

As Introduced

**130th General Assembly
Regular Session
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S. B. No. 149

Senator Beagle

Cosponsors: Senators Hite, Manning

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A B I L L

To amend sections 5725.98, 5726.98, 5729.98, 5747.98, 1
and 5751.98 and to enact sections 122.155, 2
122.156, 122.157, 122.158, 122.159, 5725.191, 3
5726.58, 5727.242, 5727.43, 5727.812, 5729.081, 4
5747.052, and 5751.54 of the Revised Code to 5
authorize tax credits for contributions of money 6
to economic and infrastructure development 7
projects undertaken by local governments and 8
nonprofit corporations. 9

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

Section 1. That sections 5725.98, 5726.98, 5729.98, 5747.98, 10
and 5751.98 be amended and sections 122.155, 122.156, 122.157, 11
122.158, 122.159, 5725.191, 5726.58, 5727.242, 5727.43, 5727.812, 12
5729.081, 5747.052, and 5751.54 of the Revised Code be enacted to 13
read as follows: 14

Sec. 122.155. As used in sections 122.155 to 122.159 of the 15
Revised Code: 16

(A) "Approval date" means the date on which the development 17
services agency issues notice of approval to a community 18
development organization and a contributor for a catalytic project 19

contribution proposal submitted under section 122.156 of the 20
Revised Code. 21

(B) "Catalytic project" means an economic development project 22
or activity undertaken by a community development organization 23
that the community economic development organization predicts will 24
induce sustainable private investment in one or more local units 25
of government. "Catalytic project" includes construction of 26
buildings, infrastructure improvements, central business district 27
redevelopment, land reutilization, production of housing, and 28
microenterprise development. 29

(C) "Catalytic project contribution" means a transfer of 30
money by a contributor to a community development organization for 31
the purpose of funding a catalytic project with no expectation of 32
repayment or other compensation. Taxes, fees, dues, campaign 33
contributions, and payments made for lobbying purposes do not 34
qualify as catalytic project contributions. 35

(D) "Catalytic project contribution proposal" means a written 36
document submitted by a community development organization under 37
section 122.156 of the Revised Code proposing a catalytic project. 38

(E) "Community development organization" means an entity that 39
meets any of the following sets of criteria on the approval date: 40

(1) The entity is a local unit of government or an economic 41
development corporation designated by such an entity under section 42
1724.10 of the Revised Code, undertaking or planning to undertake 43
a catalytic project. If a local unit of government is in fiscal 44
emergency as determined by the auditor of state under section 45
118.04 of the Revised Code, it or any economic development 46
corporation designated by it does not qualify as a community 47
development organization. 48

(2) The entity is a private corporation established as a 49
nonprofit corporation under the laws of this state that is exempt 50

from federal income taxation under section 501(c)(3) of the 51
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 52
501(c)(3), the primary purpose of which is to administer a 53
catalytic project. After January 1, 2015, no private corporation 54
shall qualify as a community development organization unless the 55
corporation is first certified by the development services agency 56
under section 122.159 of the Revised Code. 57

(F) "Contributor" means a corporation for profit or a 58
pass-through entity as defined in section 5733.04 of the Revised 59
Code. 60

(G) "Microenterprise development" means providing funds to 61
assist the development of local for-profit businesses with fewer 62
than five employees, at least one of whom owns the entire 63
business. 64

(H) "Money" means United States currency, or a check, draft, 65
or cashier's check for United States currency, payable on demand 66
and drawn on a financial institution. 67

(I) "Rural catalytic project" means a catalytic project in 68
which more than fifty per cent of the total expenditures for the 69
entire project are utilized to benefit one or more counties each 70
of which has a population of less than one hundred twenty-five 71
thousand according to the most recent decennial census. 72

(J) "Urban catalytic project" means any catalytic project 73
that is not a rural catalytic project. 74

Sec. 122.156. (A)(1) A community development organization may 75
apply for a tax credit certificate under this section on behalf of 76
a contributor that proposes to make a catalytic project 77
contribution of at least five thousand dollars by submitting a 78
catalytic project contribution proposal to the development 79
services agency. The proposal shall include the following: 80

(a) The name, address, and telephone number of each contributor and a statement signed by an officer, agent, or other person legally authorized to bind the contributor indicating the amount of the proposed catalytic project contribution; 81
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(b) The name, address, and telephone number of the community development organization undertaking the catalytic project; 85
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(c) A catalytic project plan describing the purpose of and the procedure for implementing the catalytic project. The plan shall include a description of the catalytic project, an estimate of the total cost of the project, a list of the local units of government that will benefit from the project, designation of the project as either a rural catalytic project or an urban catalytic project, and the predicted economic impact of the catalytic project on each benefiting local unit of government. 87
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(2) The agency shall make one of the following determinations within thirty days after receiving a proposal: 95
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(a) Approve the entire proposed contribution; 97

(b) Approve a contribution of less than the proposed contribution but not less than five thousand dollars; 98
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(c) Disapprove the entire proposed contribution. 100

(3) The agency's determination shall be based on the potential of the catalytic project to induce further sustainable private investment in the benefiting local units of government, the need for economic development in the benefiting local units of government, and any other factor prescribed by the agency. 101
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(4) The agency's determination is final and may not be appealed for any reason. A community development organization may submit a new or amended catalytic project contribution proposal at any time after receiving notice under division (B) of this section, and may submit multiple proposals. 106
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(B) The development services agency shall send written notice of its determination under division (A) of this section to the community development organization that submitted the catalytic project contribution proposal and each contributor proposing the catalytic project contribution. A contributor may make an approved catalytic project contribution at any time on or after the approval date.

(1) If the agency approves the entire proposed catalytic project contribution, the notice shall include confirmation of the amount of the approved contribution, an estimate of the amount of the tax credit, and instructions for submitting application fees due under division (D) of this section.

(2) If the agency approves a contribution less than the proposed contribution, the notice shall include the amount of the approved contribution, the reason the approved contribution is less than the proposed contribution, an estimate of the amount of the tax credit, and instructions for submitting application fees due under division (D) of this section.

(3) If the agency disapproves the entire proposed contribution, the notice shall include the reasons the proposed contribution was not approved and may incorporate suggestions for changes to the catalytic project contribution proposal.

(C) The estimate of the tax credit amount required in divisions (B)(1) and (2) of this section shall be calculated as follows:

(1) If the catalytic project contribution proposal indicates that the catalytic project contribution will fund a rural catalytic project, the estimate shall equal sixty per cent of the approved catalytic project contribution.

(2) If the catalytic project contribution proposal indicates that the catalytic project contribution will fund an urban

catalytic project, the estimate shall equal fifty per cent of the 142
approved catalytic project contribution. 143

(D)(1) The development services agency shall require payment 144
of an application fee not to exceed ten per cent of the amount of 145
the tax credit estimate calculated under division (C) of this 146
section for each approved catalytic project contribution proposal. 147
The application fee may be paid by the community development 148
organization, the contributor, or any other person. No portion of 149
a catalytic project contribution may be utilized to pay an 150
application fee under this section. Payment of the application fee 151
shall not be the basis of a tax credit granted under any other 152
section of the Revised Code. Proceeds from the application fee 153
shall be used to defray the agency's costs of administering 154
sections 122.155 to 122.159 of the Revised Code. If the 155
application fee is not paid on or before the thirtieth day 156
following the approval date, approval of the catalytic project 157
contribution proposal shall be revoked. The agency shall not be 158
required to send notice of revocation except under the 159
circumstance described in division (D)(2) of this section. 160

(2) If the agency receives an application fee more than 161
thirty days after the approval date, the agency shall return the 162
application fee and notify the community development organization 163
and the contributor that approval has been revoked. 164

(3) The agency shall not issue a tax credit certificate under 165
section 122.157 of the Revised Code before receiving full payment 166
of the application fee due under this section. An application fee 167
received by the agency shall not be refunded except under the 168
circumstance described in division (D)(2) of this section. 169

(E) The development services agency shall not approve a 170
catalytic project contribution of less than five thousand dollars. 171
The amount of a catalytic project contribution for which a tax 172
credit may be allowed shall not exceed five hundred thousand 173

dollars. The sum of all tax credit estimates issued under division (B) of this section for contributions to any single catalytic project shall not exceed five hundred thousand dollars. The development services agency shall not approve any catalytic project contribution before the first day of January of the calendar year immediately following the effective date of ...B... of the 130th general assembly or after the thirty-first day of December of the fifth calendar year following such effective date. 174
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The sum of all tax credit estimates issued in a calendar year under division (B) of this section shall not exceed the sum of five million dollars plus the residual credit amount for the preceding calendar year calculated under division (E) of section 122.157 of the Revised Code. The sum of all tax credit estimates issued before the first day of July in any calendar year under division (B) of this section for contributions funding urban catalytic projects shall not exceed the sum of three million five hundred thousand dollars plus seventy per cent of the residual credit amount for the preceding calendar year calculated under division (E) of section 122.157 of the Revised Code. 182
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Sec. 122.157. (A)(1) The development services agency shall not issue a tax credit certificate under this section unless, within two years after the approval date, the agency receives a written project completion report prepared by the community development organization that received a catalytic project contribution approved under section 122.156 of the Revised Code. 193
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The report shall certify all of the following: 199

(a) That the catalytic project is fully completed; 200

(b) The total amount expended by the community development organization on the catalytic project; 201
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(c) The sum of all catalytic project contributions received by the community development organization to fund the catalytic 203
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<u>project;</u>	205
<u>(d) A comprehensive list of any differences between the</u>	206
<u>completed catalytic project and the catalytic project plan</u>	207
<u>submitted with the catalytic project contribution proposal;</u>	208
<u>(e) A monetary estimate of how the differences described in</u>	209
<u>division (A)(1)(d) of this section affect the economic impact of</u>	210
<u>the catalytic project projected in the catalytic project</u>	211
<u>contribution proposal.</u>	212
<u>(2) After the agency receives a project completion report</u>	213
<u>that meets the requirements of division (A)(1) of this section,</u>	214
<u>the agency shall issue a tax credit certificate to the contributor</u>	215
<u>that made the approved catalytic project contribution. The tax</u>	216
<u>credit certificate shall indicate that the contributor is allowed</u>	217
<u>a tax credit equal to an amount calculated as follows:</u>	218
<u>(a) If the project completion report indicates that the</u>	219
<u>contribution funded a rural catalytic project, the tax credit</u>	220
<u>equals sixty per cent of the adjusted catalytic project</u>	221
<u>contribution determined under division (B) of this section.</u>	222
<u>(b) If the project completion report indicates that the</u>	223
<u>contribution funded an urban catalytic project the tax credit</u>	224
<u>equals fifty per cent of the adjusted catalytic project</u>	225
<u>contribution determined under division (B) of this section.</u>	226
<u>(B) The adjusted catalytic project contribution equals the</u>	227
<u>catalytic project contribution approved by the development</u>	228
<u>services agency, adjusted by the agency as follows:</u>	229
<u>(1) Subtract any amount reimbursed to the contributor by the</u>	230
<u>community development organization;</u>	231
<u>(2) Subtract the value of any nonmonetary compensation</u>	232
<u>provided to the contributor by the community development</u>	233
<u>organization;</u>	234

(3) If the total expenditures of the community development organization on the catalytic project were less than the sum of all catalytic project contributions approved by the development services agency and received by the organization to fund the catalytic project, determine the difference and subtract an amount equal to the difference multiplied by a fraction, the numerator of which is the contributor's approved catalytic project contribution and the denominator of which is the sum of all approved catalytic project contributions received by the community development organization to fund the catalytic project;

(4) If the project completion report indicates there are differences between the completed catalytic project and the catalytic project plan that result in a reduction in the predicted economic impact, subtract an amount commensurate with such reduction as determined by the agency.

(C) A contributor that is issued a tax credit certificate under this section may claim one of the nonrefundable tax credits authorized under section 5725.191, 5726.58, 5727.242, 5727.43, 5727.812, 5729.081, 5747.052, or 5751.54 of the Revised Code. A tax credit certificate issued to a contributor under this section may not be transferred by that contributor to any other person.

(D) The director of development services shall develop the form of the tax credit certificate and shall report to the tax commissioner any information requested by the commissioner concerning tax credit certificates issued under this section. A contributor shall present the certificate to the tax commissioner upon the commissioner's request.

(E) Annually, before the seventh day of January, the development services agency shall calculate the residual credit amount for the preceding calendar year. The residual credit amount equals the sum of the following:

(1) All tax credit estimates for which approval is revoked 266
for failure to timely pay the application fee required under 267
division (D)(1) of section 122.156 of the Revised Code; 268

(2) All tax credit estimates for which more than two years 269
has passed since the approval date and no project completion 270
report has been submitted to the development services agency under 271
section 122.157 of the Revised Code; 272

(3) The difference between the amount issued in tax credit 273
certificates under this section and the corresponding tax credit 274
estimates. 275

(F) Annually, before the seventh day of January, the 276
development services agency shall conduct a cost-benefit analysis 277
of each catalytic project to which a catalytic project 278
contribution approved by the agency was made and of the tax credit 279
as a whole considering all catalytic project contribution 280
proposals approved under section 122.156 of the Revised Code. The 281
agency shall provide copies of the cost-benefit analysis to the 282
governor, the speaker and minority leader of the house of 283
representatives, and the president and minority leader of the 284
senate. Copies of the cost-benefit analysis shall be made 285
available to contributors, community development organizations, 286
and other members of the public upon request. 287

Sec. 122.158. If the development services agency receives 288
information alleging that a community development organization or 289
a contributor that was issued a tax credit certificate under 290
section 122.157 of the Revised Code presented or contributed to 291
the presentation of false information to the agency in connection 292
with obtaining the certificate, the agency shall send written 293
notice to the community development organization or the 294
contributor that if the allegation is found to be true the 295
community development organization or the contributor may be 296

penalized as provided in this section. After giving the community 297
development organization or the contributor an opportunity to be 298
heard on the allegation, the agency shall determine if the 299
community development organization or the contributor presented or 300
contributed to the presentation of false information in connection 301
with obtaining a tax credit certificate. 302

If the agency determines a contributor submitted or 303
contributed to the submission of false information, it may revoke 304
any remaining tax credit available to the contributor. The agency 305
shall send written notice of the revocation to the contributor and 306
the tax commissioner. The tax commissioner may make an assessment 307
against the contributor to recapture any amount of tax credit that 308
the contributor already has claimed. The time limitations on 309
assessments under the laws of the particular tax against which the 310
contributor claimed the credit do not apply to an assessment under 311
this section. 312

If the agency determines a community development organization 313
submitted or contributed to the submission of false information, 314
the agency shall not approve any catalytic project contribution 315
proposal submitted by the community development organization 316
following the date of the agency's determination. 317

Sec. 122.159. (A) A nonprofit corporation seeking 318
certification as a community development organization may apply to 319
the development services agency in the form and manner prescribed 320
by the agency. The application shall include a description of the 321
catalytic project being administered or proposed, the local units 322
of government that will benefit from the project, the estimated 323
economic impact of the project on the benefiting local units of 324
government, the estimated date of completion of the project, and 325
any other information required by the agency. 326

(B) The development services agency shall determine whether 327

to certify the nonprofit corporation as a community development organization and notify the corporation of the agency's determination within thirty days after receiving an application under division (A) of this section. If the agency determines that an applicant does not qualify as a community development organization, the notice shall include the reasons for such determination. 328
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(C) Certification under this section remains valid for two years after the date the notice of the determination is issued. A certified community development organization may apply to the development services agency to renew certification for one additional two-year period by submitting a new application under division (A) of this section at least thirty days before the first certification expires. 335
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(D) The development services agency shall maintain a list of the nonprofit corporations that have been certified as community development organizations. The agency shall furnish copies of the list to a member of the public upon request. 342
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(E) The development services agency does not assume any responsibility for the accuracy or truthfulness of information furnished by a community development organization or its agents. A contributor proposing to make a catalytic project contribution to such an organization is solely responsible for due diligence in verifying information submitted by the organization. The agency is not liable for any action resulting from its provision of such information to contributors in accordance with sections 122.155 to 122.159 of the Revised Code. 346
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Sec. 5725.191. Upon the issuance of a tax credit certificate by the development services agency under section 122.157 of the Revised Code, a nonrefundable credit may be claimed against the tax imposed on a domestic insurance company under section 5725.18 355
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of the Revised Code. The credit shall be claimed for the calendar 359
year in which the certificate was issued by the agency and in the 360
order required under section 5725.98 of the Revised Code. 361

If the credit exceeds the tax otherwise due under section 362
5725.18 of the Revised Code, the excess shall be allowed as a 363
credit in each of the ensuing five years, but the amount of any 364
excess credit allowed in an ensuing year shall be deducted from 365
the balance carried forward to the next year. 366

Sec. 5725.98. (A) To provide a uniform procedure for 367
calculating the amount of tax imposed by section 5725.18 of the 368
Revised Code that is due under this chapter, a taxpayer shall 369
claim any credits and offsets against tax liability to which it is 370
entitled in the following order: 371

(1) The credit for an insurance company or insurance company 372
group under section 5729.031 of the Revised Code; 373

(2) The credit for eligible employee training costs under 374
section 5725.31 of the Revised Code; 375

(3) The credit for purchasers of qualified low-income 376
community investments under section 5725.33 of the Revised Code; 377

(4) The nonrefundable job retention credit under division 378
(B)(1) of section 122.171 of the Revised Code; 379

(5) The credit for contributions to catalytic projects under 380
section 5725.191 of the Revised Code; 381

(6) The offset of assessments by the Ohio life and health 382
insurance guaranty association permitted by section 3956.20 of the 383
Revised Code; 384

~~(6)~~(7) The refundable credit for rehabilitating a historic 385
building under section 5725.34 of the Revised Code. 386

~~(7)~~(8) The refundable credit for Ohio job retention under 387

division (B)(2) or (3) of section 122.171 of the Revised Code; 388

~~(8)~~(9) The refundable credit for Ohio job creation under 389
section 5725.32 of the Revised Code; 390

~~(9)~~(10) The refundable credit under section 5725.19 of the 391
Revised Code for losses on loans made under the Ohio venture 392
capital program under sections 150.01 to 150.10 of the Revised 393
Code. 394

(B) For any credit except the refundable credits enumerated 395
in this section, the amount of the credit for a taxable year shall 396
not exceed the tax due after allowing for any other credit that 397
precedes it in the order required under this section. Any excess 398
amount of a particular credit may be carried forward if authorized 399
under the section creating that credit. Nothing in this chapter 400
shall be construed to allow a taxpayer to claim, directly or 401
indirectly, a credit more than once for a taxable year. 402

Sec. 5726.58. Upon the issuance of a tax credit certificate 403
by the development services agency under section 122.157 of the 404
Revised Code, a nonrefundable tax credit may be claimed against 405
the tax imposed by section 5726.02 of the Revised Code. The credit 406
shall be claimed for the taxable year in which the certificate is 407
issued by the agency and in the order required under section 408
5726.98 of the Revised Code. If the credit exceeds the tax 409
otherwise due under section 5726.02 of the Revised Code after 410
deducting all other credits in that order, the excess shall be 411
allowed as a credit in each of the ensuing five tax years, but the 412
amount of any excess credit allowed in an ensuing tax year shall 413
be deducted from the balance carried forward to the next tax year. 414

Sec. 5726.98. (A) To provide a uniform procedure for 415
calculating the amount of tax due under section 5726.02 of the 416
Revised Code, a taxpayer shall claim any credits to which the 417

taxpayer is entitled under this chapter in the following order:	418
(1) The bank organization assessment credit under section 5726.51 of the Revised Code;	419 420
(2) The nonrefundable job retention credit under division (B) of section 5726.50 of the Revised Code;	421 422
(3) The nonrefundable credit for purchases of qualified low-income community investments under section 5726.54 of the Revised Code;	423 424 425
(4) <u>The credit for contributions to catalytic projects under section 5726.58 of the Revised Code;</u>	426 427
<u>(5)</u> The nonrefundable credit for qualified research expenses under section 5726.56 of the Revised Code;	428 429
(5) <u>(6)</u> The nonrefundable credit for qualifying dealer in intangibles taxes under section 5726.57 of the Revised Code ; <u>;</u>	430 431
(6) <u>(7)</u> The refundable credit for rehabilitating an historic building under section 5726.52 of the Revised Code;	432 433
(7) <u>(8)</u> The refundable job retention or job creation credit under division (A) of section 5726.50 of the Revised Code;	434 435
(8) <u>(9)</u> The refundable credit under section 5726.53 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;	436 437 438 439
(9) <u>(10)</u> The refundable motion picture production credit under section 5726.55 of the Revised Code.	440 441
(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized	442 443 444 445 446

under the section creating that credit. Nothing in this chapter 447
shall be construed to allow a taxpayer to claim, directly or 448
indirectly, a credit more than once for a taxable year. 449

Sec. 5727.242. Upon the issuance of a tax credit certificate 450
by the development services agency under section 122.157 of the 451
Revised Code, a nonrefundable tax credit may be claimed against 452
the tax imposed on a taxpayer under section 5727.24 of the Revised 453
Code. The credit shall be claimed on a return due under section 454
5727.25 of the Revised Code after the certificate is issued by the 455
agency. 456

If the credit exceeds the tax otherwise due under section 457
5727.24 of the Revised Code, the excess shall be allowed as a 458
credit against the tax due for each return period in the ensuing 459
five years, but the amount of any excess credit allowed for an 460
ensuing return period shall be deducted from the balance carried 461
forward to the next return period. 462

Sec. 5727.43. Upon the issuance of a tax credit certificate 463
by the development services agency under section 122.157 of the 464
Revised Code, a nonrefundable tax credit may be claimed against 465
the tax imposed by section 5727.30 of the Revised Code. The credit 466
shall be claimed in the calendar year following the year in which 467
the certificate is issued by the agency. 468

If the credit exceeds the tax otherwise due under section 469
5727.30 of the Revised Code, the excess shall be allowed as a 470
credit in each of the ensuing five years, but the amount of any 471
excess credit allowed in an ensuing year shall be deducted from 472
the balance carried forward to the next year. 473

Sec. 5727.812. Upon the issuance of a tax credit certificate 474
by the development services agency under section 122.157 of the 475
Revised Code, a nonrefundable tax credit may be claimed against 476

the tax imposed under section 5727.81 or 5727.811 of the Revised Code. The credit shall be claimed in the calendar year following the year in which the certificate is issued by the agency. 477
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If the credit exceeds the tax otherwise due under section 5727.81 or 5727.811 of the Revised Code, the excess shall be allowed as a credit against the tax due for each monthly or quarterly return period in the ensuing five years, but the amount of any excess credit allowed for an ensuing return period shall be deducted from the balance carried forward to the next return period. 480
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Sec. 5729.081. Upon the issuance of a tax credit certificate by the development services agency under section 122.157 of the Revised Code, a nonrefundable tax credit may be claimed against the tax imposed on a foreign insurance company under section 5729.03 of the Revised Code. The credit shall be claimed against the tax due for the calendar year in which the certificate is issued by the agency. 487
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If the credit exceeds the tax otherwise due under section 5729.03 of the Revised Code, the excess shall be allowed as a credit in each of the ensuing five years, but the amount of any excess credit allowed in an ensuing year shall be deducted from the balance carried forward to the next year. 494
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Sec. 5729.98. (A) To provide a uniform procedure for calculating the amount of tax due under this chapter, a taxpayer shall claim any credits and offsets against tax liability to which it is entitled in the following order: 499
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(1) The credit for an insurance company or insurance company group under section 5729.031 of the Revised Code; 503
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(2) The credit for eligible employee training costs under section 5729.07 of the Revised Code; 505
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(3) The credit for purchases of qualified low-income community investments under section 5729.16 of the Revised Code;	507 508
(4) The nonrefundable job retention credit under division (B)(1) of section 122.171 of the Revised Code;	509 510
(5) <u>The nonrefundable credit for contributions to catalytic projects under section 5729.081 of the Revised Code;</u>	511 512
<u>(6)</u> The offset of assessments by the Ohio life and health insurance guaranty association against tax liability permitted by section 3956.20 of the Revised Code;	513 514 515
(6) <u>(7)</u> The refundable credit for rehabilitating a historic building under section 5729.17 of the Revised Code.	516 517
(7) <u>(8)</u> The refundable credit for Ohio job retention under division (B)(2) or (3) of section 122.171 of the Revised Code;	518 519
(8) <u>(9)</u> The refundable credit for Ohio job creation under section 5729.032 of the Revised Code;	520 521
(9) <u>(10)</u> The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.	522 523 524 525
(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.	526 527 528 529 530 531 532 533
<u>Sec. 5747.052. A nonrefundable tax credit shall be allowed for equity owners of pass-through entities against the tax imposed by section 5747.02 of the Revised Code upon the issuance of a tax</u>	534 535 536

credit certificate by the development services agency under 537
section 122.157 of the Revised Code. The credit shall be claimed 538
for the taxable year in which the certificate was issued by the 539
agency and in the order required under section 5747.98 of the 540
Revised Code. Each equity owner may claim the owner's distributive 541
or proportionate share of the credit allowed under the 542
certificate. If the amount of the credit under this section 543
exceeds the amount of tax otherwise due under section 5747.02 of 544
the Revised Code after deduction of all other credits in that 545
order, the excess shall be allowed as a credit in each of the 546
ensuing five taxable years, but the amount of any excess credit 547
allowed in an ensuing year shall be deducted from the balance 548
carried forward to the next year. 549

Sec. 5747.98. (A) To provide a uniform procedure for 550
calculating the amount of tax due under section 5747.02 of the 551
Revised Code, a taxpayer shall claim any credits to which the 552
taxpayer is entitled in the following order: 553

(1) The retirement income credit under division (B) of 554
section 5747.055 of the Revised Code; 555

(2) The senior citizen credit under division (C) of section 556
5747.05 of the Revised Code; 557

(3) The lump sum distribution credit under division (D) of 558
section 5747.05 of the Revised Code; 559

(4) The dependent care credit under section 5747.054 of the 560
Revised Code; 561

(5) The lump sum retirement income credit under division (C) 562
of section 5747.055 of the Revised Code; 563

(6) The lump sum retirement income credit under division (D) 564
of section 5747.055 of the Revised Code; 565

(7) The lump sum retirement income credit under division (E) 566

of section 5747.055 of the Revised Code;	567
(8) The low-income credit under section 5747.056 of the Revised Code;	568 569
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	570 571
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	572 573
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	574 575
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	576 577
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	578 579
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	580 581
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	582 583
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	584 585
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	586 587
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	588 589
(19) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	590 591
(20) <u>The nonrefundable credit for contributions to catalytic projects under section 5747.052 of the Revised Code;</u>	592 593
(21) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	594 595

(21) <u>(22)</u> The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code;	596 597 598
(22) <u>(23)</u> The job training credit under section 5747.39 of the Revised Code;	599 600
(23) <u>(24)</u> The enterprise zone credit under section 5709.66 of the Revised Code;	601 602
(24) <u>(25)</u> The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	603 604
(25) <u>(26)</u> The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	605 606
(26) <u>(27)</u> The ethanol plant investment credit under section 5747.75 of the Revised Code;	607 608
(27) <u>(28)</u> The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	609 610
(28) <u>(29)</u> The small business investment credit under section 5747.81 of the Revised Code;	611 612
(29) <u>(30)</u> The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	613 614 615
(30) <u>(31)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	616 617
(31) <u>(32)</u> The research and development credit under section 5747.331 of the Revised Code;	618 619
(32) <u>(33)</u> The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	620 621
(33) <u>(34)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	622 623
(34) <u>(35)</u> The refundable jobs creation credit or job retention	624

credit under division (A) of section 5747.058 of the Revised Code; 625

~~(35)~~(36) The refundable credit for taxes paid by a qualifying 626
entity granted under section 5747.059 of the Revised Code; 627

~~(36)~~(37) The refundable credits for taxes paid by a 628
qualifying pass-through entity granted under division (J) of 629
section 5747.08 of the Revised Code; 630

~~(37)~~(38) The refundable credit under section 5747.80 of the 631
Revised Code for losses on loans made to the Ohio venture capital 632
program under sections 150.01 to 150.10 of the Revised Code; 633

~~(38)~~(39) The refundable motion picture production credit 634
under section 5747.66 of the Revised Code. 635

(B) For any credit, except the refundable credits enumerated 636
in this section and the credit granted under division (I) of 637
section 5747.08 of the Revised Code, the amount of the credit for 638
a taxable year shall not exceed the tax due after allowing for any 639
other credit that precedes it in the order required under this 640
section. Any excess amount of a particular credit may be carried 641
forward if authorized under the section creating that credit. 642
Nothing in this chapter shall be construed to allow a taxpayer to 643
claim, directly or indirectly, a credit more than once for a 644
taxable year. 645

Sec. 5751.54. Upon the issuance of a tax credit certificate 646
by the development services agency under section 122.157 of the 647
Revised Code, a nonrefundable tax credit may be claimed against 648
the tax imposed by section 5751.02 of the Revised Code. The credit 649
shall be claimed for the first tax period beginning after the 650
calendar year in which the certificate is issued by the agency and 651
in the order required under section 5751.98 of the Revised Code. 652
If the credit exceeds the tax otherwise due under section 5751.02 653
of the Revised Code for that tax period, the excess shall be 654

allowed as a credit for tax periods in each of the ensuing five 655
calendar years, but the amount of any excess credit allowed in an 656
ensuing tax period shall be deducted from the balance carried 657
forward to the next tax period. 658

Sec. 5751.98. (A) To provide a uniform procedure for 659
calculating the amount of tax due under this chapter, a taxpayer 660
shall claim any credits to which it is entitled in the following 661
order: 662

(1) The nonrefundable jobs retention credit under division 663
(B) of section 5751.50 of the Revised Code; 664

(2) The nonrefundable credit for contributions to catalytic 665
projects under section 5751.54 of the Revised Code; 666

(3) The nonrefundable credit for qualified research expenses 667
under division (B) of section 5751.51 of the Revised Code; 668

~~(3)~~(4) The nonrefundable credit for a borrower's qualified 669
research and development loan payments under division (B) of 670
section 5751.52 of the Revised Code; 671

~~(4)~~(5) The nonrefundable credit for calendar years 2010 to 672
2029 for unused net operating losses under division (B) of section 673
5751.53 of the Revised Code; 674

~~(5)~~(6) The refundable credit for calendar year 2030 for 675
unused net operating losses under division (C) of section 5751.53 676
of the Revised Code; 677

~~(6)~~(7) The refundable jobs creation credit or job retention 678
credit under division (A) of section 5751.50 of the Revised Code. 679

(B) For any credit except the refundable credits enumerated 680
in this section, the amount of the credit for a tax period shall 681
not exceed the tax due after allowing for any other credit that 682
precedes it in the order required under this section. Any excess 683
amount of a particular credit may be carried forward if authorized 684

under the section creating the credit. 685

Section 2. That existing sections 5725.98, 5726.98, 5729.98, 686
5747.98, and 5751.98 of the Revised Code are hereby repealed. 687