



Joseph D. Heller

Bill Analysis
Legislative Service Commission

H.B. 516

127th General Assembly
(As Introduced)

Reps. Reinhard, Collier, Combs, Hughes, J. McGregor, J. Otterman, Webster

BILL SUMMARY

- Exempts from the Ohio individual income tax interest from deposits in certain bank accounts.
 - Caps the amount of the exemption at \$1,000 for a joint return and \$500 for a separate return.
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CONTENT AND OPERATION

Deduction for deposits in certain bank accounts

(R.C. 5747.01(A)(27))

The bill permits individuals to deduct interest from deposits in certain bank accounts in computing their Ohio income tax liability. To be deductible, the interest must be derived from a person's savings, checking, certificate of deposit, or money market account.

The bill limits the amount of interest that may be deducted for any taxable year. The maximum amount of interest that may be deducted for any taxable year depends upon the type of return filed. In the case of a separate return, the total amount of interest that may be deducted is \$500. The total amount deductible in the case of a joint return is \$1,000.

Application date

(Section 3)

The deduction allowed under the bill applies to taxable years beginning in 2008 or thereafter.

HISTORY

ACTION

DATE

Introduced

03-31-08

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