years. 1139

Sec. 5747.02. (A) For the purpose of providing revenue for 1140
the support of schools and local government functions, to provide 1141
relief to property taxpayers, to provide revenue for the general 1142
revenue fund, and to meet the expenses of administering the tax 1143
levied by this chapter, there is hereby levied on every 1144
individual, trust, and estate residing in or earning or receiving 1145
income in this state, on every individual, trust, and estate 1146
earning or receiving lottery winnings, prizes, or awards pursuant 1147

to Chapter 3770. of the Revised Code, on every individual, trust, 1148
and estate earning or receiving winnings on casino gaming, and on 1149
every individual, trust, and estate otherwise having nexus with or 1150
in this state under the Constitution of the United States, an 1151
annual tax measured in the case of individuals by Ohio adjusted 1152
gross income less an exemption for the taxpayer, the taxpayer's 1153
spouse, and each dependent as provided in section 5747.025 of the 1154
Revised Code; measured in the case of trusts by modified Ohio 1155
taxable income under division (D) of this section; and measured in 1156
the case of estates by Ohio taxable income. The tax imposed by 1157
this section on the balance thus obtained is hereby levied as 1158
follows: 1159

(1) For taxable years beginning in 2004: 1160

OHIO ADJUSTED GROSS INCOME LESS 1161

EXEMPTIONS (INDIVIDUALS)

OR 1162

MODIFIED OHIO 1163

TAXABLE INCOME (TRUSTS) 1164

OR 1165

OHIO TAXABLE INCOME (ESTATES) TAX 1166

\$5,000 or less .743% 1167

More than \$5,000 but not more \$37.15 plus 1.486% of the amount 1168
than \$10,000 in excess of \$5,000

More than \$10,000 but not more \$111.45 plus 2.972% of the 1169
than \$15,000 amount in excess of \$10,000

More than \$15,000 but not more \$260.05 plus 3.715% of the 1170
than \$20,000 amount in excess of \$15,000

More than \$20,000 but not more \$445.80 plus 4.457% of the 1171
than \$40,000 amount in excess of \$20,000

More than \$40,000 but not more \$1,337.20 plus 5.201% of the 1172
than \$80,000 amount in excess of \$40,000

More than \$80,000 but not more \$3,417.60 plus 5.943% of the 1173

than \$100,000	amount in excess of \$80,000	
More than \$100,000 but not more than \$200,000	\$4,606.20 plus 6.9% of the amount in excess of \$100,000	1174
More than \$200,000	\$11,506.20 plus 7.5% of the amount in excess of \$200,000	1175
(2) For taxable years beginning in 2005:		1176
OHIO ADJUSTED GROSS INCOME LESS EXEMPTIONS (INDIVIDUALS)		1177
OR		1178
MODIFIED OHIO		1179
TAXABLE INCOME (TRUSTS)		1180
OR		1181
OHIO TAXABLE INCOME (ESTATES)	TAX	1182
\$5,000 or less	.712%	1183
More than \$5,000 but not more than \$10,000	\$35.60 plus 1.424% of the amount in excess of \$5,000	1184
More than \$10,000 but not more than \$15,000	\$106.80 plus 2.847% of the amount in excess of \$10,000	1185
More than \$15,000 but not more than \$20,000	\$249.15 plus 3.559% of the amount in excess of \$15,000	1186
More than \$20,000 but not more than \$40,000	\$427.10 plus 4.27% of the amount in excess of \$20,000	1187
More than \$40,000 but not more than \$80,000	\$1,281.10 plus 4.983% of the amount in excess of \$40,000	1188
More than \$80,000 but not more than \$100,000	\$3,274.30 plus 5.693% of the amount in excess of \$80,000	1189
More than \$100,000 but not more than \$200,000	\$4,412.90 plus 6.61% of the amount in excess of \$100,000	1190
More than \$200,000	\$11,022.90 plus 7.185% of the amount in excess of \$200,000	1191
(3) For taxable years beginning in 2006:		1192
OHIO ADJUSTED GROSS INCOME LESS		1193

EXEMPTIONS (INDIVIDUALS)		
OR		1194
MODIFIED OHIO		1195
TAXABLE INCOME (TRUSTS)		1196
OR		1197
OHIO TAXABLE INCOME (ESTATES)	TAX	1198
\$5,000 or less	.681%	1199
More than \$5,000 but not more than \$10,000	\$34.05 plus 1.361% of the amount in excess of \$5,000	1200
More than \$10,000 but not more than \$15,000	\$102.10 plus 2.722% of the amount in excess of \$10,000	1201
More than \$15,000 but not more than \$20,000	\$238.20 plus 3.403% of the amount in excess of \$15,000	1202
More than \$20,000 but not more than \$40,000	\$408.35 plus 4.083% of the amount in excess of \$20,000	1203
More than \$40,000 but not more than \$80,000	\$1,224.95 plus 4.764% of the amount in excess of \$40,000	1204
More than \$80,000 but not more than \$100,000	\$3,130.55 plus 5.444% of the amount in excess of \$80,000	1205
More than \$100,000 but not more than \$200,000	\$4,219.35 plus 6.32% of the amount in excess of \$100,000	1206
More than \$200,000	\$10,539.35 plus 6.87% of the amount in excess of \$200,000	1207
(4) For taxable years beginning in 2007:		1208
OHIO ADJUSTED GROSS INCOME LESS		1209
EXEMPTIONS (INDIVIDUALS)		
OR		1210
MODIFIED OHIO		1211
TAXABLE INCOME (TRUSTS)		1212
OR		1213
OHIO TAXABLE INCOME (ESTATES)	TAX	1214
\$5,000 or less	.649%	1215
More than \$5,000 but not more	\$32.45 plus 1.299% of the amount	1216

than \$10,000	in excess of \$5,000	
More than \$10,000 but not more than \$15,000	\$97.40 plus 2.598% of the amount in excess of \$10,000	1217
More than \$15,000 but not more than \$20,000	\$227.30 plus 3.247% of the amount in excess of \$15,000	1218
More than \$20,000 but not more than \$40,000	\$389.65 plus 3.895% of the amount in excess of \$20,000	1219
More than \$40,000 but not more than \$80,000	\$1,168.65 plus 4.546% of the amount in excess of \$40,000	1220
More than \$80,000 but not more than \$100,000	\$2,987.05 plus 5.194% of the amount in excess of \$80,000	1221
More than \$100,000 but not more than \$200,000	\$4,025.85 plus 6.031% of the amount in excess of \$100,000	1222
More than \$200,000	\$10,056.85 plus 6.555% of the amount in excess of \$200,000	1223
(5) For taxable years beginning in 2008, 2009, or 2010:		1224
OHIO ADJUSTED GROSS INCOME LESS EXEMPTIONS (INDIVIDUALS)		1225
OR		1226
MODIFIED OHIO TAXABLE INCOME (TRUSTS)		1227
OR		1228
OHIO TAXABLE INCOME (ESTATES)	TAX	1229
\$5,000 or less	.618%	1230
More than \$5,000 but not more than \$10,000	\$30.90 plus 1.236% of the amount in excess of \$5,000	1231
More than \$10,000 but not more than \$15,000	\$92.70 plus 2.473% of the amount in excess of \$10,000	1232
More than \$15,000 but not more than \$20,000	\$216.35 plus 3.091% of the amount in excess of \$15,000	1233
More than \$20,000 but not more than \$40,000	\$370.90 plus 3.708% of the amount in excess of \$20,000	1234
More than \$40,000 but not more	\$1,112.50 plus 4.327% of the	1235
		1236

than \$80,000	amount in excess of \$40,000	
More than \$80,000 but not more than \$100,000	\$2,843.30 plus 4.945% of the amount in excess of \$80,000	1237
More than \$100,000 but not more than \$200,000	\$3,832.30 plus 5.741% of the amount in excess of \$100,000	1238
More than \$200,000	\$9,573.30 plus 6.24% of the amount in excess of \$200,000	1239
(6) For taxable years beginning in 2011 or 2012:		1240
OHIO ADJUSTED GROSS INCOME LESS EXEMPTIONS (INDIVIDUALS)		1241
OR		1242
MODIFIED OHIO		1243
TAXABLE INCOME (TRUSTS)		1244
OR		1245
OHIO TAXABLE INCOME (ESTATES)	TAX	1246
\$5,000 or less	.587%	1247
More than \$5,000 but not more than \$10,000	\$29.35 plus 1.174% of the amount in excess of \$5,000	1248
More than \$10,000 but not more than \$15,000	\$88.05 plus 2.348% of the amount in excess of \$10,000	1249
More than \$15,000 but not more than \$20,000	\$205.45 plus 2.935% of the amount in excess of \$15,000	1250
More than \$20,000 but not more than \$40,000	\$352.20 plus 3.521% of the amount in excess of \$20,000	1251
More than \$40,000 but not more than \$80,000	\$1,056.40 plus 4.109% of the amount in excess of \$40,000	1252
More than \$80,000 but not more than \$100,000	\$2,700.00 plus 4.695% of the amount in excess of \$80,000	1253
More than \$100,000 but not more than \$200,000	\$3,639.00 plus 5.451% of the amount in excess of \$100,000	1254
More than \$200,000	\$9,090.00 plus 5.925% of the amount in excess of \$200,000	1255
(7) For taxable years beginning in 2013:		1256

OHIO ADJUSTED GROSS INCOME LESS		1257
EXEMPTIONS (INDIVIDUALS)		
OR		1258
MODIFIED OHIO		1259
TAXABLE INCOME (TRUSTS)		1260
OR		1261
OHIO TAXABLE INCOME (ESTATES)	TAX	1262
\$5,000 or less	.537%	1263
More than \$5,000 but not more than \$10,000	\$26.86 plus 1.074% of the amount in excess of \$5,000	1264
More than \$10,000 but not more than \$15,000	\$80.57 plus 2.148% of the amount in excess of \$10,000	1265
More than \$15,000 but not more than \$20,000	\$187.99 plus 2.686% of the amount in excess of \$15,000	1266
More than \$20,000 but not more than \$40,000	\$322.26 plus 3.222% of the amount in excess of \$20,000	1267
More than \$40,000 but not more than \$80,000	\$966.61 plus 3.760% of the amount in excess of \$40,000	1268
More than \$80,000 but not more than \$100,000	\$2,470.50 plus 4.296% of the amount in excess of \$80,000	1269
More than \$100,000 but not more than \$200,000	\$3,329.68 plus 4.988% of the amount in excess of \$100,000	1270
More than \$200,000	\$8,317.35 plus 5.421% of the amount in excess of \$200,000	1271
(8) For taxable years beginning in 2014 or thereafter :		1272
OHIO ADJUSTED GROSS INCOME LESS		1273
EXEMPTIONS (INDIVIDUALS)		
OR		1274
MODIFIED OHIO		1275
TAXABLE INCOME (TRUSTS)		1276
OR		1277
OHIO TAXABLE INCOME (ESTATES)	TAX	1278
\$5,000 or less	.528%	1279

More than \$5,000 but not more than \$10,000	\$26.41 plus 1.057% of the amount in excess of \$5,000	1280
More than \$10,000 but not more than \$15,000	\$79.24 plus 2.113% of the amount in excess of \$10,000	1281
More than \$15,000 but not more than \$20,000	\$184.90 plus 2.642% of the amount in excess of \$15,000	1282
More than \$20,000 but not more than \$40,000	\$316.98 plus 3.169% of the amount in excess of \$20,000	1283
More than \$40,000 but not more than \$80,000	\$950.76 plus 3.698% of the amount in excess of \$40,000	1284
More than \$80,000 but not more than \$100,000	\$2,430.00 plus 4.226% of the amount in excess of \$80,000	1285
More than \$100,000 but not more than \$200,000	\$3,275.10 plus 4.906% of the amount in excess of \$100,000	1286
More than \$200,000	\$8,181.00 plus 5.333% of the amount in excess of \$200,000	1287
<u>(9) For taxable years beginning in 2015 or thereafter:</u>		1288
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		1289
<u>EXEMPTIONS (INDIVIDUALS)</u>		
<u>OR</u>		1290
<u>MODIFIED OHIO</u>		1291
<u>TAXABLE INCOME (TRUSTS)</u>		1292
<u>OR</u>		1293
<u>OHIO TAXABLE INCOME (ESTATES)</u>	<u>TAX</u>	1294
<u>\$5,000 or less</u>	<u>.528%</u>	1295
<u>More than \$5,000 but not more than \$10,000</u>	<u>\$26.41 plus 1.057% of the amount in excess of \$5,000</u>	1296
<u>More than \$10,000 but not more than \$15,000</u>	<u>\$79.24 plus 2.113% of the amount in excess of \$10,000</u>	1297
<u>More than \$15,000 but not more than \$20,000</u>	<u>\$184.90 plus 2.642% of the amount in excess of \$15,000</u>	1298
<u>More than \$20,000 but not more than \$40,000</u>	<u>\$316.98 plus 3.169% of the amount in excess of \$20,000</u>	1299

<u>More than \$40,000 but not more than \$80,000</u>	<u>\$950.76 plus 3.698% of the amount in excess of \$40,000</u>	1300
<u>More than \$80,000 but not more than \$100,000</u>	<u>\$2,430.00 plus 4.226% of the amount in excess of \$80,000</u>	1301
<u>More than \$100,000 but not more than \$200,000</u>	<u>\$3,275.10 plus 4.906% of the amount in excess of \$100,000</u>	1302
<u>More than \$200,000</u>	<u>\$8,181.00 plus 12.333% of the amount in excess of \$200,000</u>	1303

Except as otherwise provided in this division, in August of each year, the tax commissioner shall make a new adjustment to the income amounts prescribed in this division by multiplying the percentage increase in the gross domestic product deflator computed that year under section 5747.025 of the Revised Code by each of the income amounts resulting from the adjustment under this division in the preceding year, adding the resulting product to the corresponding income amount resulting from the adjustment in the preceding year, and rounding the resulting sum to the nearest multiple of fifty dollars. The tax commissioner also shall recompute each of the tax dollar amounts to the extent necessary to reflect the new adjustment of the income amounts. The rates of taxation shall not be adjusted.

The adjusted amounts apply to taxable years beginning in the calendar year in which the adjustments are made and to taxable years beginning in each ensuing calendar year until a calendar year in which a new adjustment is made pursuant to this division. The tax commissioner shall not make a new adjustment in any year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment in the preceding year. The commissioner shall not make a new adjustment for taxable years beginning in 2013, 2014, or 2015.

(B) If the director of budget and management makes a certification to the tax commissioner under division (B) of

section 131.44 of the Revised Code, the amount of tax as 1328
determined under division (A) of this section shall be reduced by 1329
the percentage prescribed in that certification for taxable years 1330
beginning in the calendar year in which that certification is 1331
made. 1332

(C) The levy of this tax on income does not prevent a 1333
municipal corporation, a joint economic development zone created 1334
under section 715.691, or a joint economic development district 1335
created under section 715.70 or 715.71 or sections 715.72 to 1336
715.81 of the Revised Code from levying a tax on income. 1337

(D) This division applies only to taxable years of a trust 1338
beginning in 2002 or thereafter. 1339

(1) The tax imposed by this section on a trust shall be 1340
computed by multiplying the Ohio modified taxable income of the 1341
trust by the rates prescribed by division (A) of this section. 1342

(2) A resident trust may claim a credit against the tax 1343
computed under division (D) of this section equal to the lesser of 1344
(1) the tax paid to another state or the District of Columbia on 1345
the resident trust's modified nonbusiness income, other than the 1346
portion of the resident trust's nonbusiness income that is 1347
qualifying investment income as defined in section 5747.012 of the 1348
Revised Code, or (2) the effective tax rate, based on modified 1349
Ohio taxable income, multiplied by the resident trust's modified 1350
nonbusiness income other than the portion of the resident trust's 1351
nonbusiness income that is qualifying investment income. The 1352
credit applies before any other applicable credits. 1353

(3) The credits enumerated in divisions (A)(1) to (13) of 1354
section 5747.98 of the Revised Code do not apply to a trust 1355
subject to division (D) of this section. Any credits enumerated in 1356
other divisions of section 5747.98 of the Revised Code apply to a 1357
trust subject to division (D) of this section. To the extent that 1358

the trust distributes income for the taxable year for which a 1359
credit is available to the trust, the credit shall be shared by 1360
the trust and its beneficiaries. The tax commissioner and the 1361
trust shall be guided by applicable regulations of the United 1362
States treasury regarding the sharing of credits. 1363

(E) For the purposes of this section, "trust" means any trust 1364
described in Subchapter J of Chapter 1 of the Internal Revenue 1365
Code, excluding trusts that are not irrevocable as defined in 1366
division (I)(3)(b) of section 5747.01 of the Revised Code and that 1367
have no modified Ohio taxable income for the taxable year, 1368
charitable remainder trusts, qualified funeral trusts and preneed 1369
funeral contract trusts established pursuant to sections 4717.31 1370
to 4717.38 of the Revised Code that are not qualified funeral 1371
trusts, endowment and perpetual care trusts, qualified settlement 1372
trusts and funds, designated settlement trusts and funds, and 1373
trusts exempted from taxation under section 501(a) of the Internal 1374
Revenue Code. 1375

Sec. 5747.03. (A) All money collected under this chapter 1376
arising from the taxes imposed by section 5747.02 or 5747.41 of 1377
the Revised Code shall be credited to the general revenue fund, 1378
except that the treasurer of state shall, at the beginning of each 1379
calendar quarter, credit to the Ohio political party fund, 1380
pursuant to section 3517.16 of the Revised Code, an amount equal 1381
to the total dollar value realized from the taxpayer exercise of 1382
the income tax checkoff option on tax forms processed during the 1383
preceding calendar quarter. 1384

(B)(1) Following the crediting of moneys pursuant to division 1385
(A) of this section, the remainder deposited in the general 1386
revenue fund shall be distributed pursuant to division (F) of 1387
section 321.24 and section 323.156 of the Revised Code; to make 1388
subsidy payments to institutions of higher education from 1389

appropriations to the Ohio board of regents; to support 1390
expenditures for programs and services for the mentally ill, 1391
mentally retarded, developmentally disabled, and elderly; for 1392
primary and secondary education; for medical assistance; and for 1393
any other purposes authorized by law, subject to the limitation 1394
that at least fifty per cent of the income tax collected by the 1395
state from the tax imposed by section 5747.02 of the Revised Code 1396
shall be returned pursuant to Section 9 of Article XII, Ohio 1397
Constitution. 1398

(2) To ensure that such constitutional requirement is 1399
satisfied the tax commissioner shall, on or before the thirtieth 1400
day of June of each year, from the best information available to 1401
the tax commissioner, determine and certify for each county to the 1402
director of budget and management the amount of taxes collected 1403
under this chapter from the tax imposed under section 5747.02 of 1404
the Revised Code during the preceding calendar year that are 1405
required to be returned to the county by Section 9 of Article XII, 1406
Ohio Constitution. The director shall provide for payment from the 1407
general revenue fund to the county in the amount, if any, that the 1408
sum of the amount so certified for that county exceeds the sum of 1409
the following: 1410

(a) The sum of the payments from the general revenue fund for 1411
the preceding calendar year credited to the county's undivided 1412
income tax fund pursuant to division (F) of section 321.24 and 1413
section 323.156 of the Revised Code or made directly from the 1414
general revenue fund to political subdivisions located in the 1415
county; 1416

(b) The sum of the amounts from the general revenue fund 1417
distributed in the county during the preceding calendar year for 1418
subsidy payments to institutions of higher education from 1419
appropriations to the Ohio board of regents; for programs and 1420
services for mentally ill, mentally retarded, developmentally 1421

disabled, and elderly persons; for primary and secondary 1422
education; ~~and~~ for medical assistance; and for the activities 1423
described in section 3745.15 of the Revised Code. 1424

(c) In the case of payments made by the director under this 1425
division in 2007, the total amount distributed to the county 1426
during the preceding calendar year from the local government fund 1427
and the local government revenue assistance fund, and, in the case 1428
of payments made by the director under this division in subsequent 1429
calendar years, the amount distributed to the county from the 1430
local government fund; 1431

(d) In the case of payments made by the director under this 1432
division, the total amount distributed to the county during the 1433
preceding calendar year from the public library fund. 1434

Payments under this division shall be credited to the 1435
county's undivided income tax fund, except that, notwithstanding 1436
section 5705.14 of the Revised Code, such payments may be 1437
transferred by the board of county commissioners to the county 1438
general fund by resolution adopted with the affirmative vote of 1439
two-thirds of the members thereof. 1440

(C) All payments received in each month from taxes imposed 1441
under Chapter 5748. of the Revised Code and any penalties or 1442
interest thereon shall be paid into the school district income tax 1443
fund, which is hereby created in the state treasury, except that 1444
an amount equal to the following portion of such payments shall be 1445
paid into the general school district income tax administrative 1446
fund, which is hereby created in the state treasury: 1447

(1) One and three-quarters of one per cent of those received 1448
in fiscal year 1996; 1449

(2) One and one-half per cent of those received in fiscal 1450
year 1997 and thereafter. 1451

Money in the school district income tax administrative fund 1452

shall be used by the tax commissioner to defray costs incurred in 1453
administering the school district's income tax, including the cost 1454
of providing employers with information regarding the rate of tax 1455
imposed by any school district. Any moneys remaining in the fund 1456
after such use shall be deposited in the school district income 1457
tax fund. 1458

All interest earned on moneys in the school district income 1459
tax fund shall be credited to the fund. 1460

(D)(1)(a) Within thirty days of the end of each calendar 1461
quarter ending on the last day of March, June, September, and 1462
December, the director of budget and management shall make a 1463
payment from the school district income tax fund to each school 1464
district for which school district income tax revenue was received 1465
during that quarter. The amount of the payment shall equal the 1466
balance in the school district's account at the end of that 1467
quarter. 1468

(b) After a school district ceases to levy an income tax, the 1469
director of budget and management shall adjust the payments under 1470
division (D)(1)(a) of this section to retain sufficient money in 1471
the school district's account to pay refunds. For the calendar 1472
quarters ending on the last day of March and December of the 1473
calendar year following the last calendar year the tax is levied, 1474
the director shall make the payments in the amount required under 1475
division (D)(1)(a) of this section. For the calendar quarter 1476
ending on the last day of June of the calendar year following the 1477
last calendar year the tax is levied, the director shall make a 1478
payment equal to nine-tenths of the balance in the account at the 1479
end of that quarter. For the calendar quarter ending on the last 1480
day of September of the calendar year following the last calendar 1481
year the tax is levied, the director shall make no payment. For 1482
the second and succeeding calendar years following the last 1483
calendar year the tax is levied, the director shall make one 1484

payment each year, within thirty days of the last day of June, in 1485
an amount equal to the balance in the district's account on the 1486
last day of June. 1487

(2) Moneys paid to a school district under this division 1488
shall be deposited in its school district income tax fund. All 1489
interest earned on moneys in the school district income tax fund 1490
shall be apportioned by the tax commissioner pro rata among the 1491
school districts in the proportions and at the times the districts 1492
are entitled to receive payments under this division. 1493

Sec. 5749.01. As used in this chapter: 1494

(A) "Ton" shall mean two thousand pounds as measured at the 1495
point and time of severance, after the removal of any impurities, 1496
under such rules and regulations as the tax commissioner may 1497
prescribe. 1498

(B) "Taxpayer" means any person required to pay the tax 1499
levied by Chapter 5749. of the Revised Code. 1500

(C) "Natural resource" means all forms of coal, salt, 1501
limestone, dolomite, sand, gravel, ~~natural~~ gas, and oil. 1502

(D) "Owner" ~~has~~ and "condensate" have the same ~~meaning~~ 1503
meanings as in section 1509.01 of the Revised Code. 1504

(E) "Person" means any individual, firm, partnership, 1505
association, joint stock company, corporation, or estate, or 1506
combination thereof. 1507

(F) "Return" means any report or statement required to be 1508
filed pursuant to Chapter 5749. of the Revised Code used to 1509
determine the tax due. 1510

(G) "Severance" means the extraction or other removal of a 1511
natural resource from the soil or water of this state. 1512

(H) "Severed" means the point at which the natural resource 1513

has been separated from the soil or water in this state. 1514

(I) "Severer" means any one of the following: 1515

(1) For the purposes of a tax levied under division (B) of 1516
section 5749.02 of the Revised Code, except for divisions (B)(5) 1517
and (6) of that section, the person who actually removes the 1518
natural resources from the soil or water in this state. 1519

(2) For the purposes of the taxes levied under divisions 1520
(B)(5) and (6) and (C) of section 5749.02 of the Revised Code, the 1521
person that has the right to first sell severed oil or gas. 1522

(J) "First day of production" means the date on which oil or 1523
gas is first severed through the use of a well. "First day of 1524
production" does not include days on which gas is flared from a 1525
well exclusively for testing and oil is not produced when the gas 1526
is flared. 1527

(K) "Oil" means crude petroleum oil and all other 1528
hydrocarbons, regardless of gravity, that are produced in liquid 1529
form by ordinary production methods, including condensate. 1530

(L) "Gas" means natural gas and all other hydrocarbons that 1531
are not oil. 1532

(M) "Wellhead gross receipts" means the total amount received 1533
by a severer or another person from the first sale of oil and gas, 1534
whether or not the sale occurs at the wellhead, after deduction 1535
for any fees paid or costs incurred or accrued by or on behalf of 1536
the severer or an affiliate of the severer for processing, 1537
gathering, transporting, fractionating, stabilizing, compressing, 1538
dehydrating, shrinkage, brokering, delivering, and market access 1539
for such oil and gas, but not including fees paid or costs 1540
incurred or accrued for oil and gas lease acquisitions, 1541
geophysical and geologic services, well site preparation, well 1542
drilling, well completion services, related tangible or intangible 1543
drilling costs, natural gas storage services, general 1544

merchandising, and lease operating costs for the production of oil 1545
and gas at the wellhead. 1546

(N) "Point of first sale" means the first point after the 1547
production of oil or gas from a well at which the severer or 1548
another person transfers ownership of the oil or gas for 1549
consideration. The point of first sale determines when oil or gas 1550
is first sold for the purposes of this chapter. 1551

(O) "Affiliate" means a person that owns or controls either 1552
directly or indirectly more than fifty per cent of the ownership 1553
interest of one or more other persons, or has more than fifty per 1554
cent of its ownership interests owned or controlled either 1555
directly or indirectly by another person, or by related interests 1556
that own or control either directly or indirectly more than fifty 1557
per cent of the ownership interests of one or more other persons. 1558

Sec. 5749.02. (A) For the purpose of providing revenue to 1559
administer the state's coal mining and reclamation regulatory 1560
program and oil and gas regulatory program, to meet the 1561
environmental and resource management needs of this state, to 1562
provide revenue for local governments impacted by oil and gas 1563
drilling, to provide revenue to fund the activities of the state 1564
environmental restoration authority, and to reclaim land affected 1565
by mining, ~~an~~ exercise a tax is hereby levied on the privilege of 1566
engaging in the severance of natural resources from the soil or 1567
water of this state under divisions (B) and (C) of this section. 1568
~~The tax~~ 1569

(B) There shall be a tax imposed upon the severer at the 1570
rates prescribed by divisions ~~(A)~~(B)(1) to (9) of this section: 1571

(1) Ten cents per ton of coal; 1572

(2) Four cents per ton of salt; 1573

(3) Two cents per ton of limestone or dolomite; 1574

(4) Two cents per ton of sand and gravel;	1575
(5) Ten cents per barrel of oil <u>severed before January 1, 2015</u> ;	1576 1577
(6) Two and one-half cents per thousand cubic feet of natural gas <u>severed before January 1, 2015</u> ;	1578 1579
(7) One cent per ton of clay, sandstone or conglomerate, shale, gypsum, or quartzite;	1580 1581
(8) Except as otherwise provided in this division or in rules adopted by the reclamation forfeiture fund advisory board under section 1513.182 of the Revised Code, an additional fourteen cents per ton of coal produced from an area under a coal mining and reclamation permit issued under Chapter 1513. of the Revised Code for which the performance security is provided under division (C)(2) of section 1513.08 of the Revised Code. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the reclamation forfeiture fund created in section 1513.18 of the Revised Code is equal to or greater than ten million dollars, the rate levied shall be twelve cents per ton. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the fund is at least five million dollars, but less than ten million dollars, the rate levied shall be fourteen cents per ton. Beginning July 1, 2007, if at the end of a fiscal biennium the balance of the fund is less than five million dollars, the rate levied shall be sixteen cents per ton. Beginning July 1, 2009, not later than thirty days after the close of a fiscal biennium, the chief of the division of mineral resources management shall certify to the tax commissioner the amount of the balance of the reclamation forfeiture fund as of the close of the fiscal biennium. Any necessary adjustment of the rate levied shall take effect on the first day of the following January and shall remain in effect during the calendar biennium that begins on that date.	1582 1583 1584 1585 1586 1587 1588 1589 1590 1591 1592 1593 1594 1595 1596 1597 1598 1599 1600 1601 1602 1603 1604 1605

(9) An additional one and two-tenths cents per ton of coal 1606
mined by surface mining methods. 1607

~~(B)~~(C)(1) For oil and gas severed on or after January 1, 1608
2015, there is hereby levied a tax on the severer. The tax shall 1609
be levied at the rate of seven per cent of the severer's or other 1610
person's wellhead gross receipts from the first sale of that oil 1611
or gas. 1612

(2)(a) If the tax commissioner establishes by a preponderance 1613
of the evidence either that the first sale of oil and gas is 1614
between affiliates and is not comparable to other transactions in 1615
the Appalachian basin or that the first sale of oil or gas is 1616
between parties that are not affiliates and is not conducted at 1617
arm's length, the commissioner shall prescribe the price paid for 1618
that oil and gas as follows: 1619

(i) The price paid under the most comparable arm's length 1620
contract or contracts, to which the person paying the tax is a 1621
party, for the sale of oil or gas of similar quality, from the 1622
same well or, if none, from a nearby well. 1623

(ii) If the commissioner cannot apply the price described in 1624
division (C)(2)(a)(i) of this section to the oil or gas, the price 1625
paid under the most comparable arm's length contract or contracts, 1626
between parties other than the person paying the tax, for the sale 1627
of oil or gas of similar quality from a similar well. 1628

(iii) If the commissioner cannot apply the price described in 1629
division (C)(2)(a)(i) or (ii) of this section to the oil or gas, 1630
the price determined by consideration of a posted price that is 1631
relevant in valuing oil or gas of similar quality from a similar 1632
well. 1633

(b) When determining whether a contract is comparable for 1634
purposes of division (C)(2)(a)(i) or (ii) of this section, the 1635
commissioner shall consider the contract price for oil or gas, the 1636

time of the contract's execution, the basin where oil and gas is 1637
being sold, any markets served and costs to access the markets, 1638
the quality and volume of the oil or gas, and any other factor. 1639

(c) After prescribing a price under division (C)(2)(a) of 1640
this section, the commissioner shall recalculate wellhead gross 1641
receipts for that oil and gas based on the prescribed price. The 1642
commissioner may collect any amount resulting from the 1643
commissioner's recalculation by assessment in the manner provided 1644
under section 5749.07 of the Revised Code. 1645

(D) After the director of budget and management transfers 1646
money from the severance tax receipts fund as required in division 1647
(H) of section 5749.06 of the Revised Code, money remaining in the 1648
severance tax receipts fund, except for money in the fund from the 1649
amounts due under section 1509.50 of the Revised Code, shall be 1650
credited as follows: 1651

(1) Of the moneys in the fund from the tax levied in division 1652
~~(A)~~(B)(1) of this section, four and seventy-six-hundredths per 1653
cent shall be credited to the geological mapping fund created in 1654
section 1505.09 of the Revised Code, eighty and 1655
ninety-five-hundredths per cent shall be credited to the coal 1656
mining administration and reclamation reserve fund created in 1657
section 1513.181 of the Revised Code, and fourteen and 1658
twenty-nine-hundredths per cent shall be credited to the 1659
unreclaimed lands fund created in section 1513.30 of the Revised 1660
Code. 1661

(2) The money in the fund from the tax levied in division 1662
~~(A)~~(B)(2) of this section shall be credited to the geological 1663
mapping fund. 1664

(3) Of the moneys in the fund from the tax levied in 1665
divisions ~~(A)~~(B)(3) and (4) of this section, seven and five-tenths 1666
per cent shall be credited to the geological mapping fund, 1667

forty-two and five-tenths per cent shall be credited to the 1668
unreclaimed lands fund, and the remainder shall be credited to the 1669
surface mining fund created in section 1514.06 of the Revised 1670
Code. 1671

(4) Of the moneys in the fund from the tax levied in 1672
divisions (A)(5) and (6) of this section, ninety per cent shall be 1673
credited to the oil and gas well fund created in section 1509.02 1674
of the Revised Code and ten per cent shall be credited to the 1675
geological mapping fund. All of the moneys in the fund from the 1676
tax levied in division ~~(A)(B)~~(7) of this section shall be credited 1677
to the surface mining fund. 1678

(5) All of the moneys in the fund from the tax levied in 1679
division ~~(A)(B)~~(8) of this section shall be credited to the 1680
reclamation forfeiture fund. 1681

(6) All of the moneys in the fund from the tax levied in 1682
division ~~(A)(B)~~(9) of this section shall be credited to the 1683
unreclaimed lands fund. 1684

(7) All of the money in the fund from the tax levied under 1685
division (C) of this section shall be credited to the oil and gas 1686
severance tax fund, which is hereby created in the state treasury. 1687
Not later than the fifteenth day of September of each year, the 1688
tax commissioner shall calculate and certify to the director of 1689
budget and management the total amount that would have been 1690
collected from severances of oil and gas during the preceding 1691
fiscal year if such severances had been taxed under divisions 1692
(A)(5) and (6) of this section as those divisions existed on 1693
October 31, 2014, and not under division (C) of this section. The 1694
director of budget and management shall transfer, on or before the 1695
twenty-fifth day of September, ninety per cent of the amount so 1696
certified from the oil and gas severance tax fund to the oil and 1697
gas well fund and ten per cent of the amount so certified to the 1698
geological mapping fund. Not later than the succeeding thirtieth 1699

day of September, the director of budget and management shall 1700
transfer remaining money in the oil and gas severance tax fund 1701
from tax collected during the preceding fiscal year as follows: 1702

(a) Eighty per cent to the environmental restoration fund 1703
created by section 3745.15 of the Revised Code. 1704

(b) Twenty per cent to the severance tax infrastructure fund 1705
of each county in the county's proportion most recently certified 1706
to the director by the tax commissioner under division (J)(2) of 1707
section 5749.06 of the Revised Code. 1708

~~(C)~~(E) When, at the close of any fiscal year, the chief finds 1709
that the balance of the reclamation forfeiture fund, plus 1710
estimated transfers to it from the coal mining administration and 1711
reclamation reserve fund under section 1513.181 of the Revised 1712
Code, plus the estimated revenues from the tax levied by division 1713
~~(A)~~(B)(8) of this section for the remainder of the calendar year 1714
that includes the close of the fiscal year, are sufficient to 1715
complete the reclamation of all lands for which the performance 1716
security has been provided under division (C)(2) of section 1717
1513.08 of the Revised Code, the purposes for which the tax under 1718
division ~~(A)~~(B)(8) of this section is levied shall be deemed 1719
accomplished at the end of that calendar year. The chief, within 1720
thirty days after the close of the fiscal year, shall certify 1721
those findings to the tax commissioner, and the tax levied under 1722
division ~~(A)~~(B)(8) of this section shall cease to be imposed for 1723
the subsequent calendar year after the last day of that calendar 1724
year on coal produced under a coal mining and reclamation permit 1725
issued under Chapter 1513. of the Revised Code if the permittee 1726
has made tax payments under division ~~(A)~~(B)(8) of this section 1727
during each of the preceding five full calendar years. Not later 1728
than thirty days after the close of a fiscal year, the chief shall 1729
certify to the tax commissioner the identity of any permittees who 1730
accordingly no longer are required to pay the tax levied under 1731

division ~~(A)~~(B)(8) of this section for the subsequent calendar 1732
year. 1733

Sec. 5749.06. (A)(1) Each severer liable for the tax imposed 1734
by section 5749.02 of the Revised Code and each severer or owner 1735
liable for the amounts due under section 1509.50 of the Revised 1736
Code shall make and file returns with the tax commissioner in the 1737
prescribed form and as of the prescribed times, computing and 1738
reflecting therein the tax as required by this chapter and amounts 1739
due under section 1509.50 of the Revised Code. 1740

(2) The returns shall be filed for every quarterly period, 1741
which periods shall end on the thirty-first day of March, the 1742
thirtieth day of June, the thirtieth day of September, and the 1743
thirty-first day of December of each year, as required by this 1744
section, unless a different return period is prescribed for a 1745
taxpayer by the commissioner. 1746

(B)(1) A separate return shall be filed for each calendar 1747
quarterly period, or other period, or any part thereof, during 1748
which the severer holds a license as provided by section 5749.04 1749
of the Revised Code, or is required to hold the license, or during 1750
which an owner is required to file a return. The return shall be 1751
filed within forty-five days after the last day of each such 1752
calendar month, or other period, or any part thereof, for which 1753
the return is required. The tax due is payable along with the 1754
return. All such returns shall contain such information as the 1755
commissioner may require to fairly administer the tax. 1756

(2) All returns shall be signed by the severer or owner, as 1757
applicable, shall contain the full and complete information 1758
requested, and shall be made under penalty of perjury. 1759

(C) If the commissioner believes that quarterly payments of 1760
tax would result in a delay that might jeopardize the collection 1761
of such tax payments, the commissioner may order that such 1762

payments be made weekly, or more frequently if necessary, such 1763
payments to be made not later than seven days following the close 1764
of the period for which the jeopardy payment is required. Such an 1765
order shall be delivered to the taxpayer personally or by 1766
certified mail and shall remain in effect until the commissioner 1767
notifies the taxpayer to the contrary. 1768

(D) Upon good cause the commissioner may extend for thirty 1769
days the period for filing any notice or return required to be 1770
filed under this section, and may remit all or a part of penalties 1771
that may become due under this chapter. 1772

(E) Any tax and any amount due under section 1509.50 of the 1773
Revised Code not paid by the day the tax or amount is due shall 1774
bear interest computed at the rate per annum prescribed by section 1775
5703.47 of the Revised Code on that amount due from the day that 1776
the amount was originally required to be paid to the day of actual 1777
payment or to the day an assessment was issued under section 1778
5749.07 or 5749.10 of the Revised Code, whichever occurs first. 1779

(F) A severer or owner, as applicable, that fails to file a 1780
complete return or pay the full amount due under this chapter 1781
within the time prescribed, including any extensions of time 1782
granted by the commissioner, shall be subject to a penalty not to 1783
exceed the greater of fifty dollars or ten per cent of the amount 1784
due for the period. 1785

(G)(1) A severer or owner, as applicable, shall remit 1786
payments electronically and, if required by the commissioner, file 1787
each return electronically. The commissioner may require that the 1788
severer or owner use the Ohio business gateway, as defined in 1789
section 718.051 of the Revised Code, or another electronic means 1790
to file returns and remit payments electronically. 1791

(2) A severer or owner that is required to remit payments 1792
electronically under this section may apply to the commissioner, 1793

in the manner prescribed by the commissioner, to be excused from 1794
that requirement. The commissioner may excuse a severer or owner 1795
from the requirements of division (G) of this section for good 1796
cause. 1797

(3) If a severer or owner that is required to remit payments 1798
or file returns electronically under this section fails to do so, 1799
the commissioner may impose a penalty on the severer or owner not 1800
to exceed the following: 1801

(a) For the first or second payment or return the severer or 1802
owner fails to remit or file electronically, the greater of five 1803
per cent of the amount of the payment that was required to be 1804
remitted or twenty-five dollars; 1805

(b) For every payment or return after the second that the 1806
severer or owner fails to remit or file electronically, the 1807
greater of ten per cent of the amount of the payment that was 1808
required to be remitted or fifty dollars. 1809

(H)(1) All amounts that the commissioner receives under this 1810
section shall be deemed to be revenue from taxes imposed under 1811
this chapter or from the amount due under section 1509.50 of the 1812
Revised Code, as applicable, and shall be deposited in the 1813
severance tax receipts fund, which is hereby created in the state 1814
treasury. 1815

(2) The director of budget and management shall transfer from 1816
the severance tax receipts fund to the tax refund fund amounts 1817
equal to the refunds certified by the commissioner under section 1818
5749.08 of the Revised Code. Any amount transferred under division 1819
(H)(2) of this section shall be derived from receipts of the same 1820
tax or other amount from which the refund arose. 1821

(3) After the director of budget and management makes any 1822
transfer required by division (H)(2) of this section, but not 1823
later than the fifteenth day of the month following the end of 1824

each calendar quarter, the commissioner shall certify to the 1825
director the total amount remaining in the severance tax receipts 1826
fund organized according to the amount attributable to each 1827
natural resource and according to the amount attributable to a tax 1828
imposed by this chapter and the amounts due under section 1509.50 1829
of the Revised Code. 1830

(I) Penalties imposed under this section are in addition to 1831
any other penalty imposed under this chapter and shall be 1832
considered as revenue arising from the tax levied under this 1833
chapter or the amount due under section 1509.50 of the Revised 1834
Code, as applicable. The commissioner may collect any penalty or 1835
interest imposed under this section in the same manner as provided 1836
for the making of an assessment in section 5749.07 of the Revised 1837
Code. The commissioner may abate all or a portion of such interest 1838
or penalties and may adopt rules governing such abatements. 1839

(J)(1) Each severer subject to the tax levied under division 1840
(C) of section 5749.02 of the Revised Code shall report on its 1841
return filed under this section the severer's or other person's 1842
wellhead gross receipts and the proportionate amount of such 1843
wellhead gross receipts that are attributable to wells located in 1844
each county, arranged according to those counties. 1845

(2) Not later than the fifteenth day of June of each year, 1846
the commissioner shall report to the director of budget and 1847
management the proportion of wellhead gross receipts attributable 1848
to each county by dividing wellhead gross receipts reported under 1849
division (J)(1) of this section attributable to each county for 1850
the preceding calendar year by the total amount of wellhead gross 1851
receipts for all counties reported under that division for the 1852
preceding calendar year. 1853

Sec. 5749.11. (A) There is hereby allowed a nonrefundable 1854
credit against the taxes imposed under division ~~(A)~~(B)(8) of 1855

section 5749.02 of the Revised Code for any severer to which a 1856
reclamation tax credit certificate is issued under section 1857
1513.171 of the Revised Code. The credit shall be claimed in the 1858
amount shown on the certificate. The credit shall be claimed by 1859
deducting the amount of the credit from the amount of the first 1860
tax payment due under section 5749.06 of the Revised Code after 1861
the certificate is issued. 1862

If the amount of the credit shown on a certificate exceeds 1863
the amount of the tax otherwise due with that first payment, the 1864
excess shall be claimed against the amount of tax otherwise due on 1865
succeeding payment dates until the entire credit amount has been 1866
deducted. The total amount of credit claimed against payments 1867
shall not exceed the total amount of credit shown on the 1868
certificate. 1869

(B) A severer claiming a credit under this section shall 1870
retain a reclamation tax credit certificate for not less than four 1871
years following the date of the last tax payment against which the 1872
credit allowed under that certificate was applied. Severers shall 1873
make tax credit certificates available for inspection by the tax 1874
commissioner upon the tax commissioner's request. 1875

Section 2. That existing sections 1509.02, 1509.34, 1509.50, 1876
1513.08, 1513.182, 1514.11, 5705.27, 5705.32, 5731.02, 5731.19, 1877
5731.21, 5731.39, 5731.48, 5747.02, 5747.03, 5749.01, 5749.02, 1878
5749.06, and 5749.11 of the Revised Code are hereby repealed. 1879