

Executive

As Passed By House

Personal Income Tax

TAXCD77 Film and theater production and capital improvement tax credits

No provision.

No provision.

R.C. 122.85, , 122.852 (repealed), 5726.59 (repealed), 5726.98, 5747.67 (repealed), 5747.98, 5751.55 (repealed), and 5751.98

Increases the amount of film and Broadway theater production tax credits that DEV may award from \$50 million to \$75 million per fiscal year.

Repeals the film and theater capital improvement tax credit, which currently has a \$25 million per fiscal year maximum with an option to transfer allowed amounts for award as film and theater production tax credits.

Fiscal effect: Likely revenue neutral.

TAXCD84 Historic rehabilitation tax credit

No provision.

R.C. 149.311

Prohibits DEV from using building vacancy or underutilization as part of the criteria for awarding historic rehabilitation tax credits. Increases the percentage of rehabilitation costs a certificate owner may claim as a credit from 25% to 35% for a project that is not located in a municipality with a population of at least 300,000.

Fiscal effect: Potentially decreases insurance tax, financial institution tax, and income tax receipts, depending on the additional amount of credits issued.

TAXCD43 Disclose Ohio employee withholding account numbers

R.C. 5703.21

Authorizes TAX, without violating the prohibition against divulging personal tax information, to disclose an employer's income tax withholding account number to permit a current or former employee to prepare the employee's tax return.

Fiscal effect: None.

R.C. 5703.21

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD41 Income tax withholding bulk file program

R.C. 5747.01, 5747.07, 5747.073, Section 801.150

Codifies practice of allowing payroll service companies to file employee income tax withholding returns on behalf of their employer clients.

Fiscal effect: None.

R.C. 5747.01, 5747.07, 5747.073, Section 801.150

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD80 Pregnancy resource center donations

No provision.

R.C. 5747.01, Section 801.20

Authorizes a personal income tax deduction for contributions, up to \$750 per year, to a pregnancy resource center that meets certain criteria.

Fiscal effect: Decreases PIT receipts by approximately \$900,000 annually beginning in FY 2026.

TAXCD83 Educator expenses tax deduction

No provision.

R.C. 5747.01, Section 801.20

Increases the maximum amount, from \$250 to \$300 per tax year, a qualifying Ohio educator may deduct from their state income for certain expenses relating to professional development courses aligned with the curriculum in which the educator provides instruction, or the books, supplies, computer equipment, or supplemental materials used by the eligible educator in the classroom.

Fiscal effect: Decreases income tax receipts by roughly \$55,000 per year beginning in FY 2026.

TAXCD54 Income tax: resident and nonresident credit computation

R.C. 5747.05, Section 757.10

Clarifies that income used as the basis of computing the resident and nonresident tax credits is income calculated after taking the business income deduction, conforming with current administrative practice.

Fiscal effect: None.

R.C. 5747.05, Section 757.10

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD61 Refundable income tax credit for dependents under age 7

R.C. 5747.051, 5747.08, 5747.98, Section 801.30

Authorizes, beginning in TY 2025, a refundable income tax credit of up to \$1,000 for each of a taxpayer's dependents aged 6 or under for taxpayers with a modified Ohio adjusted gross income (MAGI) of at least \$2,500, but no more than \$94,000 for spouses filing jointly, \$56,500 for spouses filing separately, and \$69,000 for all other taxpayers.

No provision.

Establishes a credit phase-out income threshold of \$75,000 for spouses filing jointly, \$37,500 for spouses filing separately, and \$50,000 for all other taxpayers.

No provision.

Calculates an eligible taxpayer's credit as follows: (1) For taxpayers below the phase-out threshold: the lesser of \$1,000 or 5% x (the taxpayer's MAGI – \$2,500) and (2) For taxpayers above the phase-out threshold: \$1,000 – 5% of (the taxpayer's MAGI, rounded up to the nearest \$1,000 – the phase-out threshold).

No provision.

Fiscal effect: The executive budget proposal estimates the GRF tax revenue loss from this provision at \$450.0 million in FY 2026 and \$440.0 million in FY 2027.

TAXCD42 Income tax: withholding of gambling winnings

R.C. 5747.062, 5747.063, 5747.064, Section 801.120

Reduces the withholding rate on lottery, video lottery, sports gaming, and casino winnings income from 4% to 3.5%.

R.C. 5747.062, 5747.063, 5747.064, Section 801.120

Same as the Executive.

Fiscal effect: No direct fiscal effect because the taxpayer's liability is unchanged. The reduction from 4% to 3.5% keeps pace with reductions to Ohio's top marginal income tax rate.

Fiscal effect: Same as the Executive.

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TAXCD44 Income tax withholding from retirement benefits

R.C. 5747.071, Section 801.130

Authorizes retirement systems and plans to withhold school district income taxes and non-state retirement plans to withhold income taxes from a retiree's benefits.

Fiscal effect: None.

R.C. 5747.071, Section 801.130

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD86 Education tax credits

No provision.

No provision.

R.C. 5747.08, 5747.72, 5747.75 (repealed), 5747.98; Section 820.80

Increases the home school expense tax credit by changing the maximum amount of educational expenses the credit can cover, from \$250 per return to \$250 per qualifying student. Disallows the credit from being claimed on the basis of expenses paid from an educational savings account (ESA).

Repeals a personal income tax credit for tuition paid to a nonchartered nonpublic school, beginning in 2026 (the bill creates educational savings accounts for students attending a nonchartered nonpublic school; see EDUCD118).

Fiscal effect: The combined fiscal effect of modifying the home school expense credit and repealing the tax credit for tuition paid to a nonchartered, nonpublic school is an annual revenue loss of roughly \$0.7 million beginning in FY 2026.

TAXCD53 Penalty and interest for estimated tax underpayments

R.C. 5747.09, 5747.43, Section 801.40

Allows the tax commissioner to abate (refund or forgive) penalties and interest charged for failure to pay sufficient estimated state, school district, or certain pass-through entity income taxes.

Fiscal effect: May reduce payments for penalty and interest charges collected by TAX, at the discretion of the commissioner, potentially decreasing state revenue by up to \$4 million or more per year.

R.C. 5747.09, 5747.43, Section 801.40

Same as the Executive, but clarifies that an income, school district income, or pass-through entity composite tax penalty is imposed at the Tax Commissioner's discretion.

Fiscal effect: Same as the Executive.

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TAXCD55 Correction of erroneous income tax cross-reference

R.C. 5747.10

Corrects an erroneous cross-reference in a provision that deals with amended income tax returns.

Fiscal effect: None.

R.C. 5747.10

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD74 Pass-through entity taxation

No provision.

No provision.

R.C. 5747.38, 5747.39; Sections 757.60 and 801.180

Allows pass-through entities that pay an elective tax designed to circumvent the federal cap on credits for state and local taxes (SALT) paid and a combined tax paid on behalf of multiple investors to claim certain refundable credits available to the entities' owners when calculating the elective tax due.

Changes the calculation of tax credits allowed to an investor in a pass-through entity that pays the elective SALT limit work around tax or that files a composite return for its investors from the investor's proportionate share of the tax paid by the entity to the lesser of that amount or the proportionate share of the tax actually due, and states that this modification only clarifies the law and does not change it.

Fiscal effect: None.

Sales and Use Taxes

TAXCD18 Watercraft and outboard motors sales tax remittance

R.C. 1548.06

Requires a clerk of court to remit sales and use tax from the sale of titled watercraft and outboard motors to the Registrar of Motor Vehicles instead of to TAX. Requires TAX to consult with DPS on the form of the remittance reports that must accompany the taxes collected.

Fiscal effect: None.

R.C. 1548.06

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD12 Sales tax on nonresident purchases of watercraft

R.C. 5739.027

Requires that, when a nonresident purchases a watercraft or outboard motor in Ohio and intends to remove the property out of state, the sales tax due on the transaction equals 6%.

Fiscal effect: Undetermined decrease in tax revenue from the state and permissive (local) sales and use tax. Currently, the purchaser pays the lesser of the tax due (a) in the county of purchase or (b) in the location to which the property will be removed.

No provision.

TAXCD14 Sales and use tax refund interest: direct pay permits

R.C. 5739.07, Section 801.160

Eliminates interest on sales and use tax refunds for sales tax and use tax paid pursuant to a direct payment permit, whereby a purchaser pays the tax directly to the state, as opposed to the vendor who makes the sale.

Fiscal effect: Undetermined decrease in expenses associated with interest payments from the state and permissive (local) sales and use tax revenue.

R.C. 5739.07, Section 801.160

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD75 County sales tax refunds

No provision.

R.C. 5739.132, Section 801.170

Eliminates interest on refunds of county sales and use tax on and after the bill's 90-day effective date, but continues to allow interest for refunds of state and transit authority taxes.

Fiscal effect: Potential minimal revenue gains for county sales and use tax.

TAXCD13 Sales and use tax: suspension and revocation of vendor's licenses

R.C. 5739.31

Prohibits a vendor whose license has been suspended from obtaining a new license from any county auditor while the suspension remains in effect.

R.C. 5739.31

Same as the Executive.

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Authorizes TAX to cancel any additional vendor license erroneously granted during the suspension period.

Same as the Executive.

Fiscal effect: None. Continuing law may be interpreted to prohibit receiving a new license only from TAX or the auditor of the county that issued the suspended license.

Fiscal effect: Same as the Executive.

TAXCD16 Sales and use tax: criminal penalties

R.C. 5739.99

Modifies sales and use tax criminal fraud and licensure offenses and penalties by classifying offenses to the closest classified misdemeanors based on their current penalties and applying more severe charges against repeat offenders.

No provision.

Fiscal effect: Potential increase in revenue from penalties. May also deter tax evasion by repeat offenders.

Commercial Activity Tax

TAXCD24 CAT credit for net operating losses

R.C. 5751.53, 5751.98

Converts a commercial activity tax (CAT) credit for certain net operating losses accrued under the defunct corporation franchise tax from a refundable to a nonrefundable credit after calendar year 2029.

No provision.

Fiscal effect: Potential short-term revenue gain after 2029 by preventing up to an estimated \$200 million in refundable credits from being issued in 2030.

Cigarette Taxes

Executive

As Passed By House

TAXCD29 Cigarette and tobacco products tax increase

R.C. 5743.01, 5743.02, 5743.025, 5743.05, 5743.32, 5743.51, 5743.62, 5743.63, Section 801.80

Increases the state cigarette tax from \$1.60 to \$3.10 per pack, the state tax on other tobacco products from 17% to 42% of the wholesale price (with the rate for little cigars rising from 37% to 42%), and the maximum tax on premium cigars from 64 cents to \$1.58 per cigar, beginning October 1, 2025.

No provision.

Increases the tax rate on nicotine-based vapor products, from 10 cents to 20 cents per milliliter (liquid) or gram (non-liquid) of product, beginning October 1, 2025.

No provision.

Modifies the tax discount that cigarette dealers receive as a commission for affixing tax stamps to cigarette packs, from 1.8% of the stamps' face value to 3 cents per stamp.

No provision.

Fiscal effect: According to the executive proposal, the net effect of the policies is to increase GRF revenue by \$434 million in FY 2026 and \$463 million in FY 2027.

TAXCD79 County arts cigarette tax

No provision.

R.C. 5743.021

Expands the authority to levy a county cigarette tax for the benefit of an arts and cultural district to Summit County.

Fiscal effect: The net fiscal effect will depend on the tax rate levied by the county commissioners.

TAXCD28 Tobacco products and vapor tax: prompt-payment discount

R.C. 5743.52, 5743.62, Section 801.140

Discontinues, beginning in 2026, the discount of 2.5% of the amount of tax due provided to distributors of tobacco products or vapor products who timely file and pay their excise tax.

No provision.

Fiscal effect: Revenue gains to the GRF of approximately \$1.5 million in FY 2026, and \$3.0 million annually starting in FY 2027.

Executive

As Passed By House

TAXCD17 Cigarette, tobacco, and vapor tax: criminal penalties

R.C. 5743.99

Increases the penalty for a repeat violation of engaging in cigarette, tobacco product, or vapor product commerce without holding a TAX license, from a fourth degree to third degree misdemeanor.

Fiscal effect: Potential increase in revenue from penalties.

No provision.

Other Taxation Provisions

TAXCD23 Energy-efficient building federal tax deduction

R.C. 9.239

Removes the Tax Commissioner from a procedure by which the designer of a public building may request allocation of a federal income tax deduction for the design and installation of energy-efficient interior lighting, HVAC, hot water, or building envelope systems in public buildings.

Fiscal effect: None. The provision shifts the responsibility for requesting the federal income tax deduction from the Tax Commissioner to the public entity that owns the building.

R.C. 9.239

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

TAXCD87 Transformational mixed use development tax credits

No provision.

R.C. 122.09

Removes the June 30, 2025 sunset date for the transformational mixed use development (TMUD) tax credit program, and continues to allow the award of up to \$100 million in credits per fiscal year in FY 2026 and years thereafter.

Fiscal effect: The provision reduces domestic and foreign insurance tax revenues up to \$100 million per year, depending on the amount of TMUD tax credits awarded after FY 2025. The credit is nonrefundable and transferable. The Ohio Tax Credit Authority (TCA) only issues a tax credit certificate after completion of a certified TMUD project. Construction must begin within 12 months of the date a project is certified by the TCA. Previously, the TCA approved the \$100 million in tax credits in the middle of a fiscal year, and the construction timeline for most mixed-use development projects was generally more than one year. If these patterns continue for prospective projects, it is plausible that the associated state tax revenue losses would not begin until FY 2028.

TAXCD39 Petitions for Reassessment

R.C. 128.46, 718.90, 3734.907, 3769.088, 4305.131, 5726.20, 5727.26, 5727.47, 5727.89, 5728.10, 5735.12, 5736.09, 5739.13, 5743.081, 5743.56, 5745.12-5745.13 5747.13, 5749.07, 5751.09, 5753.07

Removes the requirement that taxpayers submit petitions for reassessment through personal service or certified mail. Removes the requirement that municipal corporations submit petitions challenging TAX's adjustment of an electric or telephone company's income apportionment for municipal utility income tax purposes personally or by certified mail and the requirement that TAX respond by ordinary mail to such petitions.

Fiscal effect: Minimal.

R.C. 128.46, 718.90, 3734.907, 3769.088, 4305.131, 5726.20, 5727.26, 5727.47, 5727.89, 5728.10, 5735.12, 5736.09, 5739.13, 5743.081, 5743.56, 5745.12-5745.13 5747.13, 5749.07, 5751.09, 5753.07

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD51 Increase historic building rehabilitation tax credit cap

R.C. 149.311

Permanently increases the annual cap on the Ohio historic building preservation tax credit from \$60 million to \$120 million per fiscal year.

Fiscal effect: Additional state revenue losses depend on the amount of historic building preservation tax credits awarded. Previously, the cap was temporarily increased by the same amount for FY 2023 and FY 2024.

R.C. 149.311

Same as the Executive, but decreases annual cap from \$120 to \$90 million.

Fiscal effect: Same as the Executive except annual tax loss limited to \$90 million.

TAXCD52 Tax credit for historic owner-occupied property rehabilitation

R.C. 149.311, 149.312, 5747.08, 5747.761, 5747.98

Authorizes a refundable income tax credit, up to \$120,000 per project, to reimburse 25% of qualified expenditures incurred by an owner-occupant to rehabilitate historic residential property. Caps the amount of credits that may be awarded in a fiscal year to \$10 million.

Fiscal effect: Reduction in tax liability up to \$10 million per year.

No provision.

TAXCD30 Housing tax credit reporting

R.C. 175.16, 175.17

Makes the Tax Commissioner the sole recipient of required reports from taxpayers who are awarded state-funded low-income housing tax credits or tax credits for single-family housing development and requires the Tax Commissioner to share the received reports with the Superintendent of Insurance.

Fiscal effect: None.

R.C. 175.16, 175.17

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD7 Corporation franchise tax: statutory agent

R.C. 0701.04, 1701.07, 1703.041

Removes a requirement placed on corporations to include the name and address of the corporation's statutory agent in it's annual report filed under the now-defunct corporation franchise tax.

Fiscal effect: None.

R.C. 0701.04, 1701.07, 1703.041

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

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TAXCD73 Municipal income tax military pay exemption

No provision.

R.C. 718.01, Section 801.190

Clarifies that pay to members of the United States Space Force may be deducted from municipal income tax as part of an existing deduction for military pay.

Fiscal effect: Potential statewide municipal income tax revenue loss of roughly \$388,000 per year, if such pay is not currently deducted.

TAXCD72 Municipal income tax: refund and assessment periods

No provision.

R.C. 718.12, 718.19, 718.90, and 718.91

Allows a taxpayer who received a valid extension of the tax return due date to file a municipal income tax refund claim within three years after that extended due date.

No provision.

Applies the same date commencement to the three-year deadline for tax administrators or the Tax Commissioner to make municipal income tax assessments.

Fiscal effect: Potential minimal loss to municipalities. Current law requires such a filing within three years of the date the tax was originally due or paid, whichever is later.

TAXCD48 Municipal net profit tax: extension request

R.C. 718.85

Extends, from six to seven months, the municipal net profits tax return extension filing period for taxpayers that do not request a federal income tax extension.

Fiscal effect: None.

R.C. 718.85

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

TAXCD46 Municipal net profit tax: discretionary interest penalty

R.C. 718.88

Makes it discretionary, rather than mandatory under current law, for TAX to charge a penalty for late estimated payments of municipal net profit taxpayers that opt for the state to administer their account.

Fiscal effect: Potentially decrease penalty collections depending on TAX's discretion.

R.C. 718.88

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD71 Replacement tire fee: eliminate 4% discount

R.C. 3734.904, Section 801.110

Effective January 1, 2026, eliminates the 4% discount for wholesale distributors of replacement tires or retail dealers who timely file and pay the replacement tire fee administered by TAX.

Fiscal effect: Increases fee revenue to the Scrap Tire Management Fund (Fund 4R50) used by EPA and the Soil and Water Conservation District Assistance Fund (Fund 5BV0) used by AGR.

R.C. 3734.904, Section 801.110

Same as the Executive.

TAXCD20 Adult use marijuana excise tax: rate and distribution

R.C. 3780.02, 3780.03, 3780.10, 3780.18 (repealed), 3780.19 (repealed), 3780.22, 3780.23, 3780.25, 3780.26, 3780.30, Section 801.60

Increases the rate of the excise tax on adult use marijuana, beginning on July 1, 2025, from 10% to 20%.

Imposes a 20% excise tax on the illegal sale of marijuana by an unlicensed seller.

R.C. 3780.02, 3780.03, 3780.10, 3780.18 (repealed), 3780.19 (repealed), 3780.22, 3780.23 (repealed), 3780.25, 3780.26, 3780.30, Section 801.60

No provision.

Same as the Executive, but lowers the rate to 10%.

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Repeals current law’s tax revenue distributions (36% to the state Cannabis Social Equity and Jobs Fund, 36% to the Host Community Cannabis Fund, 25% to the state Substance Abuse and Addiction Fund, and 3% to COM and TAX for administration purposes) and reallocates revenue from the tax to substance abuse prevention, treatment, and recovery programs, the 9-8-8 suicide prevention and mental health crisis hotline, county jail grant programs, training of peace officers and troopers, construction and renovation of such training facilities, local drug task forces, safe driver programs, Ohio investigative unit operations, Ohio poison control programs and laboratory testing, and temporarily to the AGO for administering requests for expungements. Limits some allocations for these purposes and directs any remaining receipts to the GRF.

Fiscal effect: The Executive estimates an increase of \$86.8 million in FY 2026 and \$175.7 million in FY 2027 in adult use marijuana tax revenue.

Same as the Executive on repealing current law’s tax revenue distributions, but reallocates revenues from the tax all to the GRF except distributing 20% of tax revenue, for five years, to the Host Community Cannabis Fund to be distributed to municipalities and townships that have at least one adult-use dispensary or a location for which a provisional dispensary license is issued before July 1, 2025.

Fiscal effect: Approximately \$95.6 million in FY 2026 and \$156.2 million in FY 2027 of adult use marijuana tax would be allocated to the GRF while the Host Community Cannabis Fund would receive about \$23.9 million in FY 2026 and \$39.1 million in FY 2027.

TAXCD21 Adult use cannabis: tax information exchange

R.C. 3780.06

Requires TAX, upon the request of COM, to share pertinent information about the tax violations of an existing adult use cannabis licensee.

Fiscal effect: None. Current law only allows TAX to request this information for applicants seeking a license.

R.C. 3780.06

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

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TAXCD76 State recovery of refunded local taxes

No provision.

R.C. 5703.052

Extends, from three to six years, the maximum length of time over which TAX may recover amounts of refunded taxes from state-administered taxes levied by local subdivisions.

Fiscal effect: Potential revenue gains for certain taxes.

TAXCD11 Electronic tax filing and payments

R.C. 5703.059, 5747.42

Grants the Tax Commissioner blanket authority to require electronic tax filing and payment without, in the absence of specific statutory authority, first adopting rules to that effect.

Fiscal effect: None.

R.C. 5703.059, 5747.42

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD33 Electronic records inspection

R.C. 5703.19

Requires taxpayers to provide records for inspection by TAX in an electronic format if the records are kept in such a format.

Fiscal effect: None.

R.C. 5703.19

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD6 Disclosure of local tax revenue data

R.C. 5703.21

Authorizes TAX, without violating the prohibition against divulging personal tax information, to publish or disclose the amount of revenue distributed to local governments from any tax or fund administered by TAX.

Fiscal effect: None.

R.C. 5703.21

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD34 Process for returned tax notices

R.C. 5703.37

Prescribes a process for handling tax notices and orders that are sent by ordinary mail, but returned as undeliverable. Mirrors the existing process for undeliverable tax notices and orders sent by certified mail.

Fiscal effect: None.

R.C. 5703.37

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD60 Tax refund adjustment notices

R.C. 5703.70

Permits the Tax Commissioner to electronically notify, as an alternative to ordinary mail notice, a person applying for a tax refund if the amount to be refunded is less than what the person requested, but only if the person consents to electronic notice.

Fiscal effect: None.

R.C. 5703.70

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD15 Tax penalty abatement

R.C. 5703.901, 128.99, 718.89, 3734.904, 3734.907, 3769.088, 4305.13, 4305.131, 5703.261-5703.263, 5726.03, 5726.21, 5727.08, 5727.25, 5727.26, 5727.60, 5727.82, 5727.83, 5727.89, 5728.09, 5728.10, 5733.022, 5733.062, 5735.062, 5735.12, 5735.121, 5736.05, 5739.032, 5739.102, 5739.12, 5739.122, 5739.124, 5739.133, 5741.121, 5741.122, 5743.051, 5743.081, 5743.082, 5743.51, 5743.56, 5745.041, 5745.08, 5747.072, 5747.082, 5747.15, 5747.44, 5749.06, 5749.15, 5751.06, 5751.07, 5753.05

Grants the Tax Commissioner general authority to abate, i.e., refund or forgive, penalties charged to taxpayers. Eliminates specific authority in law for abatement of penalties charged on specific taxes.

Fiscal effect: May result in undetermined revenue losses from certain penalties and charges.

R.C. 5703.901, 128.99, 718.89, 3734.904, 3734.907, 3769.088, 4305.13, 4305.131, 5703.261-5703.263, 5726.03, 5726.21, 5727.08, 5727.25, 5727.26, 5727.60, 5727.82, 5727.83, 5727.89, 5728.09, 5728.10, 5733.022, 5733.062, 5735.062, 5735.12, 5735.121, 5736.05, 5739.032, 5739.102, 5739.12, 5739.122, 5739.124, 5739.133, 5741.121, 5741.122, 5743.051, 5743.081, 5743.082, 5743.51, 5743.56, 5745.041, 5745.08, 5747.072, 5747.082, 5747.15, 5747.44, 5749.06, 5749.15, 5751.06, 5751.07, 5753.05

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD31 Tangible personal property tax replacement funds

R.C. 5709.93, 5751.02, Section 387.20

Eliminates the School District Tangible Personal Property Tax Replacement Fund (Fund 7047) and the Local Government Tangible Personal Property Tax Replacement Fund (Fund 7081) used to reimburse school districts and local governments for their loss of revenue due to the prior repeal of the business tangible personal property tax. Requires instead that the reimbursement payments be made from the GRF.

Fiscal effect: As of mid-February 2025, Fund 7047 has a cash balance of nearly \$670 million and Fund 7081 has a cash balance of nearly \$170 million. Expenditures from Fund 7047 declined in recent years and were \$60 million in FY 2024. Similarly, expenditures from Fund 7081 were nearly \$5 million in FY 2024. Elsewhere, Section 509.10 authorizes the OBM Director during the biennium ending June 30, 2027, to transfer cash to the GRF from Fund 7047 and Fund 7081 as necessary. Section 387.10 appropriates reimbursement payments to school districts and other local taxing units from GRF ALIs 200417 and 110403, and these new ALIs replace the previous ALIs that were supported by Fund 7047 and Fund 7081.

R.C. 5709.93, 5751.02, Section 387.20

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD5 Dealers in intangibles: rule requirement

R.C. 5725.01

Repeals the requirement that the Tax Commissioner adopt a rule defining the term "primarily" for purposes of describing who qualifies for the dealers in intangibles tax (DIT).

Fiscal effect: None. The DIT was eliminated beginning in 2014.

R.C. 5725.01

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD32 Remove outdated tax reference

R.C. 5725.23

Removes an outdated reference in the Revised Code to the intangible property tax, which is no longer levied.

Fiscal effect: None.

R.C. 5725.23

Same as the Executive.

Fiscal effect: Same as the Executive.

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TAXCD8 Financial institutions tax: online forms

R.C. 5726.03

Removes the requirement that TAX post financial institution tax annual report forms on it's website.

Fiscal effect: None. TAX currently requires taxpayers to file the return and pay the tax electronically through the Ohio Business Gateway and not on the paper forms.

R.C. 5726.03

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD26 Public utility taxes service of notices

R.C. 5727.38, 5727.42, 5727.47

Permits TAX to serve assessments and appeal notices regarding public utility property and excise taxes by personal service, certified mail, authorized delivery service, or ordinary mail, or electronic notification (permitted with the person's consent).

Fiscal effect: Potential administrative cost savings by allowing more cost-effective delivery methods for assessments and appeal notes, instead of by mail only.

R.C. 5727.38, 5727.42, 5727.47

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD25 Public utility excise tax refund: application to tax debt

R.C. 5727.42

Requires that refunds owed for public utility excise taxes first be applied to any outstanding debt on a tax or fee administered by the Tax Commissioner, as well as penalties and interest on that debt.

Fiscal effect: Potential revenue gain, as tax refunds applied to outstanding debts could increase state revenue.

R.C. 5727.42

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

TAXCD27 Public utility taxes extension request

R.C. 5727.48

Allows a public utility to request a 30-day extension from TAX for filing any report or statement required for purposes of public utility property and excise taxes in a manner other than by filing a written application, provided the other manner is approved by TAX.

Fiscal effect: None.

R.C. 5727.48

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD19 Insurance premium tax: certification of nonpayment

R.C. 5729.10

Requires the Treasurer of State to certify unpaid insurance premium taxes to the Attorney General for collection, replacing the Superintendent of Insurance's authority to do so.

Fiscal effect: None.

R.C. 5729.10

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD56 Collection of petroleum activity tax license fees

R.C. 5736.09, Section 757.30

Allows TAX to issue assessments to collect unpaid petroleum activity tax (PAT) licensing fees.

Fiscal effect: May increase revenue to TAX, dependent on the amount of outstanding PAT licensing fees. Current law only allows TAX to issue PAT assessments for unpaid taxes.

R.C. 5736.09, Section 757.30

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD93 Special lodging tax extension

No provision.

R.C. 5739.09

Authorizes Fairfield County commissioners to renew a special lodging tax levied to finance a municipal educational and cultural facility for up to 15 additional years at a time. Currently, the tax is scheduled to expire in 2028 and cannot be extended further.

Fiscal effect: Estimated to raise more than \$200,000 per year for Fairfield County, beginning in CY 2028.

Executive

As Passed By House

TAXCD47 Municipal utility income tax: filing extensions

R.C. 5745.03

Requires TAX to automatically grant a municipal income tax filing extension to an electric light or local exchange telephone company if a federal filing extension has been granted. Expands the length of that extension from six to seven months. Requires TAX to grant a seven month filing date extension without requiring a federal extension if the company submits a request before its return is due.

Fiscal effect: Potentially decrease late penalties and interest collected.

R.C. 5745.03

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD49 Municipal utility income tax: required documentation

R.C. 5745.03

Removes the requirement for an electric light or local exchange telephone company to include its location of incorporation, principal office, or place of business in Ohio, and its officers' and statutory agent's names and addresses in its annual report to the tax commissioner for the municipal utility income tax.

Fiscal effect: None.

R.C. 5745.03

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD50 Municipal utility income tax: electronic payments

R.C. 5745.03, 5745.04

Requires electric light and local exchange telephone companies to pay municipal income tax estimated payments and any amount due with a company's annual report electronically.

Fiscal effect: None.

R.C. 5745.03, 5745.04

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

TAXCD38 Municipal utility income tax: late payment penalty

R.C. 5745.08

Expands the discretionary penalty on late estimated payments of the municipal income tax on electric light and local exchange telephone companies to cover underpayments, and changes the penalty from twice the amount of interest charged on the delinquent payment to 15% of the amount of unpaid tax.

Fiscal effect: Potentially increases or decreases amount of penalties received depending on the amount of unpaid taxes and the applicable short-term interest rate.

R.C. 5745.08

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD37 Municipal electric light and telephone income tax penalty

R.C. 5745.09

Makes discretionary the current mandatory interest penalty charged to municipal income electric light and telephone taxpayers that underpay their estimated payments.

Fiscal effect: Potentially decrease interest payments collected and distributed to municipal corporations.

R.C. 5745.09

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD40 Municipal apportionment adjustments: electric and telephone company income

R.C. 5745.13

Repeals the requirement for the Tax Commissioner to notify an electric or telephone company that its income apportioned to a municipal corporation will be adjusted or, if the adjustment exceeds \$500 in tax, each affected municipal corporation. Removes the authority of a notified municipal corporation to challenge the redetermination.

Fiscal effect: Minimal.

R.C. 5745.13

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

TAXCD9 Correct erroneous income tax references

R.C. 5747.01, Section 801.20

Corrects erroneous references in an income tax deduction and add back for federal bonus depreciation.

Fiscal effect: None.

R.C. 5747.01, Section 801.20

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD10 Repeal school district income tax on estates

R.C. 5747.021, 5748.01, 5748.02, 5748.021, 5748.03, 5748.04, 5748.08, 5748.081, 5748.09; Section 801.100

Repeals, beginning in 2026, the school district income tax on estates.

Fiscal effect: Minimal. Currently, a school district tax with a "traditional" tax base applies to income generated by estates. School districts with a tax only on "earned income" already do not tax estates.

R.C. 5747.021, 5748.01, 5748.02, 5748.021, 5748.03, 5748.04, 5748.08, 5748.081, 5748.09; Section 801.100

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD59 Electing pass-through entity taxation

R.C. 5747.40, Section 757.20

Clarifies that the electing pass-through entity tax is available to pass-through entities with investors comprised of only Ohio residents.

Fiscal effect: None. TAX currently only applies this provision to Ohio's pass through entity withholding tax.

R.C. 5747.40, Section 757.20

Same as the Executive.

Fiscal effect: Same as the Executive.

TAXCD58 Pass-through entity tax estimated payment dates

R.C. 5747.43, Section 801.90

Moves the due date for payment of the second and third estimated tax payments for electing and withholding pass-through entity taxes up by one month.

Fiscal effect: None.

R.C. 5747.43, Section 801.90

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

TAXCD45 School district income tax: notice to TAX

R.C. 5748.02, 5748.021, 5748.04, 5748.08, 5748.09, Section 801.70

Requires boards of education that approve a resolution to place a school district income tax on the ballot to send a copy of the resolution to TAX after it has been certified to the county board of elections. Requires boards of elections to send a copy of a petition for an election to repeal a school district income tax to TAX after the board determines the petition is valid.

Fiscal effect: Minimal.

TAXCD90 Severance tax rate for coal

No provision.

R.C. 5748.02, 5748.021, 5748.04, 5748.08, 5748.09, Section 801.70

Same as the Executive.

Fiscal effect: Same as the Executive.

R.C. 5749.02, Section 801.210

Reduces the severance tax rate on coal from ten cents per ton to eight cents.

Fiscal effect: Expected to have revenue loss of \$22,000 in FY 2026 and \$26,000 in FY 2027, accounting for the recent decline in Ohio coal production. The tax collection is deposited into dedicated funds administered by the ODNR. The base tax and the surface mining tax are credited to the Mining Regulation and Safety Fund (Fund 5290), while the reclamation tax is deposited into the Reclamation Forfeiture Fund (Fund 5310).

Executive

As Passed By House

TAXCD62 Sports gaming tax increase and revenue allocation

R.C. 5753.021, 5753.031, Section 801.50

Doubles the sports gaming tax rate, from 20% to 40% of sports gaming receipts. Allocates 50% of collections deposited into the Sports Gaming Revenue Fund (R068) to the newly created Sports Facilities Construction and Sports Education Fund. Decreases the proportional allocation of the existing 20% rate to the Sports Gaming Education Fund (5Y00) from 98% to 96% and increases, from 2% to 4%, the share to alleviate problem gaming. Changes transfers from the Sports Gaming Revenue Fund (R068) to the Sports Gaming Education Fund (5Y00) and Problem Sports Gambling Fund (5YR0) from quarterly to monthly.

No provision.

Fiscal effect: OBM estimates additional tax collections of \$138.0 million in FY 2026 and \$150.0 million in FY 2027.

Property Taxes and Transfer Fees

TAXCD91 School district property tax reductions and school funding; 20-mill minimum levy requirement

R.C. 323.131, 3317.01, 4503.06, 5705.31, 5705.316, Section 757.110

No provision.

Requires each city, local, and exempted village school district to submit the certificate of available revenue required under R.C. 5705.36 to the county auditor by July 15 of each year. Requires each county budget commission to meet by August 15 of each year to determine whether a district’s general operating budget carryover balance from the previous fiscal year exceeds 30% of total expenditures made in that fiscal year.

No provision.

If the district's carryover balance does exceed the 30% threshold, requires the budget commission to reduce the property taxes levied by the district for current expenses in the following tax year by the amount of the excess. Requires an applicable property tax bill to include a notice stating that the school district property tax reduction is for the current year only and due to the district’s excess carryover balance.

No provision.

Provides a special timeline for making fiscal year 2025 reviews and tax year 2025 rate adjustments by requiring the budget commission to meet by October 31, 2025.

Executive

As Passed By House

No provision.

Exempts a school district whose levies have been reduced by the county budget commission from the requirement that it levy at least 20 mills to receive state foundation aid.

No provision.

Exempts an island school district or a joint state school district from the carryover balance review and related property tax reductions.

Fiscal effect: May reduce tax collections for school districts by up to several billion dollars over a multi-year period, depending on the value of excess carryover balances.

TAXCD89 State community college tax operating levy

R.C. 3358.08, 3358.11

No provision.

Allows the board of trustees of a state community college to propose a tax levy for operating purposes.

No provision.

Allows the operating levy to be levied only in the county in which the state community college's main campus is located and requires it to be used to support operations in that county.

No provision.

Provides that, if voters approve an operating levy, the board of trustees must charge a lower tuition rate to students who reside in the county in which the tax is levied.

Fiscal effect: May result in additional tax levies in certain counties.

TAXCD92 Community reinvestment area agreements and exemptions

R.C. 3735.67, 3735.671; Section 801.220

No provision.

Allows a county, municipality, or home rule township to amend an existing community reinvestment area (CRA) agreement to extend the term of the CRA tax exemption to a total of 30 years for an existing building that is expected to be the site of a megaproject or owned or occupied by a megaproject supplier.

No provision.

Allows a building to qualify for a CRA tax exemption as part of a megaproject so long as it is owned or occupied, as opposed to owned and occupied, by a megaproject operator or supplier.

Executive

As Passed By House

No provision.

Establishes that a political subdivision that does not own the property subject to a CRA exemption, with an obligation to pay property taxes on that building, is not a required party to an agreement required for commercial CRA property tax exemptions.

Fiscal effect: Potential revenue loss to local governments, of which the loss is permissive to the legislative authority granting the tax exemption.

TAXCD78 Manufactured home tax waivers or refunds for damage or destruction

R.C. 4503.0611

No provision.

Authorizes manufactured home park operators to provide the county auditor with notice that a manufactured home has been damaged or destroyed for purpose of initiating a refund or waiver of taxes on the manufactured home. Requires such notice from a manufactured home park operator to include photographic evidence.

Fiscal effect: May reduce property tax revenue for local governments if additional refunds or waivers are granted for damaged or destroyed manufactured homes.

TAXCD88 Limitations on property tax challenges

R.C. 5715.19, 5717.01; Section 757.90

No provision.

Modifies the requirements governing when political subdivisions can file property tax complaints and counter-complaints.

No provision.

Requires subdivisions that fail to comply with property tax complaint filing requirements to pay the attorney's fees and costs incurred by the property owner in connection with the complaint.

Fiscal effect: Minimal.

Executive

As Passed By House

TAXCD82 Property tax abatement - churches

No provision.

Section: 757.70

Permits certain churches to apply, within one year of the provision's effective date, for an abatement of delinquent property taxes on property owned by the churches without regard to the regular payment limitations imposed by current law.

Fiscal effect: Decreases property tax collections by an amount that depends on the value of abated taxes, interest, and penalties, and whether or not said amounts would have been paid otherwise.

TAXCD81 Property tax abatement - municipalities and townships

No provision.

Section: 757.80

Permits a municipal corporation or township to apply, within one year of the provision's effective date, for an abatement of delinquent property taxes on property owned by the municipality or township without regard to the regular payment limitations imposed by current law.

Fiscal effect: Decreases property tax collections by an amount that depends on the value of abated taxes, interest, and penalties, and whether or not said amounts would have been paid otherwise.

Appropriation Language

TAXCD63 Tax refunds

Section: 409.20

Requires Fund 4250 ALI 110635, Tax Refunds, to be used to pay refunds. Appropriates additional amounts if needed for this purpose.

Section: 409.20

Same as the Executive.

TAXCD64 Vendor's license payments

Section: 409.20

Requires Fund 5CZ0 ALI 110631, Vendor's License Application, to be used to make vendor license fee payments to county auditors. Appropriates additional amounts if necessary to make such payments.

Section: 409.20

Same as the Executive.

Executive

As Passed By House

TAXCD65 International registration plan administration

Section: 409.20

Requires Fund 4C60 ALI 110616, International Registration Plan Administration, to be used for audits of persons with vehicles registered under the International Registration Plan.

Section: 409.20

Same as the Executive.

TAXCD66 Travel expenses for the streamlined sales tax project

Section: 409.20

Allows the Tax Commissioner to disburse available funds from Fund 4350 ALI 110607, Local Tax Administration, for paying travel expenses incurred by members of Ohio's delegation to the Streamlined Sales Tax Project. Requires any such reimbursements to be done in accordance with applicable state laws and guidelines.

Section: 409.20

Same as the Executive.

TAXCD67 Tobacco settlement enforcement

Section: 409.20

Requires GRF ALI 110404, Tobacco Settlement Enforcement, to be used by the Tax Commissioner to pay tobacco enforcement costs related to the purchase and use of tax stamps.

Section: 409.20

Same as the Executive.

TAXCD68 Ohio tax system support fund

Section: 409.20

Requires Fund 5ZA0 ALI 110650, Ohio Tax System Operating Expenses, to be used to pay costs incurred to maintain and support the Ohio Tax System. Requires TAX to submit a plan requesting the OBM Director to transfer necessary cash to the Ohio Tax System Support Fund (Fund 5ZA0) from any fund used by TAX otherwise allowable under state or federal law, except the GRF. Authorizes the OBM director to make such transfers and limits total transfers into Fund 5ZA0 to \$15,000,000 during the biennium.

Section: 409.20

Same as the Executive.

Executive

As Passed By House

TAXCD69 Miscellaneous Tax Receipts

Section: 409.20

Requires Fund R011 ALI 110612, Miscellaneous Tax Receipts, to be used to hold miscellaneous tax payments received by the Tax Commissioner until the appropriate account or fund is identified and the money can be transferred for the identified purpose. Appropriates additional amounts if needed for this purpose.

Section: 409.20

Same as the Executive.

Executive

As Passed By House

DASCD29 Next Generation 9-1-1 access fee

R.C. 128.412, (repealed)

Repeals the provision of law that would, beginning October 1, 2025, lower the Next Generation 9-1-1 access fee applied to certain communication services in the state from \$0.40 to \$0.25.

No provision.

Fiscal effect: Next Generation 9-1-1 access fees are deposited to the credit of several funds used for establishing and administering the state's Next Generation 9-1-1 system. This change will result in an increase in revenue each of these funds would otherwise receive after October 1, 2025.

R.C. 128.41, 128.412 (repealed)

Same as the Executive.

Increases the monthly Next Generation 9-1-1 access fee from \$0.40 to \$0.60.

Fiscal effect: Increase in revenue totaling several millions of dollars per year.

Executive

As Passed By House

COMCD39 Low alcohol coolers

No provision.

R.C. 4301.01, 4301.43, 4301.432, 4303.05

Expands the products that a mixed beverage manufacturer (A-4 permit) may manufacture and sell to alcohol retailers and distributors to include low-alcohol coolers.

No provision.

Defines low-alcohol coolers as bottled and prepared cordials, cocktails, and highballs to which all of the following apply: (1) they are obtained by mixing any type of spirituous liquor with, or over, nonalcoholic beverages, flavoring, or coloring; (2) as a completed product, they contain between 0.5% of alcohol by volume (ABV) and 10% of ABV; and (3) they are sold only in packages of four to twelve single-serve containers with each container 16 ozs. in size.

No provision.

Taxes low-alcohol coolers at \$0.35 per gallon, a reduction from the \$1.20 per gallon excise rate currently charged for mixed beverages, generally.

Fiscal effect: Reduces receipts from the alcoholic beverage tax by an estimated \$3.1 million in FY 2026 and \$3.6 million in FY 2027, based on current trends in consumption.

Executive

As Passed By House

DEVCD32 Welcome Home Ohio Program

Section: 259.30

R.C. 122.631, 122.632, 122.633, Sections 259.30, 512.10

No provision.

Adds certain "qualified nonprofit developers" as eligible applicants for grants to purchase or rehabilitate residential property under the Welcome Home Ohio Program (WHO).

No provision.

Extends the WHO tax credit from the end of FY 2025 to the through the end of FY 2027, and caps the total amount of credits awarded in the biennium at \$20 million.

No provision.

Increases the amount of the WHO tax credit from one-third of the construction and rehabilitation costs to 90% of such costs.

No provision.

Raises the income eligibility threshold to purchase WHO-funded property from 80% to 120% of the median income of the county in which the property is located.

No provision.

Increases the amount for which WHO-funded homes may be sold from \$180,000 to \$220,000.

No provision.

Allows WHO funds to be used to acquire or rehabilitate manufactured homes.

No provision.

Decreases the minimum square footage WHO-funded units in a multi-unit property from 1,000 to 800 square feet.

No provision.

Requires, if grant funds are used to construct or rehabilitate a unit in a multi-unit property, that no portion of the funds are used to construct or rehabilitate portions of the building that are for nonresidential uses, except for common areas used by the occupants of the residential units and improvements that serve both the residential units and the other portions of the building.

No provision.

Increases the maximum grant for land banks and qualified nonprofit developers to construct or rehabilitate qualifying residential property from \$30,000 per home to \$100,000 per home.

No provision.

Caps the grant amount for land banks and qualified nonprofit developers to acquire qualifying residential property at \$100,000 per home.

Executive

As Passed By House

No provision.	Allows up to \$2,000 in each WHO grant to be used to fund the financial literacy counseling that grant recipients are required, under continuing law, to provide to purchasers of the property.
No provision.	Requires that the counseling be provided over six months, rather than one year.
No provision.	Requires such counseling to be provided by a "qualifying counseling provider," meaning an individual, business, nonprofit organization, or political subdivision that is licensed, certified, or authorized to provide homeownership counseling and financial literacy as one of its primary functions, including housing counselors certified by the U.S. Department of Housing and Urban Development or the Ohio Housing Finance Agency.
No provision.	Reduces from 5 years to 3 years the amount of time the purchaser of a WHO-funded home must agree to occupy the home as a primary residence and not rent it to any other person.
No provision.	Reduces from 20 years to 15 years the amount of time the purchaser of a WHO-funded home must agree to not sell the home to anyone whose income meets the WHO eligibility thresholds.
No provision.	Allows a grant or tax credit recipient to include in the deed restriction a right of first refusal to repurchase the property in order to ensure that subsequent purchasers meet the income eligibility thresholds.
No provision.	Requires the Director to adopt rules to determine the value of qualifying residential property located in a building with other uses and the total value of the building.
No provision.	Requires a land bank or qualified nonprofit developer to use profits derived from the sale of qualifying residential property on which grant funds are spent for the land bank's land reutilization program or the qualified nonprofit developer's housing program.
Requires Fund 5AP1 ALI 1956H3, Welcome Home Ohio Program, to be used for providing grants under the Welcome Home Ohio Program.	Same as the Executive.
Earmarks \$20,000,000 in FY 2026 to be allocated to land banks to purchase residential property at foreclosure sales.	Same as the Executive but, increases the earmark to \$22,812,500 in each fiscal year.

Executive

As Passed By House

Earmarks \$20,000,000 in FY 2026 to be allocated to rehabilitate or construct residential property for income-restricted owners.

No provision.

Fiscal effect: The bill funds \$40,000,000 in grants in FY 2026.

Same as the Executive but, increases the earmark to \$22,812,500 in each fiscal year.

Requires that the OBM Director transfer \$50,000,000 cash in FY 2026 from the Local Government Tangible Property Tax Replacement Fund (Fund 7081) to the Welcome Home Ohio Fund (Fund 5AP1).

Fiscal effect: The bill funds \$45,625,000 in grants in each fiscal year. The tax credit provision could reduce tax revenues by up to \$20,000,000 in the next biennium, but actual revenue loss could be lower than that based on the current biennium’s experience. Only a small fraction of the \$50,000,000 in WHO tax credits available during the FY 2024-FY 2025 biennium have been awarded, which could either signal a lack of demand or a long project completion timeline. Developers may only apply to DEV for a tax credit certificate after the rehabilitation or construction of a qualifying residential property is complete, and the property was sold to someone with qualifying income for the individual's or individuals' occupancy. If there has been a lack of demand, this provision's changes could lead to an increase in demand and more credits being issued.

DEVCD41 Demolition and Site Revitalization

Section: 259.30

Requires Fund 5YF0 ALI 1956A3, Demolition and Site Revitalization, to be used for grants and administrative costs under the Building Demolition and Site Revitalization Program.

No provision.

No provision.

Section: 259.30, 512.10

Same as the Executive.

Reappropriates the unexpended, unencumbered balance of Fund 5YF0 ALI 1956A3, Demolition and Site Revitalization, remaining at the end of FY 2026 to FY 2027.

Requires the OBM Director to transfer \$20,000,000 cash in each fiscal year from the Local Government Tangible Property Tax Replacement Fund (Fund 7081) to the Building Demolition and Site Revitalization Fund (Fund 5YF0).

Executive

As Passed By House

School Funding

EDUCD26 Traditional school district funding formula

R.C. 3317.022, 3317.012, 3317.014, 3317.016, 3317.017, 3317.018, 3317.019, 3317.02, 3317.021, 3317.0212, 3317.0215, 3317.0217, 3317.0218, 3317.051, 3317.25, Sections 265.220, 265.230, 265.450

R.C. 3317.022, 3317.012, 3317.014, 3317.016, 3317.017, 3317.018, 3317.019, 3317.02, 3317.021, 3317.0212, 3317.0215, 3317.0217, 3317.0218 (repealed), 3317.051, 3317.25, Sections 265.220, 265.230, 265.235, 265.450

Extends the operation of the school financing system established by H.B. 110 of the 134th General Assembly to FY 2026 and FY 2027, but makes the following changes for traditional school districts:

Same as the Executive, but makes the following changes and uses the foundation aid calculations only for purposes of calculating a district's "temporary foundation funding" described below:

(1) Requires the use of the FY 2024 statewide average base cost per pupil in FY 2026 and FY 2027.

(1) Same as the Executive.

(2) Requires the use of the FY 2024 statewide average career-technical base cost per pupil in FY 2026 and FY 2027.

(2) Same as the Executive.

(3) Requires DEW to calculate a district's building leadership support base cost using the number of school buildings in the district for the preceding fiscal year.

(3) Same as the Executive.

(4) Eliminates the payment of school district gifted professional development funds.

(4) Same as the Executive.

(5) Increases the general phase-in percentage and disadvantaged pupil impact aid (DPIA) phase-in percentage from 66.67% in FY 2025 to 83.33% in FY 2026 and 100% in FY 2027.

(5) Same as the Executive.

(6) No provision.

(6) Eliminates supplemental targeted assistance beginning in FY 2026.

(7) Increases the minimum transportation state share percentage from 41.67% in FY 2025 to 45.83% in FY 2026 and 50% in FY 2027.

(7) Same as the Executive.

(8) Requires DEW to use data from the previous fiscal year to establish the target number of qualifying riders per bus for each traditional school district.

(8) Same as the Executive.

Executive

As Passed By House

(9) Extends the payment of temporary transitional aid to school districts based on FY 2020 funding bases to FY 2026 and FY 2027, but decreases the bases to 95% of FY 2020 amounts in FY 2026 and 90% of FY 2020 amounts in FY 2027.

(9) Same as the Executive.

(10) Extends the payment of temporary transitional aid for transportation to school districts based on FY 2020 funding bases to FY 2026 and FY 2027, but decreases the bases to 95% of FY 2020 amounts in FY 2026 and 90% of FY 2020 amounts in FY 2027.

(10) Same as the Executive.

(11) Extends the payment of a formula transition supplement to school districts based on FY 2021 funding bases to FY 2026 and FY 2027, but decreases the bases to 95% of FY 2021 amounts in FY 2026 and 90% of FY 2021 amounts in FY 2027.

(11) Same as the Executive.

(12) Requires the Tax Commissioner to certify the median, instead of the total, federal adjusted gross income (FAGI) of a school district's residents for use by DEW in making computations for the district.

(12) Same as the Executive.

(13) Extends to FY 2026 and FY 2027 the requirement for DEW to calculate base costs for traditional school districts based on the sum of the enrolled ADM of every district that reported that data.

(13) Same as the Executive.

Requires, generally, that calculations for FY 2028 and each fiscal year thereafter be determined by the General Assembly.

Same as the Executive.

No provision.

Prohibits DEW from generally making payments under the public school financing system for FY 2026 and FY 2027 and, instead, requires DEW to pay each traditional school district an amount of "temporary foundation funding" in each of those fiscal years equal to the sum of:

(1) No provision.

(1) The district's state foundation aid, less supplemental targeted assistance, for FY 2025 and

Executive

As Passed By House

(2) No provision.

(2) An additional amount equal to 50% of the difference between the district's state foundation aid for the fiscal year and the district's state foundation aid, less supplemental targeted assistance, for FY 2025, if the difference is positive (a district's "state foundation aid" for FY 2026 and FY 2027 is the sum of the district's state core foundation funding, transportation funding, temporary transitional aid, temporary transitional transportation aid, and formula transition supplement, excluding the district's supplemental targeted assistance).

No provision.

Provides an additional payment in FY 2026 and FY 2027 that guarantees a district's temporary foundation funding does not fall below its FY 2025 foundation aid, including supplemental targeted assistance.

No provision.

Provides an enrollment growth supplement in FY 2026 and FY 2027 to districts whose enrolled ADM grew by at least 3% between FY 2022 and FY 2025 for the FY 2026 payment, and between FY 2023 and FY 2026 for the FY 2027 payment. Calculates the payment as equal to a district's current year enrolled ADM times: (a) \$150 in FY 2026 and \$200 in FY 2027 for districts whose enrolled ADM grew by at least 3% but no more than 5%, (b) \$100 in FY 2026 and \$150 in FY 2027 for districts whose enrolled ADM grew by more than 5% but no more than 10%, and (c) \$50 in FY 2026 and \$100 in FY 2027 for districts whose enrolled ADM grew by more than 10%.

No provision.

Provides a base funding supplement in FY 2026 and FY 2027 equal to a district's enrolled ADM for the fiscal year times \$20 in FY 2026 and \$30 in FY 2027.

No provision.

Requires DEW, with regard to various payments outside and calculations outside of the school financing system for FY 2026 and FY 2027, to (1) use the FY 2024 statewide average base cost per pupil and (2) calculate each district's state share percentage for those fiscal years.

Executive

As Passed By House

No provision.

Requires DEW, in FY 2026 and FY 2027, to withhold from a traditional district's temporary foundation funding payments an amount for the threshold cost pool for exceptionally high cost special education students that is equal to the amount it withheld from the district's payments for that purpose for FY 2025.

No provision.

Requires DEW to determine and notify each district the amount of funding the Department paid in FY 2025 to the district under the foundation formula for that year for (a) special education funding, excluding threshold cost supplement funds withheld from the district's funding under continuing law, (b) disadvantaged pupil impact aid, (c) English learner funding, (d) gifted funds, excluding gifted professional development funds, (e) career-technical education and career-technical associated services funding, and (f) student wellness and success funding. Requires, for FY 2026 and FY 2027, that each district, using the temporary foundation funding it receives, to spend at least the amount DEW determined in each of these categories in FY 2025, subject to any restrictions regarding how the funding must be spent.

No provision.

Requires DEW, when required by law to deduct or withhold funds from state payments for a traditional school district for FY 2026 or FY 2027, to deduct those funds from the temporary foundation funding paid to that district.

Fiscal effect: The estimated allocation of foundation aid for traditional school districts is \$8.09 billion in FY 2026 and \$8.05 billion in FY 2027.

Fiscal effect: Increases the estimated allocation of funding to traditional school districts by \$132.4 million in FY 2026, to \$8.22 billion, and by \$250.9 million in FY 2027, to \$8.30 billion, compared to the executive proposal.

Executive

As Passed By House

FCCCD9 State funding of major sports facilities

R.C. 123.28, 123.281, 123.282

Requires OFCC to administer the construction and renovation of major sports facilities and minor league sports facilities throughout Ohio for the economic benefit of the state, and to support youth sports education.

Supports the facilities construction and renovation with sports gaming tax revenue under the newly created Sports Facilities Construction and Sports Education Fund ("fund") (see TAXCD62).

Creates the seven-member Ohio Advisory Committee for Sports Facility Construction and Youth Sports Education ("committee") to evaluate and approve projects to be supported by the fund and administered by OFCC.

Requires the committee to recommend policies and procedures for the administration of the fund for review and adoption by OFCC, prioritizing economic development through major sports facilities, major sports facility mixed-use projects and minor league sports facilities, youth sports education, and facilities that enable training in team or individual sports.

Requires the Directors of DEW, ODPS, and ODH, and the ADJ to advise the committee on what skills, facilities, and programs are necessary for youth sports education, and to publish, as needed, standards for youth sports education for K-12 students.

No provision.

No provision.

R.C. 123.28, 123.281, 715.016

Replaces the Executive provision with one that requires OFCC to administer the construction of major sports facilities that will be a part of transformational major sports facility mixed-use projects.

Replaces the Executive provision with one that supports the facilities construction with the authorization to issue and sell \$600,000,000 in bonds deposited in the Cultural and Sports Facilities Building Fund (Fund 7030) (see FCCCD17).

No provision.

No provision.

No provision.

Requires 70% of the total initial estimated construction cost of the major sports facility from sources other than the state, with at least 50% of the total from the professional sports franchise that plans to use the facility. Conditions the remaining 30% from state funds if the General Assembly has specifically authorized or appropriated money for the project.

Requires specific conditions to be met if state bond proceeds are being used, including that the amount of increased state tax revenues is projected to be in excess of the total debt service of the state bonds for their initial term.

Executive

As Passed By House

No provision.

Establishes certain tax reporting requirements for the governmental agency that owns or has an ownership interest in the major sports facility or its site, every person who owns real property in a project district, and persons that collect transformational major sports facility mixed-use project district tax revenues.

No provision.

Requires, if state bond proceeds are being used for the major sports facility, TOS to deposit the total major sports facility mixed-use project district state tax revenues into the major sports facility district fund, which the bill creates for the deposit of certain tax revenues attributable to the major sports facility mixed-use project district, to be used to pay debt service.

No provision.

Requires, if state bond proceeds are being used for the major sports facility, the professional sports franchise to deposit an amount equal to 8.33% of the award into an escrow account, to be used to pay any deficits between tax revenues collected and the total bond amount, after the bonds are matured, or if the lease expires. Permits the OBM Director to transfer funds from the Ohio Major Sports Facility District Fund to the Ohio Cultural Facilities Bond Service Fund, which the bill also creates to be held as trust funds pledged to the payment of bond service charges.

No provision.

Authorizes the legislative authority of a municipal corporation located in a county with a population greater than 1,000,000 to declare one and only one area of the municipal corporation to be a transformational major sports facility mixed-use project district, and a public purpose, for the purpose of fostering and developing a major sports facility and economic development, if certain conditions are met. Permits only one such district within the municipal corporation. Allows the legislative authority of the municipal corporation to enlarge the territory of an existing transformational major sports facility mixed-use project district.

Executive

As Passed By House

No provision.

Requires, on or before the first day of each January and July beginning after the designation of a transformational major sports facility mixed-use project district, the fiscal officer (i.e. city auditor or village clerk or similar official) of a legislative authority where a district has been formed to certify a list of businesses located within the district to the Tax Commissioner.

Fiscal effect: OBM estimates that up to \$161.4 million in FY 2026 and up to \$167.4 million in FY 2027 will be transferred to the Sports Facilities Construction and Sports Education Fund. However the bill does not contain an appropriation for OFCC to operate the fund or program.

Fiscal effect: Eliminates the funding in the Executive version from sports gaming tax revenue. Instead, authorizes TOS to issue and sell bonds in the amount of up to \$600 million deposited to the credit of the Cultural and Sports Facilities Building Fund (Fund 7030) to pay the costs of the Cleveland Browns major sports facility stadium project in the City of Brook Park, in Cuyahoga County (see FCCCD17). To use those bonds, the bill requires, among other things, that the projected amount of increased state tax revenues to be greater than the total debt service of the state bonds for their initial term. Administrative costs may increase for the governmental agency that owns or has an ownership interest in the major sports facility or its site to comply with certain tax reporting requirements. Tax revenue may increase for a municipal corporation transformational that has a major sports facility mixed-use project district.

Executive

As Passed By House

DOHCD26 Lead abatement tax credit

R.C. 3742.50

Increases to \$50,000 (from \$10,000) the maximum amount of the tax credit that can be issued by the ODH Director for lead abatement.

Fiscal effect: May increase the amount of individual tax credits issued. However, current law limiting the total amount of tax credit certificates issued to \$5.0 million in a fiscal year remains unchanged.

R.C. 3742.50

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed By House

LOTCD3 Withholding from gambling winnings

R.C. 718.031, 3121.441, 3123.89-3123.90, 3770.071-3770.075, 3770.10, 3770.25, 3775.16, 5747.062-5747.064, Section 801.120

R.C. 718.031, 3121.441, 3123.89-3123.90, 3770.071-3770.075, 3770.10, 3770.25, 3775.16, 5747.062-5747.064, Section 801.120

Changes, beginning on January 1, 2026, who is responsible for withholding certain required amounts from gambling winnings before paying the winner as follows:

Same as the Executive.

(1) LOT is responsible instead of the sports gaming proprietor for lottery sports gaming conducted on a terminal that also offers other lottery games;

Same as the Executive.

(2) The sports gaming proprietor or LOT, as applicable, is responsible instead of the video lottery sales agent for lottery sports gaming conducted in a racino.

Same as the Executive.

(3) Clarifies that the video lottery sales agent who operates a racino is responsible instead of LOT for video lottery terminal (VLT) gaming.

Same as the Executive.

Fiscal effect: May create administrative efficiencies.

Fiscal effect: Same as the Executive.

Executive	As Passed By House
<p>RDFCD1 Local Government allocations</p> <p>R.C. 131.51, Section 387.20</p> <p>Increases the Local Government Fund (LGF; Fund 7069) shares of monthly General Revenue Fund tax revenue from 1.7% to 1.75%.</p> <p>Fiscal effect: The Executive estimates additional transfers from the GRF to LGF of \$15 million in FY 2026 and \$16 million in FY 2027.</p>	<p>R.C. 131.51, Section 387.20</p> <p>Same as the Executive.</p> <p>Fiscal effect: Same as the Executive.</p>
<p>RDFCD2 Public Library Fund allocations</p> <p>R.C. 131.51, Section 387.20</p> <p>Increases the Public Library Fund (PLF; Fund 7065) shares of monthly GRF tax revenue from 1.7% to 1.75%.</p> <p>Fiscal effect: The Executive estimates additional transfers from the GRF to PLF of \$15 million in FY 2026 and \$16 million in FY 2027. Total appropriations are \$531,700,000 in FY 2026 and \$549,100,000 in FY 2027 in Fund 7065 ALI 110965, Public Library Fund.</p>	<p>R.C. 131.51</p> <p>Replaces the Executive provision with one under which the PLF receives, instead of a share of monthly GRF tax revenue, a monthly cash transfer from the GRF in an amount equal to 1/12 of the total PLF appropriation for the fiscal year.</p> <p>Fiscal effect: The bill appropriates \$490,000,000 in FY 2026 and \$500,000,000 to PLF ALI 110965, Public Library Fund.</p>
<p>RDFCD10 Local government fund reductions for traffic cameras</p> <p>No provision.</p>	<p>R.C. 5747.502</p> <p>Terminates local government fund reductions for townships and counties that previously employed traffic cameras to issue citations.</p> <p>Fiscal effect: Three townships would otherwise see their LGF amounts reduced in FY 2026 and years thereafter by roughly \$15 million, based on their traffic camera fines collected through FY 2025. Townships and counties were prohibited from employing traffic cameras under H.B. 54, the transportation budget of the 136th GA.</p>

Executive

As Passed By House

DOTCD69 Ohio Airport Improvement Program

No provision.

R.C. 4561.03, 5736.02, 5736.04, 5736.13; Section 411.30

Creates the Ohio Airport Improvement Program to finance airport improvements for publicly owned, public-use airports in Ohio.

No provision.

Dedicates the portion of Petroleum Activity Tax (PAT) receipts derived from the sale of aircraft fuel to the Ohio Airport Improvement Program Fund (Fund 5CN1) created in the bill to support the program.

No provision.

Requires that Fund 5CN1 ALI 777628, Ohio Airport Improvement Program, be used to administer the Ohio Airport Improvement Program. Reappropriates the available balance of the ALI at the end of FY 2026 for the same purpose in FY 2027.

Fiscal effect: The bill appropriates \$4,650,000 each fiscal year for the program, the amounts that DOT estimates would come from the aviation fuel-related portion of PAT receipts.