

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Personal Income Tax**

**TAXCD6 Industrial Technology and Enterprise Advisory Council Terminated; Technology Investment Tax Credits Eliminated**

<p>R.C. 121.22, 122.30, 122.28, 122.31 - 122.36, 5733.01, 5733.06, 5733.98, 5747.98, Sections 803.10, 815.10, Repealed: R.C. 122.15, 122.151 - 122.154, 122.29, 5707.05, 5727.41, 5733.35, 5747.33</p>	<p>R.C. 121.22, 122.30, 122.28, 122.31 - 122.36, 5733.01, 5733.06, 5733.98, 5747.98, Sections 803.10, 815.10, Repealed: R.C. 122.15, 122.151 - 122.154, 122.29, 5707.05, 5727.41, 5733.35, 5747.33</p>	<p>R.C. 121.22, 122.30, 122.28, 122.31 - 122.36, 5733.01, 5733.06, 5733.98, 5747.98, Sections 803.10, 815.10, Repealed: R.C. 122.15, 122.151 - 122.154, 122.29, 5707.05, 5727.41, 5733.35, 5747.33</p>	<p>R.C. 121.22, 122.30, 122.28, 122.31 - 122.36, 5733.01, 5733.06, 5733.98, 5747.98, Sections 803.10, 815.10, Repealed: R.C. 122.15, 122.151 - 122.154, 122.29, 5707.05, 5727.41, 5733.35, 5747.33</p>
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(1) Terminates the Industrial Technology and Enterprise Advisory Council, which was created to assist the Director of Development Services in reviewing applications for, and making recommendations regarding, technology investment tax credits and other technology and enterprise development assistance programs.

(1) Same as the Executive.

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(1) Same as the Executive.

(2) Eliminates the Technology Investment Tax Credit program, which was established to benefit Ohio taxpayers who invest in certain research and development or technology-oriented businesses. Permits an investor who is issued a tax credit certificate prior to the repeal of the Technology Investment Tax Credit program to claim that credit.

(2) Same as the Executive.

(2) Same as the Executive.

(2) Same as the Executive.

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<p><b>Fiscal effect: Minimal reduction in DSA administrative expenditures for SSR Fund 4S00 appropriation item 195630, Tax Incentive Programs. According to estimates from the Executive Budget, eliminating the Technology Investment tax credit (“Edison Center” tax credit) is presumed to have no revenue impact due to the expected full utilization of the program’s authorized tax credits as of November 2012; all previously authorized credits will be honored.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>

TAXCD53 Online Registration for Electronic Income Tax Filing

	R.C. 5703.059		
<p>No provision.</p>	<p>Requires the Department of Taxation, beginning July 1, 2014, to publish a method of online registration for electronic income tax filing that is accessible to all individuals, trusts, and pass-through entities required to file income tax returns.</p>	<p>No provision.</p>	<p>No provision.</p>

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**Fiscal effect: This provision may result in an increase in Department of Taxation costs to verify identities of filers. Currently, the Department requires first time taxpayers to fax a copy of the taxpayer's social security card or IRS ITIN assignment letter and at least one additional piece of identification that includes the taxpayer's date of birth in order to file electronically over the Internet.**

**TAXCD8 \$1 Minimum for Tax Payments and Refunds; Interest on Income Tax Refunds**

R.C. 5703.75, 5747.08, 5747.10, 5747.11

(1) Excuses the Tax Commissioner from issuing any tax refund if the amount of the refund is \$1 or less, and excuses taxpayers from paying a tax if the total amount due with the taxpayer's return is \$1 or less (current law has a comparable \$1 minimum provision that applies only to the personal income tax and the taxes subject to pass-through entity withholding).

(1) Same as the Executive.

(1) Same as the Executive.

(1) Same as the Executive.

(2) Removes a current law provision that specifies that, when an income taxpayer is allowed interest on a refund of amounts overpaid as the result of an illegal or erroneous Department of Taxation assessment, the interest accumulates from the date the taxpayer paid the illegal or erroneous assessment until the date the

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<p>refund is paid.</p> <p>(3) Removes a provision of current law that provides that, when an income taxpayer is allowed interest on a refund of amounts overpaid on a tax return (and not as the result of an illegal or erroneous assessment), the interest accumulates during the period beginning 90 days after the return was filed and ending the date the refund is paid. (Another provision of the same law, retained under this provision, provides that the interest on a refund of any income tax overpayment accumulates from the date of overpayment until the date the refund is paid, unless the refund is paid within 90 days after the last date for filing a tax return, in which case no interest is allowed.)</p>	<p>(3) Same as the Executive.</p>	<p>(3) Same as the Executive.</p>	<p>(3) Same as the Executive.</p>
<p><b>Fiscal effect: Minimal revenue gain for the GRF.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>

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TAXCD29 Definition of Related Entity in Tax Code

R.C. 5733.04

Simplifies the definition of "related entity" and clarifies that a pass-through entity may qualify as a related entity under the tax code. ("Related entity" is used in various contexts in the tax code to refer to one of multiple entities that are related by ownership either directly or indirectly through other entities. For example, the term is used to preclude a business from counting payments to a related company toward the business's minimum capital investment to qualify for the job retention tax credit, and to permit taxpayers receiving a research and development loan payment credit to assign the credit to related companies.)

No provision.

No provision.

No provision.

**Fiscal effect: This change does not appear to have a fiscal effect.**

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TAXCD34 Ohio Small Business Investor Income Tax Deduction

R.C. 5747.01, 5747.21, 5747.22,  
5748.01, Section 803.80,  
Repealed: R.C. 5747.211

Permits individuals who have income from a trade or business to deduct one-half of the net business income apportioned to Ohio in computing Ohio taxable income for state (but not school district) income tax purposes. Sets a maximum deduction for a married couple filing separate returns at \$187,500 for each spouse. Sets a maximum deduction for single filers or joint filers at \$375,000. Does not permit pass-through entities, trusts, or estates to claim the deduction.

**Fiscal effect: Reduces GRF tax revenue by an estimated \$682 million in FY 2014 and \$721 million in FY 2015. Reduces distributions to the Local Government Fund (LGF) by an estimated \$12 million and \$13 million, respectively, in these years. Reduces distributions to the Public Library Fund (PLF) by about the same amounts in each of these years. Additional reductions of GRF, LGF, and PLF revenue may occur during the biennium depending upon the timing of when taxpayers' lower their tax remittances in response to their reduced tax liability.**

No provision.

R.C. 5747.01, 5747.21, 5747.22,  
5748.01, Section 803.80,  
Repealed: R.C. 5747.211

Same as the Executive.

**Fiscal effect: Same as the Executive.**

R.C. 5747.01, 5747.21, 5747.22,  
5748.01, Section 803.80,  
Repealed: R.C. 5747.211

Same as the Executive, but sets a maximum deduction for a married couple filing separate returns at \$62,500 for each spouse. Sets a maximum deduction for single filers or joint filers at \$125,000.

**Fiscal effect: Reduces GRF tax revenue by an estimated \$514 million in FY 2014 and \$543 million in FY 2015. Reduces distributions to the Local Government Fund (LGF) by an estimated \$9 million in each of these years. Reduces distributions to the Public Library Fund (PLF) by about the same amounts in the biennium. Additional reductions of GRF, LGF, and PLF revenue may occur during the biennium depending upon the timing of when taxpayers' lower their tax remittances in response to their reduced tax liability.**

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TAXCD36 Repeal of Income Tax Deduction for Wagering Losses

R.C. 5747.01, Section 803.80

Repeals the Ohio income tax deduction for any loss from wagering transactions that is allowed as an itemized deduction for federal income tax purposes (i.e., losses deducted only to the extent of the gains from such transactions) and that the taxpayer deducted in computing federal taxable income.

**Fiscal effect: Estimates in the Tax Expenditure Report show elimination of the income tax deduction for wagering losses would increase personal income tax revenue to the GRF by \$29.0 million per year.**

No provision.

No provision.

R.C. 5747.01, Section 803.80

Same as the Executive

**Fiscal effect: Same as the Executive**

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TAXCD58 NOAA and PHS Commissioned Corps Retirement Pay Deduction

<p>No provision.</p>	<p><b>R.C. 5747.01, Section 803.80</b>                  Authorizes an income tax deduction for retirement pay related to service in the Commissioned Corps of the National Oceanic and Atmospheric Administration (NOAA) and the Commissioned Corps of the Public Health Service (PHS). (Continuing law allows a deduction for retirement pay for service in the United States Army, Navy, Air Force, Coast Guard, or Marine Corps or the National Guard, including any reserve components)  <b>Fiscal effect: GRF revenue loss of \$235,000 from the personal income tax each year that NOAA and PHS retirement benefits are exempted.</b></p>	<p><b>R.C. 5747.01, Section 803.80</b>                  Same as the House.  <b>Fiscal effect: Same as the House.</b></p>	<p><b>R.C. 5747.01, Section 803.80</b>                  Same as the House, but makes the deduction effective beginning in tax year 2014 instead of tax year 2013.  <b>Fiscal effect: Same as the House, but no GRF cost in FY 2014.</b></p>
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TAXCD33 Income Tax Rate Reduction

<p><b>R.C. 5747.02, Section 803.80</b>                  Reduces the income tax rates for all individuals, estates, and trusts and across all income brackets by 7.5% in 2013, 15% in 2014, and 20% in 2015 and thereafter.</p>	<p><b>R.C. 5747.02, Section 803.80</b>                  Replaces the reduction in income tax rates proposed by the Executive with a reduction of 7% in the rates in all brackets in tax year 2013 and thereafter.</p>	<p>No provision.</p>	<p><b>R.C. 5747.02, Section 803.80</b>                  Replaces reductions in income tax rates in the Executive and the House versions with reductions by 8.5% in 2013, 9% in 2014, and 10% in 2015.</p>
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Fiscal effect: Estimates in OBM's Bluebook show these rate cuts reducing personal income tax revenue by \$1.04 billion in FY 2014, \$2.08 billion in FY 2015, and \$2.15 billion in FY 2016. These figures are on an all-funds basis, and imply GRF revenue losses of approximately \$1.00 billion, \$2.01 billion, and \$2.08 billion, respectively, in those years.

Fiscal effect: Compared to current law, the 7% rate reduction would reduce GRF tax revenue by an estimated \$691 million in FY 2014 and \$727 million in FY 2015. It would reduce distributions to the Local Government Fund (LGF) by an estimated \$12 million and \$13 million, respectively, in these years; distributions to the Public Library Fund (PLF) would also be reduced by about the same amounts in each of these years. Additional reductions of GRF, LGF, and PLF revenue may occur during FY 2014, due to refunds of withholding amounts that were higher than necessary between January and June of 2013.

Fiscal effect: Reduces GRF revenue by an estimated \$843 million in FY 2014 and \$935 million in FY 2015. Reduces revenue to each of the LGF and PLF by an estimated \$15 million in FY 2014 and \$16 million in FY 2015. Additional reductions may occur due to refunds of withholding in excess of amounts needed for the reduced tax liabilities.

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**TAXCD39 Timing of Annual Income Tax Inflation Adjustments**

R.C. *5747.02, 5747.025, Section 803.80*

Reconciles a timing issue related to the annual inflation indexing adjustment of income tax brackets and personal exemption amounts by requiring that the Tax Commissioner adjust both items, and calculate the factor used to make the adjustments, in August. Current law requires the Commissioner to adjust the tax brackets each July, but does not require the Commissioner to compute the adjustment factor (the percentage by which the federal gross domestic product deflator increased during a calendar year), or to adjust personal exemption amounts, until September.

**Fiscal effect: None.**

R.C. *5747.02, 5747.025, Section 803.80*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

R.C. *5747.02, 5747.025, Section 803.80*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

R.C. *5747.02, 5747.025, Section 803.80*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**TAXCD96 Suspend Income Bracket and Exemption Inflation Indexing**

No provision.

No provision.

No provision.

R.C. *5747.02, 5747.025; Section 803.80*

Suspends inflation-indexing adjustments to the income tax brackets and the amount of the personal and dependent exemptions for taxable years beginning in 2013, 2014, or 2015.

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<p>TAXCD93 \$20 Personal Exemption Credit Income Limit</p>			<p><b>Fiscal effect: Increases income tax revenue, on an all-funds basis, by an estimated \$66 million in FY 2014 and \$126 million in FY 2015. Increases GRF income tax revenue by an estimated \$64 million in FY 2014 and \$122 million in FY 2015. Increases revenue to each of the LGF and PLF by an estimated \$1 million in FY 2014 and \$2 million in FY 2015.</b></p>
<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>R.C. <i>5747.022, 5747.08, 5747.98, Section 803.80</i></p> <p>Restricts current law's income tax credit that allows a taxpayer to claim a \$20 credit for each personal exemption the taxpayer claims to taxpayers with Ohio Taxable Income of less than \$30,000, as reported on an individual or joint return.</p> <p><b>Fiscal effect: Increases personal income tax revenues by \$111.2 million per year. Of this amount, the GRF share is \$107.5 million and the LGF and PLF will each receive \$1.8 million per year.</b></p>

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<b>TAXCD35 Elimination of Personal Exemption "Double-Dipping"</b>			
<p>R.C. <i>5747.025, 5747.022, Section 803.80</i></p> <p>Prohibits an individual taxpayer from claiming a personal exemption or a personal exemption credit on his or her income tax for any taxable year in which another taxpayer may claim the individual as a dependent.</p> <p><b>Fiscal effect: Estimates in OBM's Bluebook and in the Tax Expenditure Report imply that elimination of duplicate personal exemption claims would increase personal income tax revenue to the GRF by \$3.7 million per year.</b></p>	<p>R.C. <i>5747.025, 5747.022, Section 803.80</i></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>	<p>R.C. <i>5747.025, 5747.022, Section 803.80</i></p> <p>Same as the Executive, except delays the prohibition by one year, from 2013 to 2014.</p> <p><b>Fiscal effect: Delaying the prohibition by one year eliminates the FY 2014 GRF revenue increase (of \$3.7 million) from the Executive Proposal, but retains the FY 2015 GRF revenue increase.</b></p>	<p>R.C. <i>5747.025, 5747.022, Section 803.80</i></p> <p>Same as the Senate.</p> <p><b>Fiscal effect: Same as the Senate.</b></p>
<b>TAXCD38 Income Tax Apportionment Clarification</b>			
<p>R.C. <i>5747.05, Section 803.80</i></p> <p>Clarifies that nonresident taxpayers receive an income tax credit equal to the amount of tax otherwise due on the portion of adjusted gross income not allocable or apportionable to Ohio. (Current law uses the term "allocable," but not "apportionable." The income apportionment provisions in R.C. 5747.20 to 5747.23 use both terms.)</p> <p><b>Fiscal effect: None.</b></p>	<p>No provision.</p>	<p>No provision.</p>	<p>R.C. <i>5747.05, Section 803.80</i></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>

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**TAXCD37 Composite Income Tax Returns of Pass-Through Entities**

**R.C. 5747.08, Section 803.80**

Specifies that any investor in a pass-through entity on whose behalf the entity files a composite return and pays tax may file an individual return and claim the refundable credit for taxes the entity paid on the investor's behalf — including nonresident investors with no other Ohio-source income who currently are not required or permitted to file an individual return if the entity files a composite return. (Currently, investors who are Ohio residents or who are nonresidents with other Ohio-source income, and on whose behalf the pass-through entity files a composite return (IT 4708), may file an individual return and claim the credit, but nonresident investors with no other Ohio-source income may not).

**R.C. 5747.08, Section 803.80**

Same as the Executive.

**R.C. 5747.08, Section 803.80**

Same as the Executive.

**R.C. 5747.08, Section 803.80**

Same as the Executive.

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Fiscal effect: Revenue loss of undetermined magnitude. When a composite return is filed, all the income of investors included in the return is taxed at the highest marginal tax rate (5.925%) and the investors are not allowed the personal and dependent exemptions or the \$20 exemption credit; the only credits available to them are business-related credits (which do not include the nonresident credit). Also, net operating loss carryforwards are not reflected in the composite return as they are on an individual investor's return. By filing an individual return, an investor is able to claim the personal and dependent exemptions (or \$20 credit), claim any nonbusiness credits otherwise available to the investor, reflect net operating loss carryforwards in Ohio taxable income, and pay tax on the basis of a lower net effective tax rate because not all the investor's taxable income is taxed at the highest rate as it is in the composite return. When the individual return is filed, the investor also may claim a refundable credit for the investor's share of the tax the entity paid with the composite return which yields a refund to the extent the investor's share of the composite tax exceeds the investor's tax computed on an individualized basis.

Fiscal effect: Same as the Executive.

Fiscal effect: Same as the Executive.

Fiscal effect: Same as the Executive.

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<b>TAXCD3 Requests for Alternative Apportionment of Income</b>			
<p><b>R.C. 5747.21</b></p> <p>(1) Requires nonresident taxpayers and pass-through entities petitioning the Tax Commissioner for alternative apportionment of Ohio-sourced income to submit the request with a timely filed return or timely filed amended return, which contrasts with current law that does not expressly mandate that the return or amended return be timely filed.</p> <p>(2) Clarifies that taxpayers and pass-through entities may request another method to effectuate an equitable allocation and apportionment of business in the state, which contrasts with current law that references only equitable allocation.</p>	<p><b>R.C. 5747.21</b></p> <p>(1) Same as the Executive.</p> <p>(2) Same as the Executive.</p>	<p><b>R.C. 5747.21</b></p> <p>(1) Same as the Executive.</p> <p>(2) Same as the Executive.</p>	<p><b>R.C. 5747.21</b></p> <p>(1) Same as the Executive.</p> <p>(2) Same as the Executive.</p>
<b>Fiscal effect: None.</b>	<b>Fiscal effect: Same as the Executive.</b>	<b>Fiscal effect: Same as the Executive.</b>	<b>Fiscal effect: Same as the Executive.</b>

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TAXCD92 State Earned Income Tax Credit

No provision.

No provision.

No provision.

R.C. **5747.71, 5747.08, 5747.98, Section 803.80**

Authorizes a nonrefundable state earned income tax credit for low-income taxpayers who qualify for the federal earned income tax credit (EITC). Sets the amount of the state credit equal to 5% of the federal EITC allowed on a federal return filed for 2013 or thereafter. Specifies that, if the Ohio adjusted gross income of the taxpayer or, if filing jointly, the taxpayer and the taxpayer's spouse, exceeds \$20,000, the credit may not exceed 50% of the tax liability after deducting all other income tax credits except for the joint filing credit.

**Fiscal effect: Reduces state revenues up to \$47.4 million per year. Of this amount, the GRF share is \$45.9 million and the LGF and PLF will each forgo up to \$0.8 million per year.**

TAXCD27 Change in Name of Fund

R.C. **5747.113**

Changes the name of the Litter Control and Natural Resource Tax Administration Fund (Fund 4370) to the Income Tax Contribution Fund.

R.C. **5747.113**

Same as the Executive.

R.C. **5747.113**

Same as the Executive.

R.C. **5747.113**

Same as the Executive.

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Fiscal effect: None. Fund 4370 is credited with a portion of the money received by four existing income tax contribution funds to pay the Department of Taxation's costs for administering the income tax contribution system. Under the refund "check-off" system, a taxpayer may contribute a portion of the taxpayer's refund for up to four designated purposes.

Fiscal effect: Same as the Executive.

Fiscal effect: Same as the Executive.

Fiscal effect: Same as the Executive.

Sales and Use Taxes

TAXCD76 Sales and Use Tax Exemption for Data Center Equipment

No provision.

No provision.

R.C. 122.175

Allows the Tax Credit Authority to enter into a single agreement authorizing a sales and use tax exemption for purchases of computer data center equipment by multiple businesses operating at a single data center, and allows a business to join an existing exemption agreement between the Authority and another business.

R.C. 122.175

Same as the Senate.

No provision.

No provision.

Allows a business to be considered a "computer data center business" eligible for a sales and use tax exemption on purchases of data center equipment if that business leases a facility to any person that qualifies as a "computer data center business" under current law.

Same as the Senate.

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No provision.	No provision.	<p>Provides that, in order to qualify for the exemption, a taxpayer or group of taxpayers need only maintain an annual payroll at the computer data center of \$1.5 million, instead of the \$5 million required in current law. Also allows the taxpayer or group of taxpayers up to two years after the exemption agreement is entered into to meet the annual payroll requirement.</p> <p><b>Fiscal effect: Potential decrease in sales and use tax revenues to the GRF, the Local Government Fund and the Public Library Fund. This provision also potentially reduces revenue from local permissive and transit authority sales and use taxes.</b></p>	<p>Same as the Senate.</p> <p><b>Fiscal effect: Same as the Senate.</b></p>

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TAXCD80 Impact Facility Agreements Under County Sales and Use Taxes

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No provision.	No provision.	R.C. 333.01, 333.02, 333.03, 333.04, and 333.05 Extends, from June 1, 2007, to June 1, 2015, the date by which a county and business may enter into an agreement under which the business agrees to construct an "impact facility" in the county and the county agrees to remit to the business up to 75% of the revenue from certain county sales taxes collected on retail sales made at the facility. (Under continuing law, an "impact facility" is a facility that meets specified criteria, including that at least 150 new jobs will be maintained at the facility).	R.C. 333.01, 333.02, 333.03, 333.04, and 333.05 Same as the Senate.
No provision.	No provision.	Lowers the investment requirement from a minimum of \$50 million to qualify as an impact facility under current law to \$30 million, and decreases the area within which at least 50% of the facility's expected customers must live from within 100 miles to within 50 miles.	Same as the Senate.
No provision.	No provision.	Modifies the existing relocation prohibition to prohibit any relocation of full-time equivalent positions or any tangible personal property to the impact facility from another Ohio location, and terminates the remittances to the business if the prohibition is violated regardless of whether the board of county commissioners consents to the relocation.	Same as the Senate.

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(Current law prohibits relocation of more than 10 full-time equivalent positions or more than \$2 million in "taxable assets" unless the board of county commissioners consents).

**Fiscal effect: Potential reduction in local permissive county and transit authority sales and use taxes.**

**Fiscal effect: Same as the Senate.**

**TAXCD19 \*\*PARTIALLY VETOED\*\* Sales and Use Tax Changes**

R.C. 5739.01, 5739.02, 5939.011, 122.175, 351.12, 3951.01, 4719.01, 5727.01, 5741.01, and 5741.02, Section 803.70

R.C. 5739.01, 5739.02, 122.175, and 5741.02, Section 803.70, Section 803.190

Lowers the rate of the state sales and use tax from 5.5% to 5% beginning September 1, 2013.

No provision.

No provision.

Replaces the Executive provision with a provision that increases the state sales and use tax rate from 5.5% to 5.75% beginning September 1, 2013.

Subjects the sale or use of services to state and county sales and use taxation beginning September 1, 2013, unless the sale or use is expressly exempt under the bill or continuing law. (Current law generally exempts the sale or use of services, although the sale or use of certain, enumerated services e.g., repair or installation services, laundry and dry cleaning services, private investigation and security services, etc. is taxed).

No provision.

No provision.

No provision.

Exempts the following services from sales and use taxation: (1) medical and health care services, (2) educational and tutoring

No provision.

No provision.

No provision.

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<p>services, (3) real property construction services, (4) residential leases and rentals, (5) adult and child day-care services, (6) social assistance services, (7) residential trash pick-up and disposal, (8) services used directly in the production of tangible personal property by mining, (9) the purchase of insurance by a consumer, (10) services rendered by an employer's employees within the employment relationship, and (11) funeral services, except for retail sales taxable under 5739.02 and 5741.02 (Continuing law exempts sales of services to the state, a political subdivision, or a non-profit organization).</p>			
<p>Repeals the exemption for the sale or use of magazine subscriptions beginning September 1, 2013.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>Same as the Executive, except the sales tax is imposed starting on January 1, 2014.</p>
<p>Subjects specifically the sale or use of intangible property, electronically transferred digital audio or audiovisual works, and electronically transferred digital books to sales and use taxation beginning September 1, 2013.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>Same as the Executive, except the sales tax on digital goods starts January 1, 2014 and this provision specifically exempts from the sales tax on digital goods sales or purchases by a cable service provider, video service provider, or radio or television broadcast station regulated by the federal government: cable service or programming; video service or programming; audio service or programming; or electronically transferred digital audiovisual or audio work. (Some of these services are not taxed under current law, either through an exemption or through not being among the enumerated services that are taxable.)</p>

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No provision.	No provision.	No provision.	[***VETOED: Exempts from sales and use taxation sales of investment metal bullion and investment coins***].

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As Passed by the House

As Passed by the Senate

As Enacted

Fiscal effect: The executive estimates the expansion of the sales and use tax base to include a broad category of services and the repeal of the exemption for magazine subscriptions (at the new 5.0% state tax rate) would yield additional net GRF revenue of \$1,278.2 million in FY 2014 and \$1,738.4 million in FY 2015. More specifically, the sales tax base expansion, including digital goods and services, would increase GRF revenue by \$1,871.3 million and \$2,577.4 million in FY 2014 and FY 2015, respectively. The revenue gain from the taxation of digital products would be \$14.5 million each year of the biennium. The repeal of the sales tax exemption for magazine subscriptions would produce additional GRF receipts of \$7.2 million per fiscal year; and the reduction of the state sales tax rate to 5.0%, down from 5.5%, would reduce GRF revenue by \$600.3 million in FY 2014, and \$846.2 million in FY 2015.

Fiscal effect: Revenue gain of \$289.8 million in FY 2014 and \$410.6 million in FY 2015 from the state sales tax rate increase. Revenue from the sales tax is distributed to the GRF, the LGF, and the PLF. The GRF would receive \$280.2 million in FY 2014 and \$397.0 million in FY 2015. The remainder, \$9.6 million in FY 2014 and \$13.6 million in FY 2015, would be distributed to two local funds. The state sales tax rate increase may decrease revenue from local permissive and transit authority sales and use taxes by up to \$3.8 million and \$5.4 million, respectively in FY 2014 and FY 2015. Revenue increase from the repeal of the existing exemption for magazine subscription of up to \$11 million per fiscal year and up to \$15 million per fiscal year from the expansion of the tax base to digital goods, according to the Executive. This provision would result in combined GRF increases of up to \$25.1 million each fiscal year, LGF/PLF increased distributions of up to \$0.9 million per year, and increases in local permissive and transit authority sales and use taxes of up to \$6.2 million per fiscal year. The new sales and use tax exemption for sales of investment metal and bullion may reduce sales and use tax revenue loss by up to \$8 million per fiscal year. The revenue loss would be

Executive

As Passed by the House

As Passed by the Senate

As Enacted

mostly borne by the GRF (up to \$7.7 million) and the LGF and the PLF (\$0.3 million). Revenue from local permissive and transit authority sales tax would decrease by up to \$1.9 million per year.

TAXCD60 Sales and Use Tax and Lodging Tax on Hotel Intermediaries

R.C. 5739.01, 5739.081, 5739.09, 5739.12, 5741.01, and 5741.12

No provision.

Specifies that a hotel intermediary—i.e., a person that offers discounts to transient guests on lodging in hotels over a web site or through other means—is presumed to have "substantial nexus" with Ohio if the intermediary furnishes lodgings to hotels located in Ohio.

No provision.

No provision.

No provision.

Requires counties, townships, or municipal corporations, before amending or enacting any lodging tax ordinances or resolutions, to impose the tax on the fees paid by a transient guest to a hotel intermediary for the intermediary's services.

No provision.

No provision.

No provision.

Requires that, if a hotel intermediary does not collect and remit the full amount of sales and use tax to the state or lodging tax to the local government, the hotel is to attempt to collect the balance from the guest.

No provision.

No provision.

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As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Potential increase in lodging tax revenues levied by political subdivisions. No change in GRF revenue, because the services in question are not part of the sales and use tax base in the House Reported version of the bill.**

**TAXCD74 \*\*VETOED\*\* Sales and Use Tax Exemption for Aerospace Vehicle Research and Development**

No provision.

No provision.

R.C. 5739.02, 803.190

[\*\*VETOED: Authorizes a sales and use tax exemption for goods and services used in aerospace vehicle research and development activities. Defines "aerospace vehicles" as any manned or unmanned aviation devices, including airplanes, helicopters, missiles, rockets, and space vehicles\*\*].

**Fiscal effect: GRF revenue loss of undetermined magnitude from reduced sales and use tax receipts, but potentially sizable. The reduction in sales and use tax receipts would also reduce distributions to the Local Government Fund and the Public Library Fund. This provision also reduces tax revenues from permissive and transit authority sales and use taxes (these local sales and use taxes have the same base as the state sales and use tax).**

R.C. 5739.02, 803.190

Same as the Senate.

**Fiscal effect: Same as the Senate.**

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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TAXCD75 Sales and Use Tax Exemption for Sales to Certain Non-Profit Corporations

No provision.	No provision.	<p>R.C. 5739.02, Section 803.230</p> <p>Exempts from the sales and use tax sales of tangible personal property or services to a non-profit corporation that satisfies all of the following criteria: (1) It leases a recreational facility used by a professional athletic team or minor league affiliate from an "eligible county" (only Lucas County satisfies the eligibility criteria); (2) The lease requires certain net revenue from the business or activity conducted at the facility to be paid to the county; (3) Upon dissolution of the corporation, all its net assets are distributable to the county's board of commissioners.</p>	<p>R.C. 5739.02, Section 803.230</p> <p>Same as the Senate.</p>
No provision.	No provision.	<p>Applies the exemption to sales that occurred before the effective date of this provision and to sales that occur on or after that effective date. The amendment does not expressly state whether a refund must be issued for prior sales or how that refund would be administered.</p>	<p>Same as the Senate.</p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Potential GRF revenue loss from reduced sales and use tax receipts. This provision does not expressly state whether a refund must be issued for prior sales or how that refund would be administered. The reduction in sales and use tax receipts would also reduce distributions to the Local Government Fund and the Public Library Fund. This provision also reduces tax revenues from permissive and transit authority sales and use taxes in Lucas County.**

**Fiscal effect: Same as the Senate.**

**TAXCD21 County and Transit Authority Sales and Use Tax Changes**

R.C. *5739.021, 5739.023, 5739.026, 5739.0211, 5739.21, 5739.211, 333.01, 5741.02, 5741.021, 5741.022, 5741.023, 5741.05, and Section 812.10*

Suspends authority for counties and transit authorities to increase their sales and use tax rates from July 2013 through June 2016.

No provision.

No provision.

No provision.

Reduces existing sales and use tax rates for each county and transit authority beginning September 1, 2013, which coincides with the date the sales and use tax base is expanded to include most services, through at least June 2016. Specifies rate reductions in ORC 5739.0211.

No provision.

No provision.

No provision.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p>Prescribes increases in sales and use tax distributions to each county and transit authority of at least 10% from December 2013 through November 2014 and of at least 15.5% from December 2014 through June 2015; if the actual increase in local collections (as affected by the reduced rates) exceeds the prescribed increase, the county or transit authority receives the actual collection increase.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>
<p>States that if a county or transit authority experienced annual growth in its actual collections greater than 10% in the three years before the rate is reduced (i.e., taxes levied between October 2010 to September 2013, which are distributed between December 2010 and November 2013), distributions from December 2013 through November 2014 are increased by that percentage instead of 10%.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>
<p>Requires that if annual growth in actual collections in those three years, plus 5.5%, exceeds 15.5%, distributions from December 2014 through June 2015 are increased by the sum of 5.5% plus the growth in actual collections instead of 15.5%.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>
<p>Specifies that computation of the base revenue to which the growth percentages are applied is to disregard revenue increases resulting from a county or transit authority that increases its tax rate on July 1, 2013.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p>Requires that beginning July 2016, when local authority to increase local sales and use tax resumes, the maximum authorized county and transit tax rate (each currently 1.5%) will be reduced by the percentage by which the county experiencing the least reduction was reduced after the adjustments and recalibrations between September 2013 and June 2016.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>
<p>Reduces the minimum tax rate increment from the current 0.25% to 0.05%. (Current law requires voter approval for transit authority levies. County levies require voter approval unless the levy is for the general fund or for "criminal and administrative justice services" (courts, prosecutor, sheriff, coroner, detention facilities). Counties may levy the tax for nine other specific purposes, alone or in combination with each other or the general fund, with prior voter approval.)</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>
<p>Recalibrates the rates in April 2015 and April 2016 to reflect the impact of base expansion on actual county and transit authority tax collections after incorporating prescribed revenue increase percentage.</p>	<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: The bill offsets some of the revenue increase that would otherwise ensue from the sales tax base expansion. However, revenue to counties and transit authorities is likely to grow due to the prescribed revenue growth ("guarantee") in the bill of at least 10% from December 2013 to November 2014, and 15.5% from December 2014 through June 2016. Based on CY 2012 distributions, a 10% growth guarantee may result in additional revenue of \$193 million to counties and transit authorities. A 15.5% growth may result in additional revenue of \$299 million.**

**TAXCD61 \*\*VETOED\*\* Out-of-State Seller Liability for Use Tax - Click-Thru Nexus**

	R.C. 5741.01, 5741.17	R.C. 5741.01, 5741.17	R.C. 5741.01, 5741.17
No provision.	***VETOED: Prescribes new criteria for determining whether sellers are presumed to have "substantial nexus" with Ohio and therefore required to register with the Tax Commissioner and collect and remit use tax***].	Same as the House.	Same as the House.
No provision.	***VETOED: (1) Requires sellers using a place of business in Ohio operated by the seller or another person, other than a common carrier, to collect and remit use tax. (Current law includes such a seller if the place of business is operated by the seller, a franchisee, a member of an affiliated group,	Same as the House.	Same as the House.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	or an employee or agent of the seller.)***] [***VETOED: 2) Requires collection and remittance of use tax from sellers that (a) regularly use employees or other agents and persons to conduct the seller's business; (b) use other persons using similar trademarks or trade names as the seller; or (c) use other persons that sell a similar line of products under a business with the same industry classification of the seller (Current law includes only a seller that regularly employs or engages individuals in Ohio to conduct the seller's business.)***]	Same as the House.	Same as the House.
No provision.	[***VETOED: (3) Presumed to include a seller that uses any person, other than a common carrier, to receive or process orders, advertise, promote, or facilitate customer sales, perform customer maintenance, delivery, and installation services, or facilitate delivery by allowing Ohio customers to pick up property sold by the seller. (Current law includes a seller who uses a person in Ohio to receive or process the seller's orders.)***]	Same as the House.	Same as the House.
No provision.	[***VETOED: (4) Presumed to include a seller that enters into an agreement with Ohio residents to refer potential customers to the seller for consideration if gross sales by the seller in Ohio exceeded \$10,000 during the preceding 12 months***].	Same as the House.	Same as the House.
No provision.	(5) Excludes members of an affiliated group if at least one member of the group has substantial nexus with Ohio. (Current law	[***VETOED: Replaces the House version a presumption that a person with an affiliate with substantial nexus to Ohio is included	Same as the Senate.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	includes such members.) [***VETOED: (6) Excludes a seller registered to do business in Ohio. (Current law includes such sellers, except for sellers registering with the streamlined sales tax central registration system.)***]	***] (similar to current law). Same as the House.	Same as the House.
No provision.	[***VETOED: (7) Excludes sellers that have any other contact with Ohio that forms the basis of substantial nexus as allowed under the United States Constitution's Commerce Clause. (Current law includes such sellers.)***]	Same as the House.	Same as the House.
No provision.	[***VETOED: (8) Allows a seller presumed to have substantial nexus with Ohio to rebut that presumption by demonstrating that the activities conducted by a person on the seller's behalf are not significantly associated with the seller's ability to establish or maintain an Ohio market for the seller's sales. ***]	Same as the House.	Same as the House.
No provision.	[***VETOED: (9) Requires a person or that person's affiliates, before the person sells or leases tangible personal property or services to a state agency, to register with the Tax Commissioner and collect and remit use tax. ***]	Same as the House.	Same as the House.
<b>Fiscal effect: Potential increase in state and local sales and use tax revenues.</b>		<b>Fiscal effect: Same as the House.</b>	<b>Fiscal effect: Same as the House.</b>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD66 Use Tax Collections by Remote Sellers for Income Tax Reduction Fund

	R.C. <i>5741.01, 5741.03, 5741.032, and 5741.17</i>	R.C. <i>5741.01, 5741.03, 5741.032, and 5741.17</i>	R.C. <i>5741.01, 5741.03, 5741.032, and 5741.17</i>
No provision.	Specifies that a seller is not legally required to collect use tax if the seller has \$1 million or less in annual sales for which the seller is not required to collect and remit any state's use tax (which the amendment defines as "remote small sellers"). (This provision does not affect a purchaser's liability for any use tax that a seller has not collected and remitted to the state).	Same as the House.	Same as the House.
No provision.	Earmarks voluntary Ohio use tax collections by other out-of-state sellers that are not legally required to collect the tax for deposit in the Income Tax Reduction Fund (ITRF) on a monthly basis. Specifies that the revenue would be added to the surplus revenue for which an income tax rate reduction may be determined. Earmarks 0.5% of such collections for administering taxes collected by remote sellers and deposits these moneys in the newly created Remote Seller Administration Fund . (Currently, out-of-state sellers lacking a form of physical presence in Ohio are not required under state or federal law to collect use tax for the state, but some may voluntarily collect the tax and remit it to the state.)	Same as the House, but modifies the earmarking provision by specifying that only incremental remittances by remote sellers in excess of the amount they remit in FY 2013 are to be credited to the Income Tax Reduction Fund and changes the frequency of crediting the incremental use tax collections to the ITRF from monthly to semiannually. (Some remote sellers currently collect and remit use tax, and the amount they collect and remit in FY 2013 on a voluntary basis would continue to be credited to the GRF, and the LGF and PLF by extension).	Same as the Senate, but: requires that use tax remitted due to the Streamlined Sales and Use Tax Agreement not be included in the calculation of new remote seller use tax receipts (thereby precluding collections made as required by that agreement from being counted as "new" collections that must be credited to the ITRF); requires the Tax Commissioner to collaborate with the Director of Budget and Management in calculating new collections; and requires the Director of Budget and Management to transfer new remote sellers use tax receipts to the ITRF no later than January 1 and July 1 of the calendar year.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
	<p><b>Fiscal effect: Potential increase in use tax collections; Potential increase in revenue to the Income Tax Reduction Fund.</b></p>	<p><b>Fiscal effect: Same as the House, though with a smaller revenue increase to the Income Tax Reduction Fund, and with the difference going to the GRF.</b></p>	<p><b>Fiscal effect: Approximately the same as the Senate. Excluding use tax remitted due to the Streamlined Sales and Use Tax Agreement may reduce the amount going to the ITRF, as compared to the Senate Passed version.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**TAXCD42 Permissive Tax Supplement Fund**

**Section: 512.60**

Creates the Permissive Tax Supplement Fund (Fund 5NB0) to receive amounts needed for supplemental permissive tax distributions to counties and transit authorities as prescribed in ORC 5739.21(B). Requires the Tax Commissioner to certify, by November 30, 2013, and July 15, 2014, the estimates of amounts needed in FY 2014 and FY 2015, respectively. Requires the Director of Budget and Management to transfer these amounts from the GRF. Specifies that, if additional amounts are needed, the certification may be updated, and requires the additional amounts to be transferred. By the fifteenth day of each month from December 2013 through June 2015, requires the Tax Commissioner to certify amounts needed to make the supplemental permissive tax distributions for that month, and the Director of Budget and Management to transfer those amounts from the Permissive Tax Supplement Fund to the Permissive Tax Distribution Fund (Fund 7063). Permits any balance in the Permissive Tax Supplement Fund on or after June 20, 2015, to be transferred by the Director of Budget and Management to the GRF.

No provision.

No provision.

No provision.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Specifies the procedure for making the required payments.**

TAXCD67 Marketplace Fairness Act of 2013

	Section: 757.50	Section: 757.50	Section: 757.50
No provision.	<p>Expresses the intent of the General Assembly to enact conforming state legislation upon the enactment of the Marketplace Fairness Act of 2013 (or other similar legislation) by the United States Congress. Specifies that the intent of the conforming legislation is not to create a nexus between Ohio and remote sellers for any tax other than those imposed under Chapters 5739. and 5741. of the Revised Code (sales and use tax).</p> <p><b>Fiscal effect: The Marketplace Fairness Act would authorize qualifying states to compel online and catalog retailers to collect sales tax at the time of a transaction regardless of whether the retailer has a substantial nexus to the state. The authority extends only to states that impose a sales and use tax meeting certain statutorily prescribed standards of simplicity. Potential revenue gain to the GRF, Local Government Fund, and Public Library Fund, contingent upon Congressional action.</b></p>	<p>Same as the House.</p> <p><b>Fiscal effect: Same as the House.</b></p>	<p>Same as the House.</p> <p><b>Fiscal effect: Same as the House.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Commercial Activity Tax**

**TAXCD14 CAT Electronic Payment and Return Filing**

R.C. 113.061, 5703.059, 5751.07,  
Section 803.90

Requires that, beginning in 2014, taxpayers who pay the commercial activity tax (CAT) on a calendar year basis must make payments electronically and, if required by the Tax Commissioner, file electronic returns. (Continuing law already applies this requirement to quarterly taxpayers.)

Same as the Executive.

Same as the Executive.

Same as the Executive.

Authorizes the Tax Commissioner to adopt rules governing the electronic payment of, and filing of returns for the CAT, and requires that electronic payments also comply with applicable rules adopted by the Treasurer of State.

Same as the Executive.

Same as the Executive.

Same as the Executive.

Prescribes a minimum penalty for the failure to submit a CAT return or payment electronically equal to the greater of \$25 or 5% of the tax due for each of the first two violations and \$50 or 10% of the tax due for each subsequent violation. (Current law prescribes only the 5% and 10% penalties.)

Same as the Executive.

Same as the Executive.

Same as the Executive.

**Fiscal effect: None.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**TAXCD7 Job Creation Credit Reporting Date for Home-Based Employees**

R.C. *122.17, Section 815.10*

Changes the annual date, from January 1 to March 1 of each year, by which a taxpayer that has entered into an agreement with the Tax Credit Authority on the basis of home-based employees must report to the Development Services Agency the number of employees and home-based employees employed by the taxpayer in Ohio.

**Fiscal effect: None.**

R.C. *122.17, Section 815.10*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

R.C. *122.17, Section 815.10*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

R.C. *122.17, Section 815.10*

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**TAXCD79 Historic Preservation Tax Credits to be Claimed Against the CAT**

No provision.

No provision.

No provision.

No provision.

R.C. *149.311, 5751.55 and 5751.98*

Allows the refundable historic preservation tax credit against the commercial activity tax (CAT).

Allows owners of historic rehabilitation tax credit certificates issued for tax year 2014 or 2015 to claim the credit against the CAT for calendar year 2013 or 2014 if the credit could have been claimed against the Corporation Franchise Tax (CFT) under the law prior to H.B. 510 of the 129th G.A. (which prohibited claiming any CFT credit for tax years 2014 and thereafter).

No provision.

No provision.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	Specifies that a pass-through entity claiming a historic rehabilitation tax credit certificate against the CAT may allocate the credit among the entity's owners.  <b>Fiscal effect: None. Under current law, up to \$60 million in historic rehabilitation tax credits may be claimed annually. Under continuing law, the credit may be claimed against the income tax, the financial institutions tax, the corporation franchise tax, and the taxes on domestic and foreign insurance companies.</b>	No provision.
<b>TAXCD18 Tax Commissioner's General Authority to Issue CAT Assessments</b>			
<b>R.C. 5703.90, 5726.20, 5751.014</b>  Authorizes the Tax Commissioner to issue an assessment for unpaid taxes, penalties, and interest against any person liable for the unpaid amount, including any person jointly and severally liable for a commercial activity tax liability incurred by the person's consolidated taxpayer group.  <b>Fiscal effect: None.</b>	<b>R.C. 5703.90, 5726.20, 5751.014</b>  Same as the Executive.  <b>Fiscal effect: Same as the Executive.</b>	No provision.	<b>R.C. 5703.90, 5726.20, 5751.014</b>  Same as the Executive.  <b>Fiscal effect: Same as the Executive.</b>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD77 Creation of the Motor Fuel Receipts Tax and Related Changes

Executive	As Passed by the House	As Passed by the Senate	As Enacted
		R.C. 5736.01, 113.061, 715.013, 5703.052, 5703.053, 5703.19, 5703.50, 5703.70, 5736.02 to 5736.14, 5736.99, 5751.01, 5751.011, 5751.051, 5751.20, 5751.40, 5751.02, 5751.03, Sections 395.10, 803.120, and 803.90	R.C. 5736.01, 113.061, 715.013, 5703.052, 5703.053, 5703.19, 5703.50, 5703.70, 5736.02 to 5736.14, 5736.99, 5751.01, 5751.011, 5751.051, 5751.20, 5751.40, 5751.02, 5751.03, Sections 395.10, 803.120, and 803.90
No provision.	No provision.	Beginning July 1, 2014, replaces the commercial activity tax (CAT) on receipts from the sale or exchange of motor fuel with a separate tax, the motor fuel receipts tax (MFRT) based solely on receipts from such sales and exchanges.	Same as the Senate.
No provision.	No provision.	Specifies that the MFRT is computed on the basis of the gross receipts received by a "supplier" from the first sale of motor fuel delivered to a location in the state. (A "supplier" is a person that acquires motor fuel from a terminal or refinery rack and distributes that fuel within the state or imports motor fuel for sale or distribution by the person within the state. A "rack" is defined as a mechanism that delivers motor fuel from a terminal or refinery into a means of transport other than a pipeline or vessel)	Same as the Senate.
No provision.	No provision.	Imposes a MFRT tax rate equal to 0.65% on a supplier's gross receipts and, similar to the CAT, requires suppliers to pay the tax on a quarterly basis. Requires that MFRT	Same as the Senate.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	<p>revenue arising from the sale of motor fuel used on public highways be used for public highway purposes.</p> <p>Requires taxpayers to obtain a license from the Tax Commissioner and to renew the license annually, and prescribes several procedures and requirements for the MFRT that are similar to the CAT, including provisions related to assessments, refunds, penalties, joint liability, and the electronic filing of returns.</p>	Same as the Senate.
No provision.	No provision.	<p>Creates the Motor Fuel Receipts Tax Fund (to which revenue from the new tax is credited), the Motor Fuel Receipts Tax Administration Fund (to pay expenses of the Department related to the tax), and the Motor Fuel Receipts Tax Public Highways Fund. Allocates money in the Motor Fuel Receipts Tax Fund first to pay any refunds, then 1% to the Motor Fuel Receipts Tax Administration Fund, and any remaining receipts attributable to motor fuel used for driving on public highways to the Motor Fuel Receipts Tax Public Highways Fund.</p>	Same as the Senate.
No provision.	No provision.	<p>Requires the director of the Ohio Public Works Commission (PWC), to certify on or before June 15 of each year, starting in 2014, to the Director of Budget and Management the amount of debt service paid from the GRF in that fiscal year (or in fiscal years 2013 and 2014 in the case of the first such certification) on bonds issued to finance or assist in the financing of local public subdivisions infrastructure capital</p>	Same as the Senate.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	<p>improvement projects, as provided for in Sections 2k, 2m, and 2p of Article VIII, Ohio Constitution, that are attributable to costs for construction, reconstruction, maintenance, or repair of public highways and bridges and other statutory highway purposes. Requires the certification to allocate the total amount of debt service paid in each fiscal year according to the applicable section of the Ohio Constitution under which the bonds were originally issued.</p> <p>Requires the Director of Budget and Management to determine on or before June 30, 2014 an amount up to but not exceeding the amount certified by the PWC that year and to reserve that amount from the cash balance in the Commercial Activity Tax Motor Fuel Receipts Fund for transfer to the GRF at times and in amounts to be determined by the director. Requires the director to transfer the cash balance in the Commercial Activity Tax Motor Fuel Receipts Fund in excess of the amount so reserved to the Highway Operating Fund on or before June 30, 2014.</p>	Same as the Senate.
No provision.	No provision.	<p>Requires the Director of Budget and Management to determine on or before June 30 of each fiscal year beginning with fiscal year 2015 an amount up to but not exceeding the amount certified that year and to reserve that amount from the cash balance in the Motor Fuel Receipts Tax Public Highways Fund or the Commercial Activity Tax Motor Fuel Receipts Fund for</p>	Same as the Senate.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
		<p>transfer to the GRF at times and in amounts to be determined by the director. Requires the director to transfer the cash balance in the Motor Fuel Receipts Tax Public Highways Fund or the Commercial Activity Tax Motor Fuel Receipts Fund in excess of the amount so reserved to the Highway Operating Fund on or before June 30 of that fiscal year.</p> <p><b>Fiscal effect: Starting in FY 2015, decrease in CAT revenue from motor fuel sales and comparable increase in MFRT revenues; whether the new MFRT revenue gain exceeds the CAT revenue loss depends on changes in fuel prices and consumption levels. Revenue gains and expenditure increases for the Motor Fuel Receipts Tax Fund, the Motor Fuel Receipts Tax Administration Fund, and the Motor Fuel Receipts Tax Public Highways Fund.</b></p>	<p><b>Fiscal effect: Same as the Senate.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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TAXCD55 Commercial Activity Tax Exclusion for Grain Handlers

No provision.	<p>R.C. 5751.01, 803.90</p> <p>Excludes from the taxable gross receipts base of the commercial activity tax receipts of licensed agricultural commodity handlers from the sale of agricultural commodities. (Under continuing law, agricultural commodities include grains such as barley, corn, oats, rye, grain sorghum, soybeans, wheat, sunflower, or speltz, or any other crop designated by the director of agriculture, excluding grains or other crops used for seed).</p>	<p>R.C. 5751.01, 803.90</p> <p>Same as the House.</p>	<p>R.C. 5751.01, 803.90</p> <p>Same as the House.</p>
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Executive	As Passed by the House	As Passed by the Senate	As Enacted
	<p><b>Fiscal effect: Decreases CAT revenue by up to \$11 million per year. Revenue decrease will vary based on changes to commodity prices. Under current law, the GRF receives 50% of CAT revenue; thus the GRF revenue loss would be \$5.5 million per year. The remaining revenue loss would accrue to the School District Tangible Property Tax Replacement Fund (Fund 7047, \$3.85 million) and the Local Government Tangible Property Tax Replacement Fund (Fund 7081, \$1.65 million). CAT receipts that are deposited into the local government funds are used to reimburse school districts and other units of local government for lost revenues from the phase-out and reductions in tangible personal property taxes. Current law requires a GRF subsidy if distributions to the funds are insufficient for the required reimbursements.</b></p>	<p><b>Fiscal effect: Same as the House.</b></p>	<p><b>Fiscal effect: Same as the House.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD63 CAT - Penalties for Improperly Excluded QDC Receipts</b>			
No provision.	<p>R.C. <i>5751.01, Sections 803.90 and 815.10</i></p> <p>Removes a \$500,000 penalty enacted by Am. S.B. 28 of the 130th General Assembly for improperly excluded qualified distribution center (QDC) receipts. Establishes a new penalty on the operator of such a QDC, which is termed the "supplier tax liability" and that equals the amount which would have been owed by the suppliers of the distribution center had the distribution center not been improperly issued a certificate, less the amount actually paid by such suppliers. Specifies that supplier tax liability is to be determined by the Tax Commissioner and does not include interest or penalties on the unpaid amount.</p>	<p>R.C. <i>5751.01, Sections 803.90 and 815.10</i></p> <p>Same as the House, but changes the name of the penalty to the "ineligible operator's supplier tax liability," and specifies that it equals the amount that would have been owed by the suppliers of the distribution center had the distribution center not been improperly issued a QDC certificate without deducting the amount actually paid by such suppliers.</p>	<p>R.C. <i>5751.01, Sections 803.90 and 815.10</i></p> <p>Same as the Senate.</p>
No provision.	<p>Authorizes the Commissioner to request a list of all suppliers of a distribution center that is improperly issued a qualifying certificate along with the corresponding costs of qualified property for the qualifying year at issue. Requires the operator of such a distribution center to provide such information within 60 days of the Commissioner's request.</p>	<p>Same as the House.</p>	<p>Same as the House.</p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
	<p><b>Fiscal effect: Potential revenue gain or loss to GRF, School District Tangible Property Tax Replacement Fund (Fund 7047), and Local Government Tangible Property Tax Replacement Fund (Fund 7081). The magnitude of any such revenue change would depend on the size of an operator's supplier tax liability, and on the incidence of improperly excluded QDC receipts.</b></p>	<p><b>Fiscal effect: Slightly larger potential revenue gain, or smaller potential revenue loss, compared with the House.</b></p>	<p><b>Fiscal effect: Same as the Senate.</b></p>
<p><b>TAXCD89 Increase in the Minimum Tax for the CAT</b></p>			
<p>No provision.</p>	<p>No provision.</p>	<p>No provision.</p>	<p><b>R.C. 5751.03, 5751.031, and 5751.051; Section 803.90</b></p> <p>Modifies the method of calculating the tax due. Specifies that taxpayers with taxable gross receipts between \$1 million and \$2 million pay \$800 plus 0.26% of the taxable gross receipts in excess of \$1 million. Specifies that taxpayers with taxable gross receipts between \$2 million and \$4 million pay \$2,100 plus 0.26% of the taxable gross receipts in excess of \$1 million. Specifies that taxpayers with taxable gross receipts in excess of \$4 million pay \$2,600 plus 0.26% of the taxable gross receipts in excess of \$1 million. (Under current law, all taxpayers who exceed the \$150,000 minimum threshold pay \$150 on the first \$1 million in taxable gross receipts plus 0.26% of all taxable gross receipts in excess of \$1 million.)</p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	No provision.	<p>Specifies that the minimum tax due from first-time CAT taxpayers that timely register is one-half of the minimum tax otherwise due. (Under current law, the minimum tax due from such taxpayers is \$75.)</p> <p><b>Fiscal effect: Increases CAT revenue by about \$86 million per fiscal year. Under current law, the GRF receives 50% of CAT revenue; thus the GRF revenue gain would be \$43 million per year. The remaining revenue gain would accrue to the School District Tangible Property Tax Replacement Fund (Fund 7047, \$ 30 million) and the Local Government Tangible Property Tax Replacement Fund (Fund 7081, \$13 million). CAT receipts that are deposited into the local government funds are used to reimburse school districts and other units of local government for lost revenues from the phase-out and reductions in tangible personal property taxes. Current law requires a GRF subsidy if distributions to the funds are insufficient for the required reimbursements.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**TAXCD20 Commercial Activity Tax Motor Fuel Revenue: Payment of Debt Service of Local Infrastructure Bonds**

**R.C. 5751.20, Section 757.20**

Requires the Director of the Ohio Public Works Commission to certify for fiscal years 2013, 2014, and 2015 the amount of proceeds from bonds issued to finance or assist in the financing of the cost of local subdivision public infrastructure capital improvement projects (authorized by Sections 2k, 2m, and 2p of Article VIII, Ohio Constitution) that are attributable to costs for highway purposes.

Requires the Director of Budget and Management, on or before June 30 of each fiscal year, to determine an amount up to but not exceeding the amounts certified and reserve that amount from the cash balance in the Commercial Activity Tax Motor Fuel Receipts Fund for transfer to the GRF at times and in amounts to be determined by the Director. Requires the Director of Budget and Management to transfer the cash balance in the Commercial Activity Tax Motor Fuel Receipts Fund in excess of the amount so reserved to the Highway Operating Fund on or before June 30 of each fiscal year.

**Fiscal effect: None.**

**R.C. 5751.20, Section 757.20**

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

No provision. (Includes a similar provision in codified law, see TAXCD77).

No provision. (Includes a similar provision in codified law, see TAXCD77).

No provision. (Includes a similar provision in codified law, see TAXCD77).

No provision. (Includes a similar provision in codified law, see TAXCD77).

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD62 Commercial Activity Tax Review Committee

No provision.

**Section: 757.30**

Creates a committee to review and recommend reforms and improvements to the commercial activity tax on or before October 31, 2013. Specifies that the committee consist of four legislators from the House of Representatives and four from the Senate, including the chairs of standing taxation committees, who jointly chair the committee.

**Fiscal effect: None.**

**Section: 757.30**

Same as the House, but adds the Tax Commissioner and the Director of Budget and Management (or their designees) to the committee.

**Fiscal effect: Same as the House.**

No provision.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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**Cigarette Taxes**

**TAXCD17 Cigarette Wholesaler Surety Bond Requirement**

R.C. *5743.05, 5743.15, Section 812.10*

Requires, beginning on July 1, 2014, all wholesale dealers of cigarettes who purchase cigarette tax stamps on credit, instead of just dealers who have not been "in good credit standing" with the state during the previous five years as under current law, to post a surety bond guaranteeing payment for the stamps. Specifies that the Tax Commissioner may deny a wholesale dealer's annual license application if the dealer has not submitted any required information, returns, taxes, or fees due at the time of application.

No provision.

No provision.

No provision.

**Fiscal effect: None.**

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD90 Tobacco Product Excise Tax

No provision.

No provision.

No provision.

R.C. **5743.51, 5743.62, 5743.63, Section 803.193**

Increases the excise tax rate on little cigars from 17% to 37% of wholesale price beginning on and after October 1, 2013. Defines a "little cigar" as a smoking roll that does not satisfy the excise tax law's definition of a cigarette, that contains an integrated cellulose acetate filter or other filter, and that is not wrapped in natural leaf tobacco.

**Fiscal effect: Increases annual cigarette and other tobacco product excise tax revenue between \$5 and \$10 million per year beginning in FY 2015. Revenue gains in FY 2014 will be up to 75% of those annual amounts because the tax will be effective for nine months of the fiscal year.**

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b><u>Financial Institutions Tax</u></b>			
<b>TAXCD15 Financial Institutions Tax Filing and Payment Rule</b>			
R.C. <i>113.061, 5703.059, Section 803.120</i>	R.C. <i>113.061, 5703.059, Section 803.120</i>	R.C. <i>113.061, 5703.059, Section 803.120</i>	R.C. <i>113.061, 5703.059, Section 803.120</i>
Authorizes the Tax Commissioner to adopt rules governing both the electronic payment of, and filing of returns for, the financial institutions tax (FIT), and requires that electronic payments also comply with applicable rules adopted by the Treasurer of State. (Under continuing law, FIT taxpayers must pay the tax electronically and, if the Commissioner requires, file electronic returns.)	Same as the Executive.	Same as the Executive.	Same as the Executive.
<b>Fiscal effect: None.</b>	<b>Fiscal effect: Same as the Executive.</b>	<b>Fiscal effect: Same as the Executive.</b>	<b>Fiscal effect: Same as the Executive.</b>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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Property Taxes and Transfer Fees

TAXCD95 Property Tax Rollback Limitations

No provision.

No provision.

No provision.

**R.C. 319.302, 323.152; Sections 263.10, 395.10, and 803.170**

Limits the application of the 2.5% and 10% real property tax rollbacks by specifying that the rollbacks may not be applied to reduce the taxes due on new or replacement levies approved at elections held after the provision's 90-day effective date, regardless of the tax year to which the levy would first apply, meaning that the reductions would not apply to levies approved at the November 2013 election for tax year 2013, 2014, or any later tax year, or to levies approved at any later election. (Under continuing law, the 10% rollback applies to all real property not intended primarily for use in a business activity, and the 2.5% rollback applies to all owner-occupied homesteads; the state reimburses local governments and schools for the revenue lost due to both rollbacks.)

Executive	As Passed by the House	As Passed by the Senate	As Enacted
			<p><b>Fiscal effect: Decreases GRF expenditures for EDU appropriation item 200901, Property Tax Allocation – Education, by an estimated \$23 million in FY 2015. Decreases GRF expenditures for TAX appropriation item 110901, Property Tax Allocation – Taxation, by an estimated \$12 million in FY 2015.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD91 Homestead Exemption Means Testing

No provision.

No provision.

No provision.

R.C. **323.152, 323.151, 323.153, 4503.064, 4503.065, 4503.066, Sections 263.10, 395.10**

Restricts the availability of the homestead exemption for elderly or disabled homeowners who do not receive the exemption for tax year 2013 but who become eligible on the basis of age or disability status after 2013 or for some other reason did not receive the exemption for 2013. (For homeowners who live in a manufactured home taxed under the manufactured home tax, the pertinent tax year is 2014 instead of 2013.) Limits availability of the exemption for such homeowners to only those owners who have Ohio adjusted gross income of less than \$30,000 as computed for state income tax purposes. (Persons who qualify for the exemption for 2013 but who do not file on time, but who file a late application on time as allowed under continuing law, would be treated as though they had qualified for 2013 and therefore they would not be subject to the income limits.)

No provision.

No provision.

No provision.

Authorizes the Tax Commissioner and county auditors to examine an applicant's tax or financial records to determine eligibility.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Reduces GRF expenditures for EDU appropriation item 200901, Property Tax Allocation – Education, by \$3.0 million to \$5.9 million in FY 2015, and reduces GRF expenditures for appropriation item 110901 Property Tax Allocation – Taxation, by \$1.6 million to \$3.2 million in FY 2015.**

TAXCD84 Hamilton County Partial Property Tax Exemption for Property in Foreclosure and Tax-Delinquent Property

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	<p>R.C. 323.158, 4503.0610, Section 803.250</p> <p>Specifies that a homestead against which foreclosure or other action to take possession of the homestead has been initiated may not receive a partial property tax exemption that may otherwise be available to homesteads located in Hamilton County. Also applies to manufactured homes subject to the manufactured home tax.</p>	No provision.
No provision.	No provision.	<p>Specifies that a homestead listed on a delinquent tax list for failure to pay property tax and related charges may not receive a partial property tax exemption that may otherwise be available to homesteads located in Hamilton County. Also applies to manufactured homes subject to the manufactured home tax.</p>	No provision.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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**Fiscal effect: Removing a partial property tax exemption will increase property tax revenues for taxing jurisdictions in Hamilton County. Under continuing law, the percentage of exempted value is fixed and may be adjusted by the county. Hamilton County is the only county that offers such a partial exemption by virtue of authority granted in 1996, when the county's voters approved a "piggyback" sales and use tax for any of several specified purposes, including constructing a major league sports facility.**

**TAXCD69 Additional School District Options for New and Existing Combined Levies**

	R.C. 5705.217, 5705.192, 5705.218, 5705.25	R.C. 5705.217, 5705.192, 5705.218, 5705.25	R.C. 5705.217, 5705.192, 5705.218, 5705.25
No provision.	Allows a school district that levies an existing combined levy for current expenses and permanent improvements to replace or renew that levy solely for the purpose of funding general permanent improvements. Allows the district to replace the levy for a term of years different than the term for which the original tax was levied. (Under current law, a district may renew or replace such a levy only for the same purposes and the same term for which it was originally levied.)	Same as the House.	Same as the House.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	Specifies that new combined current expense and permanent improvement levies may be levied only for current expenses and general (but not specific) permanent improvements. (Current law allows such levies to be used for either general or specific improvements.)  <b>Fiscal effect: None.</b>	Same as the House.  <b>Fiscal effect: Same as the House.</b>	Same as the House.  <b>Fiscal effect: Same as the House.</b>

**TAXCD57 Property Tax Exemption for Fraternal Organizations**

	R.C. 5709.17	R.C. 5709.17	R.C. 5709.17
No provision.	Creates a tax exemption for real property held or occupied by fraternal organizations that qualify for tax exemption under section 501(c)(5), 501(c)(8), or 501(c)(10) of the Internal Revenue Code, provide financial support for charitable purposes, and have been operating in Ohio for at least 100 years. Specifies that to qualify for the exemption, the property must be used primarily for meetings and administration of the fraternal organization.	Same as the House.	Same as the House, except imposes a limit of \$36,000 on the amount of annual rental income that may be generated from such property to qualify for the exemption.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
	<p><b>Fiscal effect: Tax revenue losses to school districts and other units of local government may total \$4.8 million or more. The cost estimate is based on a 2001 survey so may substantially understate the current cost. Revenue losses are limited by the requirement that qualifying fraternal organizations have operated in Ohio for at least 100 years, but could rise in the future as increasing numbers of groups satisfy this restriction.</b></p>	<p><b>Fiscal effect: Same as the House.</b></p>	<p><b>Fiscal effect: Tax revenue losses to local governments likely would be less than the \$4.8 million estimate for the version of the bill passed by the House and Senate, but is based on a 2001 survey so is very rough.</b></p>
<p><b>TAXCD73 Property Tax Exemption for Veterans' Organizations</b></p>			
<p>No provision.</p>	<p>No provision.</p>	<p><b>R.C. 5709.17, Section 803.170</b>                      Increases the income limit that is a condition for the veterans' organization property tax exemption to \$36,000 effective tax year 2013. (Current law exempts veterans' organization property unless the property is held for the production of rental or other income in excess of \$10,000.)</p>	<p><b>R.C. 5709.17, Section 803.170</b>                      Same as the Senate.</p>
<p>No provision.</p>	<p>No provision.</p>	<p>Specifies that only income arising directly from renting property to others is counted toward the maximum income limit.   <b>Fiscal effect: Reduces property tax receipts by an amount estimated at up to \$4.0 million per year statewide, possibly considerably less, affecting only those property tax jurisdictions where qualifying veterans' organization property is located.</b></p>	<p>Same as the Senate.   <b>Fiscal effect: Same as the Senate.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD97 Tax Increment Financing (TIF) Exemption Date Triggers

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	No provision.	<p><b>R.C. 5709.40, 5709.73, 5709.78, Section 803.310</b></p> <p>Allows an ordinance authorizing a tax increment financing (TIF) exemption for individual parcels to specify that the exemption begins in the tax year in which the value of the exempt improvement exceeds a certain amount or in which one or more improvements are completed. (Continuing law allows such an ordinance to state a specific year in which an exemption begins, but does not specifically authorize triggering conditions.)</p>
No provision.	No provision.	No provision.	<p>Allows a TIF ordinance granting exemption for more than one individual parcel to specify that the exemption of different parcels begins in different tax years.</p>
No provision.	No provision.	No provision.	<p>Applies these provisions to exemption applications pending on the effective date of the provisions and to applications filed thereafter. Specifies that these provisions do not apply to the exemption of improvements in an "incentive district" TIF.</p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Generally, owners of property in a TIF district make service payments in lieu of, and equal in amount to, taxes that would otherwise be due on a portion of the value of improvements to that property for a specified period of years. The service payments are used to finance public infrastructure improvements in the district by the local government that granted the tax exemption. Property owners who opt out of a proposed TIF would pay taxes rather than service payments on the value of any improvements to their properties.**

**TAXCD13 Property Tax Valuation of Gas and Condensate Reserves**

**R.C. 5713.051, 5713.05, Section 812.20**

Adjusts, for the purpose of property tax valuation, the calculation of the true value of gas reserves by valuing gas reserves according to its heat energy capacity as measured by BTU. Establishes, for the purpose of property tax valuation, a calculation of the true value of condensate reserves.

No provision.

No provision.

No provision.

**Fiscal effect: Increases property tax revenues for applicable taxing jurisdictions; the increase is predicated upon the incidence of the newly defined gas reserves and condensate.**

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD10 Equalizing and Regionalizing County Appraisal Cycles

R.C. 5715.33, 4503.06, 5713.01, 5715.24

(1) Authorizes the Tax Commissioner to shorten or extend the sexennial reappraisal or triennial reassessment cycle for real property in a county for the purpose of equalizing and regionalizing real property assessment cycles. Specifies that the Commissioner may not reschedule any reappraisal or reassessment required by law after tax year 2023 for this purpose.

(1) No provision.

(1) No provision.

(1) No provision.

(2) Specifies that mobile and manufactured homes taxed like real property are part of the same appraisal and assessment cycle as real property in the same county for the purpose of determining true value for the manufactured and mobile home tax.

(2) No provision.

(2) No provision.

(2) No provision.

**Fiscal effect: Delaying or expediting the reappraisal and/or reassessment from its current schedule will delay or expedite the increase (presumably) of property valuations used for property tax purposes, which would delay or expedite the local revenue growth derived from unvoted (inside) millage and other levies that are not subject to tax reduction factors.**

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD59 Qualified Energy Project Tax Exemption</b>			
No provision.	<p><b>R.C. 5727.75</b></p> <p>Extends by five years the deadlines by which the owner or lessee of a qualified energy project must submit a property tax exemption application, submit a construction commencement application, begin construction, and place into service an energy facility using renewable energy resources (wind, solar, biomass, etc.) or advanced energy technology (clean coal, advanced nuclear, or cogeneration) to qualify for an ongoing real and tangible personal property tax exemption.</p>	<p><b>R.C. 5727.75</b></p> <p>Same as the House.</p>	<p><b>R.C. 5727.75</b></p> <p>Same as the House, but reduces, from five years to two years, the extension of deadlines.</p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

Fiscal effect: Local taxing jurisdictions would receive less revenue from a given project, but in some cases, the revenue loss would be permissive. Qualified energy projects qualify for real and tangible personal property tax exemptions, but the qualified energy project is also required to pay annual service payments in lieu of taxes to the treasurer of the county where the facility is located in an amount equal to \$6,000 to \$8,000 per megawatt (MW) of name plate capacity. This service payment is shared by all taxing jurisdictions within the project area in the same manner that property tax collections would otherwise be allocated to counties, school districts, and local governments. The local county board of commissioners may require an additional \$1,000 to \$3,000 per megawatt payment beyond those required by the Revised Code, but the cumulative total of both service payments cannot exceed \$9,000 per megawatt. County governments will retain the ability to approve or deny the tax exemptions to these facilities as well as the option of negotiating an additional \$1,000 to \$3,000 payment made solely to their general fund, but school districts and other taxing jurisdictions within the county may lose local property tax revenues without their consent.

Fiscal effect: Same as the House.

Fiscal effect: Same as the House, but the reduction from five years to two years could lower the number of qualified energy projects receiving the tax exemption.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b><u>Other Taxation Provisions</u></b>			
TAXCD71 Changes to the Refundable Job Retention Tax Credit			
No provision.	No provision.	<p data-bbox="1346 427 1709 456">R.C. 122.171, 815.10</p> <p data-bbox="1346 483 1929 716">Extends the refundable job retention tax credit to eligible businesses whose principal place of business is not located in the same political subdivision as the capital investment as long as the business maintains a unit or division with at least 4,200 employees at the project site.</p> <p data-bbox="1346 735 1929 1325"><b>Fiscal effect: Potential GRF revenue loss; however the size of the revenue decrease is uncertain. This provision may increase both the number of businesses eligible for the JRTC and the payroll amounts allowable in the calculation of the credit. Current law requires an eligible business to have an annual payroll of at least \$20 million, invest at least \$5 million at a project site located within the same political subdivision where the business has its principal place of business, and meet other program requirements. The JRTC may be claimed against the insurance premium taxes, the financial institutions tax, the personal income tax, and the commercial activity tax (CAT).</b></p>	<p data-bbox="1964 427 2327 456">R.C. 122.171, 815.10</p> <p data-bbox="1964 483 2233 513">Same as the Senate.</p> <p data-bbox="1964 735 2435 761"><b>Fiscal effect: Same as the Senate.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD86 Tax Commissioner's Administration of Wireless 9-1-1 Charges

R.C. 128.45, 128.461, 128.462, 128.47, 128.54, 128.55, 128.99, and 5703.052; Section 371.10

(1) No provision.

(1) No provision.

(1) No provision.

(1) Requires wireless service providers, wireless resellers, and prepaid wireless sellers to keep records of collected charges for four years, and to allow the Tax Commissioner to inspect those records.

(2) No provision.

(2) No provision.

(2) No provision.

(2) Requires the charges to be subject to interest from the day that they are due to the Tax Commissioner until they are remitted or until the collector is assessed, whichever occurs first.

(3) No provision.

(3) No provision.

(3) No provision.

(3) Applies existing provisions regarding a four-year statute of limitations on assessments for unpaid sales tax to assessments for wireless 9-1-1 charges that are not remitted.

(4) No provision.

(4) No provision.

(4) No provision.

(4) Permits, in some cases, the Tax Commissioner to issue refunds for wireless 9-1-1 charges to wireless service providers, wireless resellers, prepaid wireless sellers, wireless subscribers, and consumers of prepaid wireless services, and modifies language pertaining to the Tax Refund Fund.

(5) No provision.

(5) No provision.

(5) No provision.

(5) Requires monthly disbursements of wireless 9-1-1 charges (and interest) to be made to counties in the same amounts as

Executive	As Passed by the House	As Passed by the Senate	As Enacted
(6) No provision.	(6) No provision.	(6) No provision.	<p>the counties' disbursements in the corresponding calendar months in 2013, and provides for proportionate reductions if funds available are insufficient.</p> <p>(6) Makes the Wireless 9-1-1 Government Assistance Fund and the Next Generation 9-1-1 Fund State Treasury funds rather than custodial funds, and removes provisions governing the Treasurer's administration of these funds. Modifies purpose language for funds related to the wireless 9-1-1 charges.</p>
(7) No provision.	(7) No provision.	(7) No provision.	<p>(7) Permits the Tax Commissioner to impose the following penalties: (i) A late-filing penalty; (ii) a late-payment penalty; (iii) a penalty of the greater of \$100 or 35% of the amount of wireless 9-1-1 charges due "after the [T]ax [C]ommissioner notifies the person of an audit, an examination, a delinquency, assessment, or other notice that additional wireless 9-1-1 charges are due"; (iv) an electronic penalty, for a failure to remit a return electronically or pay an amount due electronically, of the lesser of (a) the greater of \$100 or 10% of the amount not remitted electronically or (b) \$5,000.</p> <p><b>Fiscal effect: Appropriates \$13 million in FY 2014 and \$26 million in FY 2015 for use by the Tax Commissioner in making distributions to counties and to countywide 9-1-1 systems.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD81 Local Government Fund Allocations

No provision.

No provision.

R.C. 131.51, Section 812.20

Clarifies that the preceding month's revenue allocations to the Local Government Fund (LGF) and the Public Library Fund (PLF) are not deducted in determining the amount of tax revenue credited to the General Revenue Fund (GRF) during the preceding month for the purposes of determining the monthly allocation to the LGF and the PLF.

R.C. 131.51, Section 812.20

Same as the Senate.

**Fiscal effect: This clarification continues the calculation method used to determine allocations in FY 2011, the most recent year that the allocations were determined as a percentage of GRF tax revenue.**

**Fiscal effect: Same as the Senate.**

TAXCD65 Historic Rehabilitation Tax Credit - Expenses Attributable to a Qualified Lessee

No provision.

R.C. 149.311

Eliminates a requirement regarding the attribution of qualified rehabilitation expenditures paid or incurred by an owner of an historic building who leases the building to a qualified lessee. States that expenses incurred by the owner after April 4, 2007 may be attributed to the qualified lessee for the purposes of the historic rehabilitation tax credit. (Under current law, such expenses must be attributed to the qualified lessee).

R.C. 149.311

Same as the House.

R.C. 149.311

Same as the House.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

Fiscal effect: None.

Fiscal effect: Same as the House.

Fiscal effect: Same as the House.

TAXCD54 Cuyahoga County Alcoholic Beverage and Cigarette Taxes

R.C. 307.673

R.C. 307.673, 307.696, 307.697, 4301.421, 5743.024, and 5743.323; Section 803.280

No provision.

Specifies that, for the purpose of an agreement to pledge tax revenue for the construction or renovation of a sports facility, tax revenue includes revenue from taxes levied by the legislative authority of a charter county (in addition to taxes levied by a board of county commissioners).

No provision.

No provision.

No provision.

No provision.

No provision.

Authorizes Cuyahoga County to renew county alcoholic beverage and cigarette taxes that are set to expire in 2015 and allows the county to propose to renew the expiring taxes for up to 20 years by adopting a resolution to do so on or before September 15, 2015. (The taxes must be approved by county voters.)

No provision.

No provision.

No provision.

Provides that proceedings initiated by Cuyahoga County to renew the alcoholic beverage or cigarette taxes are valid, even if such proceedings are initiated prior to the act's 90-day effective date, so long as the proceedings are consistent with the terms of the act.

No provision.

No provision.

No provision.

Specifies that the county's spirituous liquor tax applies to sales made pursuant to the agreement transferring liquor distribution

Executive	As Passed by the House	As Passed by the Senate	As Enacted
	<p><b>Fiscal effect: None. Under continuing law (R.C. 1.62), references in the Revised Code to county boards - such as the board of county commissioners - also refer to the board - such as a county council - of a charter county that under the charter exercises the same functions as a board of county commissioners.</b></p>		<p>and merchandising rights to JobsOhio.</p> <p><b>Fiscal effect: Renewal of the taxes would prevent a loss of county revenues from the cigarette tax and the alcoholic beverage tax. Currently, the county levies a spirituous liquor tax of \$3 per gallon and an alcoholic beverage tax of 32 cents per gallon of wine and mixed beverages, 24 cents per gallon of cider, and 16 cents per gallon of beer. These taxes will expire in 2015. The county also levies a cigarette tax of 34.5 cents, but only 4.5 cents of that tax will expire in 2015. In FY 2012, Cuyahoga cigarette tax and alcoholic beverage tax receipts were \$19.4 million and \$5.6 million, respectively.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD68 Lake Facilities Authorities

R.C. 353.01, 133.01, 135.80, 309.09, 353.02, 353.03, 353.04, 353.05, 353.06, 353.07, 353.08, 353.09, 353.10, 353.11, 353.12, 353.13, 353.14, 353.15, 353.16, 353.17, 5705.01, 5705.19, 5705.55, and 5739.026

R.C. 353.01, 133.01, 135.80, 309.09, 353.02, 353.03, 353.04, 353.05, 353.06, 353.07, 353.08, 353.09, 353.10, 353.11, 353.12, 353.13, 353.14, 353.15, 353.16, 353.17, 5705.01, 5705.19, 5705.55, and 5739.026

R.C. 353.01, 133.01, 135.80, 309.09, 353.02, 353.03, 353.04, 353.05, 353.06, 353.07, 353.08, 353.09, 353.10, 353.11, 353.12, 353.13, 353.14, 353.15, 353.16, 353.17, 5705.01, 5705.19, 5705.55, and 5739.026

(1) No provision.

(1) Authorizes one or more boards of county commissioners to create a Lake Facilities Authority (LFA), a body politic and corporate with enumerated powers, for the purpose of remediating watersheds that contain a lake that has or recently had high levels of microcystin toxins ("impacted watersheds").

(1) Same as the House, except removes a LFA's authority to acquire real property interests by appropriation (i.e., the power of eminent domain) and modifies the rulemaking authority of a LFA by allowing the LFA to request that the Department of Natural Resources, Environmental Protection Agency, or Department of Agriculture adopt, modify, and enforce reasonable rules governing impacted watersheds, instead of the LFA adopting and enforcing such rules directly, and by specifically authorizing the LFA to adopt rules to carry out the LFA's enumerated powers.

(1) Same as the Senate.

(2) No provision.

(2) Creates an LFA board of directors consisting of the county commissioners of each county with territory in the "impacted lake district" – i.e., the territory of all townships and municipal corporations with territory in the impacted watershed.

(2) Same as the House.

(2) Same as the House.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
(3) No provision.	(3) Requires the creation of an advisory council for each LFA consisting of the appointee of each political subdivision with territory in the impacted lake district, to consult with the board of directors.	(3) Same as the House.	(3) Same as the House.
(4) No provision.	(4) Authorizes an LFA to levy a property tax with voter approval for current expenses, debt charges, permanent improvements, and parks and recreation, not to exceed one mill.	(4) Same as the House.	(4) Same as the House.
(5) No provision.	(5) Prohibits any taxing authority from levying a property tax in the territory of an LFA if the purpose of the tax is similar to the purpose of a tax that the LFA is authorized to levy.	(5) Same as the House.	(5) Same as the House.
(6) No provision.	(6) Authorizes an LFA to levy a lodging tax with voter approval, the rate of which may not cause the aggregate rate of lodging taxes applicable in the impacted lake district to exceed 5%.	(6) Same as the House.	(6) Same as the House.
(7) No provision.	(7) Authorizes an LFA to issue general obligation securities for the remediation of an impacted watershed and related permanent improvements, not to exceed one-tenth per cent of the total value of property in the impacted lake district.	(7) Same as the House.	(7) Same as the House.
(8) No provision.	(8) Authorizes an LFA to issue revenue bonds and anticipation bonds and notes.	(8) Same as the House.	(8) Same as the House.
(9) No provision.	(9) Prohibits the creation of any new special district that would overlap with an LFA district (e.g., conservancy district) if the new district would have powers or duties that are	(9) Same as the House.	(9) Same as the House.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
(10) No provision.	<p>the same as the LFA's.</p> <p>(10) Authorizes a county to levy a "piggyback" sales and use tax of ¼% or ½% to provide revenue for the operation of an LFA and the remediation of an impacted watershed by the LFA, if the county has not already levied the maximum allowable ½% piggyback rate for other purposes allowed under continuing law.</p>	(10) Same as the House.	(10) Same as the House.
(11) No provision.	<p>(11) Authorizes the Director of Natural Resources to transfer real property to an LFA to promote wetland mitigation banking, wildlife, or sporting activities, and authorizes the Division of Wildlife to enter agreements with an LFA to establish wetland or natural areas to benefit wildlife or sporting activities.</p>	(11) Same as the House.	(11) Same as the House.
(12) No provision.	<p>(12) Requires competitive bidding for LFA construction projects in excess of \$25,000 except under certain circumstances.</p>	(12) Same as the House.	(12) Same as the House.
(13) No provision.	<p>(13) Permits, but does not require, an LFA to apply prevailing wage requirements to public improvements it undertakes or contracts for.</p>	(13) Same as the House.	(13) Same as the House.
<p><b>Fiscal effect: May result in increases in property taxes, lodging taxes, or sales and use taxes in political subdivisions located in impacted watersheds. May result in increased issuance of debt obligations in such political subdivisions. May result in increased expenditures for watershed remediation in such political subdivisions.</b></p>		<p><b>Fiscal effect: Same as the House.</b></p>	<p><b>Fiscal effect: Same as the House.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD11 Horizontal Well Impact Fee

R.C. 1509.06, 321.49, 5705.27,  
5705.32, 5705.37, 5705.52,  
Section 803.130

(1) Requires, beginning January 1, 2014, a horizontal well owner, before beginning construction of a well pad as defined in the bill, to pay a \$25,000 fee to the county in which the well pad will be located.	(1) No provision.	(1) No provision.	(1) No provision.
(2) Requires an additional \$25,000 fee to be payable for each subsequent well drilled on the same pad, due before drilling begins.	(2) No provision.	(2) No provision.	(2) No provision.
(3) Requires county treasurers who receive fee payments to establish in the county treasury an Oil and Gas Escrow Fund, and to deposit into the fund such payments.	(3) No provision.	(3) No provision.	(3) No provision.
(4) Establishes a process whereby the county budget commission distributes the fees to all or some taxing units that levy a property tax in the taxing district in which the well will be located to defray costs incurred from the presence of the well.	(4) No provision.	(4) No provision.	(4) No provision.
(5) Requires taxing units that receive any portion of the fee to repay these amounts to the owners over subsequent fiscal years based on the amount of property tax the unit collects from the well.	(5) No provision.	(5) No provision.	(5) No provision.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: The \$25,000 fee could offset some of the cost that taxing units might incur for horizontal wells within their jurisdiction. However, taxing units that receive any portion of the fee are required to repay those amounts by reducing the well owners' property tax liabilities.**

**TAXCD9 Horizontal Well and Nonhorizontal Well Severance Taxes**

R.C. 5749.02, 1502.02, 1509.34, 1509.50, 5703.052, 5703.21, 5749.01, 5749.03, 5749.031, 5749.06 - 5749.15, 5749.17, Sections 803.120, 812.20, 815.10, Repealed: 1509.50

R.C. 1509.50, 5749.06

R.C. 1509.50, 5749.06

R.C. 1509.50, 5749.06

(1) Credits revenue from the oil and gas severance tax to the newly created Severance Tax Receipts Fund, and requires the OBM Director to make quarterly transfers to the GRF for an amount equal to total receipts less refunds.

(1) Same as the Executive, except the OBM Director will make the quarterly transfers to the Oil and Gas Well Fund as opposed to the GRF, and the Severance Tax Receipts Fund will also receive deposits from oil and gas cost recovery assessments.

(1) Same as the House.

(1) Same as the House.

(2) Distinguishes between "horizontal" wells and "nonhorizontal" wells for the purpose of levying special tax rates on severances of oil, gas, and condensate from horizontal wells beginning on October 1, 2013. Modifies tax rates on horizontal wells and nonhorizontal wells as follows:

(2) No provision.

(2) No provision.

(2) No provision.

(3) For oil and condensate extracted from a horizontal well, the tax is 1.5% of the spot

(3) No provision.

(3) No provision.

(3) No provision.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
market value of the oil or condensate for the first five quarters in which a well produces, and 4% thereafter;			
(4) For gas extracted from a horizontal well, the tax varies based upon the British Thermal Unit (BTU) measurement. The tax on gas with a BTU measurement of 1,050 per cubic foot or less is 1% of the spot market value of gas times volume extracted. For gas with a BTU measurement above 1,050 per cubic foot, the tax varies depending on the spot prices of gas and natural gas liquids and the BTU measurement of the gas extracted, but the rates increase in the sixth quarter of production;	(4) No provision.	(4) No provision.	(4) No provision.
(5) For oil extracted from a nonhorizontal well, the tax rate is raised from 10 cents per barrel to 20 cents per barrel;	(5) No provision.	(5) No provision.	(5) No provision.
(6) For gas extracted from a nonhorizontal well, the tax rate is changed from 2.5 cents per thousand cubic feet (MCF) to the lesser of 3 cents per MCF or 1% of the spot market value of gas times volume; and	(6) No provision.	(6) No provision.	(6) No provision.
(7) For gas extracted from a nonhorizontal well that produces fewer than 10 MCF of gas per day over a calendar quarter, the gas extracted from the well is exempt from the severance tax.	(7) No provision.	(7) No provision.	(7) No provision.
(8) Repeals, beginning January 1, 2014, the regulatory cost recovery assessment currently levied on severance of oil and gas at a general rate of 10 cents per barrel or	(8) No provision.	(8) No provision.	(8) No provision.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

0.5 cents per MCF, respectively.

**Fiscal effect: According to estimates from the Executive Budget, the horizontal well severance tax will increase revenues to the GRF, the Local Government Fund, and the Public Library Fund by a total of \$45 million in FY 2014 and \$155 million in FY 2015; of these amounts, the GRF would retain an estimated \$44 million in FY 2014 and \$150 million in FY 2015. Revenues for two Department of Natural Resources funds, the Geological Mapping Fund (SSR Fund 5110) and the Oil and Gas Well Fund (SSR Fund 5180), will decrease based upon the repeal of the cost recovery assessment, but the losses will be partially offset by higher oil and gas severance receipts from nonhorizontal wells. The net effect of these changes for Fund 5110 and Fund 5180 will likely be a loss over the biennium of a million dollars or more.**

**Fiscal effect: None.**

**Fiscal effect: Same as the House.**

**Fiscal effect: Same as the House.**

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**TAXCD24 Calculation of Post-Assessment Interest**

R.C. 3734.907, 3769.088, 4305.131, 5726.20, 5727.26, 5727.89, 5728.10, 5733.11, 5735.12, 5739.13, 5743.081, 5743.56, 5745.12, 5747.13, 5749.07, 5751.09, and 5753.07

R.C. 3734.907, 3769.088, 4305.131, 5726.20, 5727.26, 5727.89, 5728.10, 5733.11, 5735.12, 5739.13, 5743.081, 5743.56, 5745.12, 5747.13, 5749.07, 5751.09, and 5753.07

R.C. 3734.907, 3769.088, 4305.131, 5726.20, 5727.26, 5727.89, 5728.10, 5733.11, 5735.12, 5739.13, 5743.081, 5743.56, 5745.12, 5747.13, 5749.07, 5751.09, and 5753.07

R.C. 3734.907, 3769.088, 4305.131, 5726.20, 5727.26, 5727.89, 5728.10, 5733.11, 5735.12, 5739.13, 5743.081, 5743.56, 5745.12, 5747.13, 5749.07, 5751.09, and 5753.07

Requires the Tax Commissioner to calculate interest charged after an assessment has been issued for any tax debt based on tax liability only instead of based on the total amount due as under current law, which may include interest and penalty. (Maintains current law stipulating that after an assessment is certified to the Attorney General for collection, interest accrues on the entire unpaid portion of the assessment.)

Same as the Executive.

Same as the Executive, but corrects a reference to the fee assessed on the sale of tires and used to fund the scrap tire management program.

Same as the Senate.

**Fiscal effect: May reduce the amount of revenue collected on interest and penalties related to unpaid tax debt.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**TAXCD4 Revisions to Assessments (beginning in 2014) for Wireless 9-1-1 Charges**

R.C. 5507.46

(1) Applies the interest charged for unpaid assessments (60 days past due) for wireless 9-1-1 charges to only the portion that consists of wireless 9-1-1 charges due.

R.C. 5507.46

(1) Same as the Executive.

R.C. 5507.46

(1) Same as the Executive.

R.C. 5507.46, (renumbered 128.46)

(1) Same as the Executive.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p>(2) Removes provisions specifying how the interest and assessments are to be remitted, and removes redundant language regarding the issuance of assessments for collecting interest, the rate and remittance of interest, and the day on which the interest begins to accrue.</p>	<p>(2) Same as the Executive.</p>	<p>(2) Same as the Executive.</p>	<p>(2) Same as the Executive.</p>
<p><b>Fiscal effect: None.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>
<p><b>TAXCD25 Estate Tax Refunds</b></p>			
<p>R.C. 5703.052</p>	<p>R.C. 5703.052</p>	<p>R.C. 5703.052</p>	<p>R.C. 5703.052</p>
<p>Includes the Estate Tax among other Tax Commissioner-administered taxes for which refunds are paid from the Tax Refund Fund and derived from the receipts of the same tax. (Although the Estate Tax is no longer in effect, refunds may continue to be due for payments in prior years.)</p>	<p>Same as the Executive.</p>	<p>Same as the Executive.</p>	<p>Same as the Executive.</p>
<p><b>Fiscal effect: May have no fiscal effect; any estate tax refunds would be paid from estate tax receipts.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD30 Change in Tax Refund Procedure</b>			
<b>R.C. 5703.052</b> Eliminates a requirement that refunds for any one of several taxes administered by the Tax Commissioner, or for the domestic or foreign insurance tax administered by the Superintendent of Insurance, be paid from sales tax receipts in the event that current receipts from the other tax from which the refund arose are inadequate to cover the amount of the refund. Refunds must still be paid from the Tax Refund Fund (Fund 4250). <b>Fiscal effect: May reflect current operating procedure, so may have no fiscal effect.</b>	<b>R.C. 5703.052</b> Same as the Executive. <b>Fiscal effect: Same as the Executive.</b>	<b>R.C. 5703.052</b> Same as the Executive. <b>Fiscal effect: Same as the Executive.</b>	<b>R.C. 5703.052</b> Same as the Executive. <b>Fiscal effect: Same as the Executive.</b>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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**TAXCD26 Change in Notice or Order Requirement**

**R.C. 5703.37**

Requires the Tax Commissioner to deliver a tax notice or order to the intended recipient by ordinary mail, instead of by currently authorized means (certified mail or personal or delivery service) if the recipient does not access an electronic notice or order within ten business days after the Commissioner serves the notice or order electronically a second time, after the Commissioner served the notice or order initially and the recipient did not access the notice or order within ten business days.

**Fiscal effect: May reduce Department of Taxation costs, by an undetermined amount.**

**R.C. 5703.37**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**R.C. 5703.37**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**R.C. 5703.37**

Same as the Executive.

**Fiscal effect: Same as the Executive.**

**TAXCD28 Electronic Payments to Political Subdivision or Party**

**R.C. 5703.76**

Requires that any payment the Tax Commissioner makes to a political subdivision or political party be made electronically. (Payments are made to political parties from the Ohio Political Party Fund, which holds any \$1 designations made on individual income tax returns.)

**R.C. 5703.76**

Same as the Executive.

**R.C. 5703.76**

Same as the Executive.

**R.C. 5703.76**

Same as the Executive.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p><b>Fiscal effect: May reduce Department of Taxation costs, by an undetermined amount.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>
<p><b>TAXCD31 Elimination of the Discovery Project Fund</b></p>			
<p><b>R.C. 5703.82</b> Eliminates the Discovery Project Fund (Fund 5AP0), which has financed the Department of Taxation's implementation and operation of the Tax Discovery Data System. <b>Fiscal effect: This system, authorized in 2008 by H.B. 562 of the 127th G.A., is now well established. OBM's Bluebook states that the Discovery Project Fund has been supported by GRF transfers, and that elimination of the fund, with resulting increases in the Department's GRF operating appropriation in each fiscal year, will more accurately reflect the funding source for this item.</b></p>	<p><b>R.C. 5703.82</b> Same as the Executive. <b>Fiscal effect: Same as the Executive.</b></p>	<p><b>R.C. 5703.82</b> Same as the Executive. <b>Fiscal effect: Same as the Executive.</b></p>	<p><b>R.C. 5703.82</b> Same as the Executive. <b>Fiscal effect: Same as the Executive.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD78 **VETOED** Changes to the New Markets Tax Credit</b>			
No provision.	No provision.	<p data-bbox="1330 381 1948 446">R.C. 5725.33, 5726.54, 5729.16, and 5733.58</p> <p data-bbox="1330 462 1948 730">[***VETOED: Eliminates the requirement that a taxpayer receive a federal New Markets tax credit in order to qualify for the state New Markets tax credit. Also allows credit-eligible investments to be made in low-income community businesses that derive 15% or more of annual revenue from the rental or sale of real property***].</p> <p data-bbox="1330 747 1948 1023"><b>Fiscal effect: Potential GRF revenue loss from the elimination of the specified requirement. The amount of the revenue loss is uncertain. The tax credits may be claimed against the financial institutions tax, and the domestic and foreign insurances tax, the corporate franchise tax, and the dealers in intangibles tax.</b></p>	<p data-bbox="1948 381 2572 446">R.C. 5725.33, 5726.54, 5729.16, and 5733.58</p> <p data-bbox="1948 462 2572 495">Same as the Senate.</p> <p data-bbox="1948 747 2572 779"><b>Fiscal effect: Same as the Senate.</b></p>

<b>TAXCD64 **VETOED** Historic Rehabilitation Tax Credit - Increase in the Credit Limit per Taxpayer</b>			
No provision.	<p data-bbox="712 1153 1330 1218">R.C. 5725.34, 5726.52, 5729.17, and 5747.76</p> <p data-bbox="712 1234 1330 1372">[***VETOED: Increases the maximum historic rehabilitation tax credit that may be claimed by a taxpayer in a year from \$5 million to \$10 million***].</p>	<p data-bbox="1330 1153 1948 1218">R.C. 5725.34, 5726.52, 5729.17, and 5747.76</p> <p data-bbox="1330 1234 1948 1274">Same as the House.</p>	<p data-bbox="1948 1153 2572 1218">R.C. 5725.34, 5726.52, 5729.17, and 5747.76</p> <p data-bbox="1948 1234 2572 1274">Same as the House.</p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: None. This provision affects only the allocation across taxpayers of the \$60 million per year limit on issuance of this tax credit for all taxpayers under ORC 149.311(D); it does not change the total revenue loss to GRF or other state funds attributable to this tax credit.**

**Fiscal effect: Same as the House.**

**Fiscal effect: Same as the House.**

**TAXCD85 Tax on Mutual and Stock Insurance Company Premium Deposits**

No provision.

No provision.

R.C. 5729.04, 803.260

Effective calendar year 2013, excludes from the domestic and foreign insurance company premiums tax base workers' compensation insurance premium deposits, if (1) the deposits are received by a mutual or stock insurance company that distributes a portion of the premiums it collects during a policy year back to its policyholders, (2) the deposits exceed the net cost of the insurance to the insured, and (3) such excess is returned ratably to the company's policyholders. (A similar exclusion applies under continuing law to premiums deposits received for fire and inland marine insurance provided by such companies.)

R.C. 5729.04, 803.260

Same as the Senate.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Potential GRF revenue loss of uncertain magnitude. Any revenue loss to the GRF would also decrease the amount of tax revenue that will be deposited to the Local Government Fund (LGF) and the Public Library Fund (PLF); revenue losses to the LGF and PLF would decrease distributions to counties, local governments, and public libraries.**

**Fiscal effect: Same as the Senate.**

TAXCD56 Motor Fuel Excise Tax on Natural Gas

R.C. 5735.012, 5735.013

R.C. 5735.012, 5735.013; Section 803.180

R.C. 5735.012, 5735.013; Section 803.180

No provision.

Modifies the method for measuring the motor fuel tax (MFT) on liquid natural gas. Specifies that the liquid natural gas gallon-equivalent must equal the diesel gallon equivalent adopted by the National Conference on Weights and Measures or, if no such standard has been adopted, 6.06 pounds of liquid natural gas.

Same as the House, except delays application date of the provision from the first month that begins after the provision takes effect to January 1, 2014.

Same as the Senate.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
	<p><b>Fiscal effect: Potential minimal revenue gain or loss to various state funds (primarily the Highway Operating Fund, but also the Highway Bond Retirement Fund, the Waterways Safety Fund, the Wildlife Boater Angler Fund, and the Motor Fuel Tax Administrative Fund) and local governments (municipalities, counties, and townships). No impact on GRF revenue. Under existing law, for the purpose of the MFT, liquid natural gas must be measured in gross gallons, unless it is being reported for transactions between terminals or between a terminal and a licensed Ohio fuel dealer. Gross gallons is U.S. gallons without any adjustment to account for temperature or barometric pressure while net gallons is U.S. gallons at 60 degrees Fahrenheit.</b></p>	<p><b>Fiscal effect: Same as the House, though delayed several months.</b></p>	<p><b>Fiscal effect: Same as the Senate.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD70 Township Use of Motor Fuel Tax Revenue</b>			
No provision.	No provision.	<p><b>R.C. 5735.27, Section 803.240</b></p> <p>Allows a township to use its distribution of motor fuel tax revenue to service bonds issued to pay for the purchase of road machinery and equipment or the planning, construction, and maintenance of buildings that house such equipment. (Under current law, a township may use motor fuel tax receipts directly to purchase such equipment or to plan, construct, and maintain such a building, but may not use the receipts to service bonds that were issued to pay for such projects.)</p> <p><b>Fiscal effect: None.</b></p>	<p><b>R.C. 5735.27, Section 803.240</b></p> <p>Same as the Senate.</p> <p><b>Fiscal effect: None.</b></p>
<b>TAXCD23 Notice to Tax Commissioner of Fuel Dealer Sale or Closing</b>			
<p><b>R.C. 5735.34</b></p> <p>Requires a motor fuel dealer that sells or discontinues the dealer's entire business to, within 15 days after the sale or discontinuance, notify the Tax Commissioner in writing that the business has been sold or discontinued and, if the business was sold, the contact information of the purchaser.</p> <p><b>Fiscal effect: None.</b></p>	<p><b>R.C. 5735.34</b></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>R.C. 5735.34</b></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>R.C. 5735.34</b></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD83 School District Motor Fuel Tax Reimbursement

No provision.

No provision.

R.C. 5735.142, Sections 803.260, 815.10

Increases the motor fuel tax reimbursement for city, exempted village, joint vocational, and local school districts and educational service centers for motor fuel purchased and used for school district and service center operations from 6¢ per gallon to 10¢ per gallon. (Under continuing law, the overall motor fuel tax rate is 28¢ per gallon.)

No provision.

**Fiscal effect: Increases the total amount of motor fuel tax reimbursement for school districts and educational service centers by approximately \$1.3 million per year. Corresponding revenue loss split between the Highway Operating Fund (Fund 7002), other state funds, counties, municipalities, and townships for highway purposes.**

**Fiscal effect: None.**

TAXCD22 Public Library Fund Certification Date

R.C. 5747.47

Changes the date, from July 20 to July 25, by which the Tax Commissioner is required to certify to county auditors the estimated amount each county is to receive from the Public Library Fund (Fund 7065).

R.C. 5747.47

Same as the Executive.

R.C. 5747.47

Same as the Executive.

R.C. 5747.47

Same as the Executive.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>Fiscal effect: None.</b>	<b>Fiscal effect: Same as the Executive.</b>	<b>Fiscal effect: Same as the Executive.</b>	<b>Fiscal effect: Same as the Executive.</b>
<b>TAXCD32 Local Government Fund Distributions</b>			
<p>R.C. <i>5747.501, Section 757.10</i></p> <p>Requires that, for FY 2014 and thereafter, distributions to each county from the Local Government Fund (LGF) be at least \$750,000 or the amount distributed to the county in FY 2013, whichever is less. Specifies that if necessary, the proportionate shares of other counties may be adjusted to produce the funds needed to meet the minimum distribution requirement. Specifies that for July 2013, distributions to the LGF, and from the LGF to each county undivided local government fund and to each municipal corporation receiving direct LGF distributions, be the same amount as was distributed in July 2012.</p> <p><b>Fiscal effect: Specifies amounts to be distributed in July 2013. Thereafter, may result in some counties receiving more money from the LGF, and some receiving less, if necessitated by the minimum distribution requirement.</b></p>	<p>R.C. <i>5747.501, Section 757.10</i></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>	<p>R.C. <i>5747.501, Section 757.10</i></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>	<p>R.C. <i>5747.501, Section 757.10</i></p> <p>Same as the Executive.</p> <p><b>Fiscal effect: Same as the Executive.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD12 Administration of Severance Tax; Disclosure and Electronic Filing</b>			
<b>R.C. 5749.06, 5749.17</b> (1) Requires, beginning January 1, 2014, severance tax payments to be remitted electronically and authorizes the Tax Commissioner to require severance tax returns to be filed electronically.  (2) Authorizes the Department of Natural Resources, beginning on October 1, 2013, to disclose otherwise confidential tax information furnished by the Commissioner solely for enforcing oil and gas regulatory laws.  <b>Fiscal effect: None</b>	<b>R.C. 5749.06, 5749.17</b> (1) Same as the Executive, but specifies that the requirement applies to severers or to owners, as applicable, as opposed to applying to severers only.  (2) Same as the Executive.  <b>Fiscal effect: Same as the Executive.</b>	<b>R.C. 5749.06, 5749.17</b> (1) Same as the House.  (2) Same as the Executive.  <b>Fiscal effect: Same as the Executive.</b>	<b>R.C. 5749.06, 5749.17</b> (1) Same as the House.  (2) Same as the Executive.  <b>Fiscal effect: Same as the Executive.</b>
<b>TAXCD51 Exclusion of Bad Debts in the Definition of Gross Casino Revenue</b>			
<b>R.C. 5753.01</b> Excludes bad debts from the definition of gross casino revenue, for purposes of the tax on that revenue, and defines what constitutes a bad debt.	<b>R.C. 5753.01</b> Same as the Executive.	No provision.	No provision.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Reduces casino tax revenues by an uncertain amount, potentially up to \$2 million per year. Revenue from the tax is distributed to the Gross Casino Revenue County Fund (Fund 5JG0, 51%), the Gross Casino Revenue County Student Fund (Fund 5JH0, 34%), the Gross Casino Revenue Host City Fund (5JJ0, 5%), the Ohio State Racing Commission Fund (Fund 5JK0, 3%), the Casino Control Commission Fund (Fund 5HS0, 3%), the Problem Casino Gambling and Addiction Fund (Fund 5JL0, 2%), and the Ohio Law Enforcement Training Fund (Fund 5JN0, 2%).**

**Fiscal effect: Same as the Executive.**

**TAXCD43 Income Tax Distributions to Counties**

**Section: 503.70**

Appropriates GRF funds to make any payment required by Section 9 of Article 12 of the Ohio Constitution that not less than 50% of the income, estate, and inheritance taxes collected by the state must be returned to the county, school district, city, village, or township in which such taxes originate.

**Section: 503.70**

Same as the Executive.

**Section: 503.70**

Same as the Executive.

**Section: 503.70**

Same as the Executive.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

TAXCD82 Motor Fuel Tax Refunds and Revenue Distribution

No provision.

No provision.

Section: 605.10

Modifies current law's requirement that the Treasurer of State credit the "first" 2% of revenue generated from motor fuel tax each month to the Highway Operating Fund by specifying that the crediting is to occur after enough revenue is transferred to the Tax Refund Fund to cover motor fuel tax refunds. Also changes the date the crediting is to occur from the first to the last day of each month.

Section: 605.10

Same as the Senate.

**Fiscal effect: May decrease slightly the amount of motor fuel tax revenue that will be allocated to the Highway Operating Fund (Fund 7002).**

**Fiscal effect: Same as the Senate.**

TAXCD41 Ohio Grapes Industries Fund

Section: 4301.43

Extends through June 30, 2015 the two cents per gallon of wine tax revenue credited to the Ohio Grapes Industries Fund.

Section: 4301.43

Same as the Executive.

Section: 4301.43

Same as the Executive.

Section: 4301.43

Same as the Executive.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Maintains revenues to the Ohio Grapes Industries Fund (Fund 4960). Fund 4960 received \$1.1 million in FY 2012 and is estimated to receive about the same amount in FY 2013. Receipts from the wine tax are otherwise credited to the GRF.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

Appropriation Language

TAXCD44 Homestead Exemption and Property Tax Rollback

Section: 395.10

Requires GRF appropriation item 110901, Property Tax Allocation - Taxation, to be used to pay the state's cost, except to school districts, incurred due to the Homestead Exemption, the Manufactured Home Property Tax Rollback, and the Property Tax Rollback. Requires these funds to be distributed by the Tax Commissioner directly to local taxing districts. Appropriates additional amount if necessary.

Section: 395.10

Same as the Executive.

Section: 395.10

Same as the Executive.

Section: 395.10

Same as the Executive.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**TAXCD45 Municipal Income Tax**

**Section: 395.10**

Specifies that appropriation item 110995, Municipal Income Tax, in the Agency Fund Group, be used for payments to municipal corporations under section 5745.05 of the Revised Code. Appropriates additional amount if necessary.

**Section: 395.10**

Same as the Executive.

**Section: 395.10**

Same as the Executive.

**Section: 395.10**

Same as the Executive.

**TAXCD46 Tax Refunds**

**Section: 395.10**

Specifies that appropriation item 110635, Tax Refunds, in the Agency Fund Group, be used to pay for tax refunds under section 5703.052 of the Revised Code. Appropriates additional amount if necessary.

**Section: 395.10**

Same as the Executive.

**Section: 395.10**

Same as the Executive.

**Section: 395.10**

Same as the Executive.

**TAXCD47 International Registration Plan Audit**

**Section: 395.10**

Specifies that SSR Fund 4C60 appropriation item 110616, International Registration Plan, be used under section 5703.12 of the Revised Code for audits of persons with vehicles registered under the International Registration Plan.

**Section: 395.10**

Same as the Executive.

**Section: 395.10**

Same as the Executive.

**Section: 395.10**

Same as the Executive.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>TAXCD48 Travel Expenses for the Streamlined Sales Tax Project</b>			
<p><b>Section: 395.10</b></p> <p>Allows the Tax Commissioner to use funds from SSR Fund 4350 appropriation item 110607, Local Tax Administration, to pay for travel costs to Streamlined Sales Tax Project meetings.</p>	<p><b>Section: 395.10</b></p> <p>Same as the Executive.</p>	<p><b>Section: 395.10</b></p> <p>Same as the Executive.</p>	<p><b>Section: 395.10</b></p> <p>Same as the Executive.</p>
<b>TAXCD49 Tobacco Settlement Enforcement</b>			
<p><b>Section: 395.10</b></p> <p>Specifies that GRF appropriation item 110404, Tobacco Settlement Enforcement, be used by the Tax Commissioner to pay costs incurred in the enforcement of divisions (F) and (G) of section 5743.03 in the Revised Code.</p>	<p><b>Section: 395.10</b></p> <p>Same as the Executive.</p>	<p><b>Section: 395.10</b></p> <p>Same as the Executive.</p>	<p><b>Section: 395.10</b></p> <p>Same as the Executive.</p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
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TAXCD50 STARS Development and Implementation Fund

Section: 395.10

Specifies that GSF Fund 5MNO appropriation item 110638, STARS Development and Implementation, be used to pay costs incurred in the development and implementation of the Department's State Tax Accounting and Revenue System. Requires the Director of Budget and Management to transfer cash, up to \$8 million over the FY 2014-FY 2015 biennium, from the Tax Reform System Implementation Fund, Local Tax Administration Fund, School District Income Tax Fund, Discovery Project Fund, and Motor Fuel Tax Administration Fund into the STARS Development and Implementation Fund.

Section: 395.10

Same as the Executive.

Section: 395.10

Same as the Executive.

Section: 395.10

Same as the Executive.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

AGOCD15 Cash Transfers from Criminal Justice Services Casino Tax Revenue Fund to Law Enforcement Assistance Fund

No provision.

No provision.

**Section: 221.10**

Requires the Director of Budget and Management, during FY 2014 and FY 2015, to transfer the amounts deposited into the Criminal Justice Services Casino Tax Revenue Fund (Fund 5LMO), which is used by the Department of Public Safety, to the Law Enforcement Assistance Fund (Fund 5L50), which is used by the Office of the Attorney General.

**Section: 221.10**

Replaces the Senate provision with a provision that requires, by September 1, 2013, the Attorney General, in consultation with state and local law enforcement agencies, submit to the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives a report recommending how to best use moneys collected from the gross casino revenue tax, pursuant to Section 6(C)(3)(f) of Article XV, Ohio Constitution, and how to best distribute such money for the purposes of enhancing public safety and providing additional training opportunities to the law enforcement community. Requires the report to include a recommendation for sharing a portion of such moneys with local law enforcement agencies beginning in FY 2015.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

Fiscal effect: The transferred cash is used to support the appropriation increases to GSF Fund 5L50 appropriation item 055619, Law Enforcement Assistance Program, by \$850,946 in each fiscal year. The bill eliminates from Public Safety's budget, GSF Fund 5LMO appropriation item 768698, Criminal Justice Services Law Enforcement Support, and related appropriations of \$850,946 per year (see DPSCD56).

Fiscal effect: Little, if any, additional one-time costs, as a provision in H.B. 386 of the 129th G.A. already requires the Attorney General to submit a similar report by December 31, 2013.

**AGOCD10 Cash Transfers to the Tobacco Oversight Administration and Enforcement Fund**

**Section: 521.33**

(1) Requires the Director of Budget and Management, on July 1, 2013, or as soon as possible thereafter, to transfer the cash balance from the following three funds to the Tobacco Oversight Administration and Enforcement Fund (Fund U087) used by the Attorney General: the Tobacco Settlement Enforcement Fund (Fund T087) used by the Department of Taxation, the Education Technology Trust Fund (Fund S087) used by eTech Ohio, and the Southern Ohio Agricultural Development Trust Fund (Fund K087) used by the Southern Ohio Agricultural and Community Development Foundation.

(1) No provision.

**Section: 521.35**

(1) Same as the Executive, but removes the transfer of the cash balance in the Southern Ohio Agricultural Development Trust Fund (Fund K087) used by the Southern Ohio Agricultural and Community Development Foundation.

**Section: 521.35**

(1) Same as the Senate.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p>(2) Abolishes each of the three above-noted funds subsequent to completion of the cash transfer. Cancels any existing encumbrances against their related appropriation items and reestablishes those cancelled encumbrances against TSF Fund U087 appropriation item 055402, Tobacco Settlement Oversight, Administration, and Enforcement. Appropriates the transferred cash and reestablished encumbrances.</p>	<p>(2) No provision.</p>	<p>(2) Same as the Executive, but removes the abolition of Fund K087 and the cancelling of any existing encumbrances against related appropriation item 945602, Southern Ohio Agricultural Development.</p>	<p>(2) Same as the Senate.</p>
<p>(3) Requires the Director of Budget and Management, on July 1, 2014, or as soon as possible thereafter, to transfer the cash balance in the Law Enforcement Improvement Trust Fund (Fund J087) to Fund U087. Abolishes Fund J087 subsequent to completion of the cash transfer. Cancels any existing encumbrances against TSF Fund J087 appropriation item 055635, Law Enforcement Technology, Training, and Facility Enhancements, and reestablishes those cancelled encumbrances against TSF Fund U087 appropriation item 055402, Tobacco Settlement Oversight, Administration, and Enforcement. Appropriates the transferred cash and reestablished encumbrances.</p>	<p>(3) No provision.</p>	<p>(3) Same as the Executive.</p>	<p>(3) Same as the Executive.</p>
<p><b>Fiscal effect: The amount of cash that could be transferred to Fund U087 is estimated at up to \$145,000 in FY 2014 and as much as \$500,000 or so in FY 2015.</b></p>		<p><b>Fiscal effect: The amount of cash that could be transferred to Fund U087 is estimated at up to \$15,000 in FY 2014 and as much as \$500,000 or so in FY 2015.</b></p>	<p><b>Fiscal effect: Same as the Senate.</b></p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>OBMCD33 Prohibition on Income Tax Reduction Fund Transfers</b>			
No provision.	<p><b>Section: 512.70</b></p> <p>Prohibits cash transfers to the Income Tax Reduction Fund (ITRF) prior to July 1, 2015.</p> <p><b>Fiscal effect: Any GRF ending balance that exceeds the amount that is needed to bring the Budget Stabilization Fund to its statutory level of 5% of annual GRF revenues will remain in the GRF instead of going to the ITRF.</b></p>	<p><b>Section: 512.70</b></p> <p>Same as the House.</p> <p><b>Fiscal effect: Same as the House.</b></p>	<p><b>Section: 512.70</b></p> <p>Same as the House.</p> <p><b>Fiscal effect: Same as the House.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**School Funding**

**EDUCD155 School District Revenue from Sale of Real Property**

No provision.

No provision.

**R.C. 5705.10**

Authorizes the board of education of a school district to pay money received from the sale of real property into the district's general fund to be used only to pay for nonoperating capital expenses related to technological upgrades and equipment used for instruction and assessment (currently, non-municipal school districts must pay such money into the sinking fund, the bond retirement fund, or a special fund for the construction or acquisition of permanent improvements; municipal school districts, under certain circumstances, may pay such money into the district's general fund).

**Fiscal effect: May increase school district flexibility in the use of this cash.**

**R.C. 5705.10**

Same as the Senate, but requires a school district to (1) use the proceeds from the disposal of real property to retire any debt that was incurred by the district with respect to that real property, (2) pay the proceeds that are in excess of what is necessary to retire related debt into the district's capital and maintenance fund, (3) and use the proceeds only to pay for the costs of non-operating capital expenses related to technology infrastructure and equipment (rather than technological upgrades and equipment).

**Fiscal effect: Same as the Senate, but does not provide as much flexibility with the use of these funds.**

Executive

As Passed by the House

As Passed by the Senate

As Enacted

EDUCD145 Property Tax Levy for School Safety and Security

No provision.

No provision.

R.C. 5705.21

Authorizes school districts to levy a property tax exclusively for school safety and security purposes. Requires the levy to comply with the same requirements that apply to general school district levies in excess of the 10-mill limitation.

R.C. 5705.21, Section 803.300

Same as the Senate.

No provision.

No provision.

No provision.

Specifies that proceedings undertaken by a board of education to propose a levy for school safety and security purposes are valid, even if they were initiated prior to the bill's effective date, so long as the proceedings are consistent with the terms of the bill.

**Fiscal effect: Provides a new option for school districts to use in raising local revenues. School districts that opt to put a school safety and security levy on the ballot will incur some election-related costs.**

**Fiscal effect: Same as the Senate.**

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b><u>Other Education Provisions</u></b>			
<b>EDUCD66 Due Date for Tangible Personal Property Tax Replacement Payments to School Districts</b>			
<p><b>R.C. 5751.21</b></p> <p>Postpones the due date for November tangible personal property tax replacement payments to school districts to the last day of the month (under current law, replacement payments for both fixed-rate and fixed-sum levies are due on May 31 and November 20).</p>	<p><b>R.C. 5751.21</b></p> <p>Same as the Executive.</p>	<p><b>R.C. 5751.21</b></p> <p>Same as the Executive.</p>	<p><b>R.C. 5751.21</b></p> <p>Same as the Executive.</p>
<p><b>Fiscal effect: Resolves a cash flow issue associated with the replacement payments.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>	<p><b>Fiscal effect: Same as the Executive.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

DOHCD40 **\*\*VETOED\*\*** Hope for a Smile Program

**R.C. 3701.139, 5747.01**

No provision.

No provision.

No provision.

[\*\*VETOED: Establishes the Hope for a Smile Program as a collaboration between ODH, the Ohio Dental Association, the Ohio Dental Hygienists Association, and dental and dental hygiene academic programs in Ohio. Creates the Hope for a Smile Advisory Council.\*\*]

No provision.

No provision.

No provision.

[\*\*VETOED: Specifies that the program's primary objective is to improve the oral health of school age children.\*\*]

No provision.

No provision.

No provision.

[\*\*VETOED: Specifies how the program is to be operated and funded - specifies that the ODH Director, with assistance from the DAS Director and using the state's purchasing power, must use money from any one or more of the following sources for the program: the Economic Development Programs Fund; the Hope for a Smile Fund, which is created by the bill; and other public funds. Requires the ODH Director to apply on the program's behalf to ODM for a Medicaid provider agreement and to arrange with private insurance companies for the program to be reimbursed through those companies.\*\*]

No provision.

No provision.

No provision.

[\*\*VETOED: Creates a state income tax deduction, to be used by a dentist or dental hygienist, equal to the fair market value of

Executive	As Passed by the House	As Passed by the Senate	As Enacted
			<p>the services provided for free under the program***].</p> <p><b>Fiscal effect: Increase in administrative costs, but a possible gain in revenues for any moneys collected and deposited into the Hope for a Smile Fund. Potential increase in Medicaid costs, but potential gain of federal Medicaid reimbursement for services provided for Medicaid eligible children under the program. Potential revenue loss to the GRF from the income tax deduction, with the magnitude of the loss depending on amount of free care provided. GRF revenue losses also result in reductions in revenue to the Local Government Fund and the Public Library Fund.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

SOSCD7 Canceled Corporation Charters

R.C. 1701.86, 317.36, 1701.922,  
1703.29, 5703.91, 5703.92,  
5703.93

R.C. 1701.86, 317.36, 1701.922,  
1703.29, 5703.91, 5703.92,  
5703.93

(1) Requires the Secretary of State to confirm with state agencies that a corporation that is voluntarily dissolving does not have any outstanding liabilities.

(1) No provision.

(1) No provision.

(1) Replaces the Executive provision with a provision allowing a corporation that is voluntarily dissolving, in order to meet the state tax responsibility portion of the filing, to provide evidence from the Department of Taxation showing that the Department has received an adequate guarantee for the payment of taxes due from the corporation.

(2) No provision.

(2) No provision.

(2) No provision.

(2) Eliminates the current law ability of a voluntarily dissolving corporation, in order to meet the state tax responsibility portion of the filing, to provide an affidavit stating that the corporation does not have any outstanding tax liability.

(3) Requires an unlicensed foreign corporation to file a certificate from the Tax Commissioner that the corporation has paid all state taxes, rather than only franchise taxes and penalties as under current law.

(3) No provision.

(3) No provision.

(3) Same as the Executive.

(4) Requires the Tax Commissioner to certify to the Secretary of State the failure of a for profit corporation or a for profit foreign corporation to file any required reports or returns or to pay any tax or fee within 90 days after the prescribed time for filing.

(4) No provision.

(4) No provision.

(4) Same as the Executive.

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p>(5) Requires the Secretary of State, after receiving such a certification from the Tax Commissioner to: cancel the articles of incorporation or certificate of authority of a corporation or foreign corporation; immediately notify the corporation, or foreign corporation of the cancellation; forward a certificate of the cancellation action to the county recorder of the county that is the principal place of the corporation's business within the state. Prohibits the county recorder from charging the Secretary of State a fee for the filing.</p>	<p>(5) No provision.</p>	<p>(5) No provision.</p>	<p>(5) Same as the Executive.</p>
<p>(6) Prohibits a person from exercising or attempting to exercise any powers, privileges or franchises under articles of incorporation that have been cancelled and establishes a penalty of \$100 for each day a person exercises these powers, with a maximum fine of \$5,000.</p>	<p>(6) No provision.</p>	<p>(6) No provision.</p>	<p>(6) Same as the Executive.</p>
<p>(7) Requires the Secretary of State to reinstate a corporation's articles of incorporation or license certificate if the corporation pays any required fees and penalties, files a certificate with the Tax Commissioner affirming its compliance with tax law, and pays a fee of \$25.</p>	<p>(7) No provision.</p>	<p>(7) No provision.</p>	<p>(7) Same as the Executive.</p>
<p>(8) Permits a certificate of reinstatement to be filed in the applicable county recorder's office and requires the recorder to charge and collect a base fee of \$3 and a fee of \$3 to the Low- and Moderate-Income Housing Trust Fund (Fund 6460).</p>	<p>(8) No provision.</p>	<p>(8) No provision.</p>	<p>(8) Same as the Executive.</p>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<p>(9) Allows any officer, shareholder, creditor, or receiver of any reinstated corporation to take all steps required to effect reinstatement. Prohibits, if certain conditions are met, the invalidation of an officer's exercise or attempt to exercise any right, privilege, or franchise on behalf of a corporation whose articles of incorporation were canceled from between the time of cancellation and reinstatement.</p>	<p>(9) No provision.</p>	<p>(9) No provision.</p>	<p>(9) Same as the Executive.</p>
<p>(10) Specifies that the affidavit that may be filed with a certificate of dissolution of a corporation, in lieu of a receipt, certificate, or other evidence, must be in a form prescribed by the Secretary of State.</p>	<p>(10) No provision.</p>	<p>(10) No provision.</p>	<p>(10) No provision.</p>
<p><b>Fiscal effect: Potential increase in cost to the Secretary of State for following these procedures.</b></p>			<p><b>Fiscal effect: Same as the Executive.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

LOCCD5 Allocation of Lodging Tax Revenue by Convention Facilities Authorities

	R.C. 351.021	R.C. 351.021	R.C. 351.021
No provision.	<p>Authorizes convention facilities authorities (CFAs), in counties with a population of between 80,000 and 90,000 according to the 2010 Census, to allocate a portion of lodging tax revenue (not exceeding 15% of the total revenue from the tax in the preceding year) to county and municipal tourism facilities and programs, the improvement and maintenance of county fairgrounds, and any other purpose connected with the use of a county fairground.</p>	Same as the House.	Same as the House.
	<p><b>Fiscal effect: None. According to the 2010 Census, only Muskingum County has a population of between 80,000 and 90,000. Thus, this provision would allow the Muskingum County Convention Facilities Authority to allocate a portion of its lodging tax revenue for certain additional uses. Under current law, CFAs that levy a lodging tax are required to use the revenue to pay the cost of one or more convention facilities, the principal, interest, and premium on anticipation bonds issued by the CFA to pay those costs, the operating and maintenance costs of convention facilities, and the operating costs of the CFA.</b></p>	<b>Fiscal effect: Same as the House.</b>	<b>Fiscal effect: Same as the House.</b>

Executive	As Passed by the House	As Passed by the Senate	As Enacted
<b>LOCCD6 Joint Economic Development Zone Income Tax Revenue Uses</b>			
No provision.	<p data-bbox="728 383 983 409"><b>R.C. 715.691</b></p> <p data-bbox="728 440 1284 737">Authorizes municipal corporations and townships that enter into a joint economic development zone (JEDZ) contract to use income tax revenue collected pursuant to the contract for the general purposes of a township that is subject to the contract, instead of existing law that allows the revenue to be used only by the municipal corporations that are a part of the contract.</p> <p data-bbox="728 756 1206 854"><b>Fiscal effect: Allows JEDZs to use income tax generated under these agreements for township needs.</b></p>	<p data-bbox="1346 383 1602 409"><b>R.C. 715.691</b></p> <p data-bbox="1346 440 1610 466">Same as the House.</p> <p data-bbox="1346 756 1809 781"><b>Fiscal effect: Same as the House.</b></p>	<p data-bbox="1964 383 2220 409"><b>R.C. 715.691</b></p> <p data-bbox="1964 440 2228 466">Same as the House.</p> <p data-bbox="1964 756 2427 781"><b>Fiscal effect: Same as the House.</b></p>

Executive

As Passed by the House

As Passed by the Senate

As Enacted

LOCCD20 Allocation of County Lodging Taxes to Convention and Visitors' Bureaus

Executive	As Passed by the House	As Passed by the Senate	As Enacted
No provision.	No provision.	R.C. 5739.09 Requires that lodging tax revenues distributed by a county to a convention and visitors' bureau in existence as of the effective date of the bill be used solely for tourism sales, marketing and promotion, and their associated costs. (Such expenses are defined to include, but are not limited to, operational and administrative costs of the bureau, sales and marketing, and maintenance of the physical bureau structure.) Exempts from this requirement lodging tax revenue previously pledged to the payment of debt service charges on bonds, notes, securities, or lease agreements.	R.C. 5739.09 Same as the Senate.
No provision.	No provision.	Limits the amount of county lodging tax revenues that a county may retain for administrative purposes to 3% of the first \$500,000 distributed to the convention and visitors' bureau and 1.5% of any such amount above \$500,000.	No provision.

Executive

As Passed by the House

As Passed by the Senate

As Enacted

**Fiscal effect: Potentially restricts the purposes for which a convention and visitors' bureau may use revenue from a lodging tax levied by its county (under existing law, counties, municipalities, townships, and convention facility authorities may levy a lodging tax). Under current law, lodging tax revenue (levied by counties) distributed to a convention and visitors' bureau may be used for any purpose that promotes, advertises, and markets the region (including financing the construction and operation of a convention center). In addition, current law does not explicitly permit, prohibit, or prescribe restrictions on the use of lodging tax revenue for administrative purposes.**

**Fiscal effect: Potentially restricts the purposes for which a convention and visitors' bureau may use revenue from a lodging tax levied by its county (under existing law, counties, municipalities, townships, and convention facility authorities may levy a lodging tax). Under current law, lodging tax revenue (levied by counties) distributed to a convention and visitors' bureau may be used for any purpose that promotes, advertises, and markets the region (including financing the construction and operation of a convention center).**