A BILL

To amend sections 3748.03, 5725.98, 5726.98, 5729.98, 5747.02, 5747.98, and 5751.98; to enact sections 122.97, 3748.23, 4164.01, 4164.02, 4164.05, 4164.07, 4164.09, 4164.11, 4164.13, 4164.15, 4164.17, 4164.19, 4164.21, 4164.25, 4164.27, 4164.29, 4164.33, 4164.35, 4164.41, 4164.43, 4164.45, 4164.46, 4164.48, 4164.50, 4164.52, 4164.58, 4164.59, 4164.63, 4164.71, and 4164.73 of the Revised Code; to enact the Advanced Nuclear Technology Helping Energize Mankind (ANTHEM) Act by establishing the Ohio Nuclear Development Authority and the Ohio Nuclear Development Consortium; and to authorize tax credits for investments therein.

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

Section 1. That sections 3748.03, 5725.98, 5726.98, 5729.98, 5747.02, 5747.98, and 5751.98 be amended and sections 122.97, 3748.23, 4164.01, 4164.02, 4164.05, 4164.07, 4164.09, 4164.11, 4164.13, 4164.15, 4164.17, 4164.19, 4164.21, 4164.25, 4164.27, 4164.29, 4164.33, 4164.35, 4164.41, 4164.43, 4164.45, 4164.46, 4164.48, 4164.50, 4164.52, 4164.58, 4164.59, 4164.63, 4164.71, and 4164.73 of the Revised Code be amended as follows:
4164.11, 4164.13, 4164.15, 4164.17, 4164.19, 4164.21, 4164.25,
4164.27, 4164.29, 4164.33, 4164.35, 4164.41, 4164.43, 4164.45,
4164.46, 4164.48, 4164.50, 4164.52, 4164.58, 4164.59, 4164.63,
4164.71, and 4164.73 of the Revised Code be enacted to read as
follows:

Sec. 122.97. (A) As used in this section:

(1) "Consortium" means the Ohio nuclear development
consortium formed pursuant to section 4164.41 of the Revised
Code.

(2) "Tax year" means one of the following:

(a) In the case of the tax imposed under section 5726.02
of the Revised Code, the taxable year as defined in section
5726.01 of the Revised Code;

(b) In the case of the tax imposed under section 5725.18,
5727.24, 5729.03, 5736.02, or 5751.02 of the Revised Code, the
calendar year;

(c) In the case of the tax imposed under section 5747.02
of the Revised Code, the taxable year as defined in section
5747.01 of the Revised Code;

(d) In the case of the tax imposed under section 5727.30
of the Revised Code, the twelve-month period on the basis of
which that tax is calculated.

(3) "Qualified consortium stock" means stock in the
consortium purchased from the initial offering described in
section 4164.45 of the Revised Code. "Qualified consortium
stock" does not include stock purchased from a shareholder of
the consortium.

(B) A person that purchases qualified consortium stock may
apply to the director of development services, on forms
prescribed by the director, for a tax credit under division (C)
of this section. The director shall issue a tax credit
certificate to any applicant that the director determines has
purchased such stock. Each certificate shall identify the date
on which the certificate was issued, the name of the investor,
and the amount of the purchased qualified consortium stock upon
which the credit will be based.

(C)(1) The holder of a tax credit certificate issued under
division (B) of this section may claim a nonrefundable credit
against one of the taxes imposed under section 5725.18, 5726.02,
5727.24, 5727.30, 5729.03, 5736.02, 5747.02, or 5751.02 of the
Revised Code. The credit may be claimed for the fifth tax year
beginning after the tax year in which the certificate is issued,
or, if applicable, any calendar quarter in that tax year, or for
any following tax year or calendar quarter. In no case, however,
may the credit be claimed for a tax year after the sooner of
either (a) the fifteenth tax year after the tax year in which
the certificate is issued or any calendar quarter in that tax
year or (b) the tax year in which the consortium dissolves,
terminates, or declares bankruptcy or any calendar quarter in
that tax year.

(2) The amount of the credit authorized under this section
equals one of the following:

(a) If the credit is claimed for the fifth tax year after
the tax year in which the certificate is issued or, if
applicable, for a calendar quarter in that fifth tax year, ten
per cent of the amount of purchased qualified consortium stock
listed on the certificate;

(b) If the credit is claimed for the sixth tax year after
the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that sixth tax year, twelve and one-half per cent of the amount of such stock listed on the certificate;

(c) If the credit is claimed for the seventh tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that seventh tax year, fifteen per cent of the amount of such stock listed on the certificate;

(d) If the credit is claimed for the eighth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that eighth tax year, seventeen and one-half per cent of the amount of such stock listed on the certificate;

(e) If the credit is claimed for the ninth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that ninth tax year, twenty per cent of the amount of such stock listed on the certificate;

(f) If the credit is claimed for the tenth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that tenth tax year, twenty-two and one-half per cent of the amount of such stock listed on the certificate;

(g) If the credit is claimed for the eleventh tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that eleventh tax year, twenty-five per cent of the amount of such stock listed on the certificate;
As Introduced

(h) If the credit is claimed for the twelfth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that twelfth tax year, twenty-seven and one-half per cent of the amount of such stock listed on the certificate;

(i) If the credit is claimed for the thirteenth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that thirteenth tax year, thirty per cent of the amount of such stock listed on the certificate;

(j) If the credit is claimed for the fourteenth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that fourteenth tax year, thirty-two and one-half per cent of the amount of such stock listed on the certificate;

(k) If the credit is claimed for the fifteenth tax year after the tax year in which the certificate is issued or, if applicable, for a calendar quarter in that fifteenth tax year, thirty-five per cent of the amount of such stock listed on the certificate.

The credit shall be claimed in the order prescribed in section 5725.98, 5726.98, 5729.98, 5747.98, or 5751.98 of the Revised Code. If the credit exceeds the amount of the tax otherwise due in that tax year or calendar quarter, the excess may be carried forward for not more than fifteen ensuing tax years or calendar quarters in those years, as applicable.

If the holder of a tax credit certificate under this section is a pass-through entity and the credit is claimed against the tax imposed under section 5747.02 of the Revised
Code, each equity owner of the entity that is subject to that tax may claim the owner's distributive or proportionate share of the credit.

(D) Before the credit is claimed under division (C) of this section, the holder of a tax credit certificate may sell or transfer the certificate to another person. The holder shall notify the director of development services within ten days after the sale or transfer of the name of the new holder and any other information the director requires to identify the new holder. The new holder may claim the credit in the same amount and for the same tax years or calendar quarters as the seller, in accordance with division (C) of this section.

Sec. 3748.03. (A)(1) The governor, on behalf of the state, may enter into agreements with the United States nuclear regulatory commission as authorized by section 274(b) of the "Atomic Energy Act of 1954," 68 Stat. 919, 42 U.S.C.A. 2011, as amended, for the discontinuation of specified licensing and related regulatory authority of the commission with respect to byproduct material, source material, the commercial disposal of low-level radioactive waste, and special nuclear material in quantities not sufficient to form a critical mass and the assumption of that authority by the state.

(2) The governor shall appoint a state liaison officer to the United States nuclear regulatory commission, who shall serve at the pleasure of the governor.

(B) The general assembly hereby designates the department of health, in addition to the Ohio nuclear development authority as the agency authorized to by division (H) of section 4164.19 of the Revised Code, may pursue agreement state status, on behalf of the governor, for the assumption by the state of
specified licensing and related regulatory authority from the commission pursuant to division (A) of this section. The department shall and the Ohio nuclear development authority may enter into negotiations with the commission for that purpose.

(C) Any person who, on the effective date of an agreement entered into by the state and the commission pursuant to divisions (A) and (B) of this section, holds a license issued by the commission for radioactive materials that are subject to the agreement is deemed to hold a license issued under this chapter and rules adopted under it. That license shall expire ninety days after the holder receives a notice of expiration from the department or on the date of expiration specified in the license issued by the commission, whichever is later, provided that no such license shall expire during the ninety days immediately following the effective date of the agreement.

Sec. 3748.23. The rules adopted under this chapter shall neither conflict with nor supersede the rules adopted under Chapter 4164. of the Revised Code.

Sec. 4164.01. As used in this chapter, unless the context otherwise requires:

(A) "Authority" means the Ohio nuclear development authority created and constituted under section 4164.05 of the Revised Code.

(B) "Consortium" means the Ohio nuclear development consortium formed pursuant to section 4164.41 of the Revised Code.

Sec. 4164.02. It is the intent of the general assembly in enacting this chapter of the Revised Code to encourage its use as a model for future legislation to further the pursuit of
innovative research and development for any industry in this state.

**Sec. 4164.05.** There is hereby created and constituted the Ohio nuclear development authority. The authority's exercise of powers conferred by this chapter is the performance of an essential governmental function and matters of public necessity for which public moneys may be spent and private property acquired. The authority shall have the right of eminent domain in acquiring lands with which to meet its responsibilities as defined in this chapter. The authority shall be a nonprofit entity.

**Sec. 4164.07.** The authority is established for both of the following purposes:

(A) To be an information resource for this state, the United States nuclear regulatory commission, all branches of the United States military, and the United States department of energy on advanced-nuclear-research reactors, isotopes, and isotope technologies;

(B) To make this state all of the following:

(1) A leader in the development and construction of new-type advanced-nuclear-research reactors;

(2) A national and global leader in the commercial production of isotopes and research;

(3) A leader in the research and development of high-level-nuclear-waste reduction and storage.

**Sec. 4164.09.** (A) The authority shall consist of nine members representing the following three stakeholder groups within the nuclear-engineering-and-manufacturing industry:
(1) Safety;

(2) Industry;

(3) Engineering research and development.

(B) The governor, the speaker of the house of representatives, and the president of the senate shall each appoint one member from each of the three stakeholder groups.

(C)(1) A member appointed from the safety group shall hold at least a bachelor's degree in nuclear, mechanical, chemical, or electrical engineering and at least one of the following shall also apply:

(a) The member is a recognized professional in nuclear-reactor safety or developing ISO 9000 standards.

(b) The member has been employed by or has worked closely with the United States department of energy or the nuclear regulatory commission and the member also has a professional background in nuclear-energy-technology development or advanced-nuclear-reactor concepts.

(c) The member has been employed by a contractor that has built concept reactors and the member also worked with hazardous substances, either nuclear or chemical, during that employment.

(2) A member appointed from the industry group shall have at least five years of experience in one or more of the following:

(a) Nuclear-power-plant operation;

(b) Processing and extracting isotopes;

(c) Managing a facility that deals with hazardous substances, either nuclear or chemical;
(d) Handling and storing nuclear waste.

(3) A member appointed from the engineering research and development group shall hold at least a bachelor's degree in nuclear, mechanical, chemical, or electrical engineering and the member shall also be a recognized professional in at least one of the following areas of study:

(a) Advanced nuclear reactors;

(b) Materials science involving the study of alloys and metallurgy, ceramics, or composites;

(c) Molten-salt chemistry;

(d) Solid-state chemistry;

(e) Chemical physics;

(f) Actinide chemistry;

(g) Instrumentation and sensors;

(h) Control systems.

(D) The members shall serve five-year terms unless the consortium approves terms of an alternative duration.

(E) Any appointment to fill a vacancy on the authority shall be made for the unexpired term of the member whose death, resignation, or removal created the vacancy.

(F) Initial appointments under this section shall be made not later than sixty days after the effective date of this section.

Sec. 4164.11. Immediately after appointment to the authority under section 4164.09 of the Revised Code, the members shall enter upon the performance of their duties.
Sec. 4164.13. (A) The shareholders of the consortium shall annually elect from among the members of the authority a chairperson, a vice-chairperson, and a treasurer.

(B) The shareholders of the consortium shall annually elect a secretary for the authority. The secretary is not required to be a member of the authority.

(C) Prior to the first organizational meeting of the consortium, the members of the authority may appoint a temporary chairperson, a temporary vice-chairperson, a temporary treasurer, and a temporary secretary.

Sec. 4164.15. Meetings of the authority shall be held in compliance with section 121.22 of the Revised Code.

Sec. 4164.17. The authority may preside over the first organizational meeting of the shareholders of the consortium.

Sec. 4164.19. The authority shall have all powers necessary and convenient for carrying out its statutory purposes, including the following powers:

(A) To adopt bylaws for the management and regulation of its affairs;

(B) To develop and adopt a strategic plan for carrying out the purposes set forth in this chapter;

(C) To promote and facilitate agreements among public and private institutions of higher education in this state and other research entities to carry out research projects relating to public safety, advanced-nuclear-research-reactor technology, and the production of isotopes;

(D) To foster innovative partnerships and relationships among the state, the state’s public institutions of higher
education, private companies, federal laboratories, and nonprofit organizations to accomplish the purposes set forth in this chapter;

(E) To identify and support, in cooperation with the public and private sectors, the development of education programs related to Ohio's isotope industry;

(F) To encourage, facilitate, and support the application, commercialization, and transfer of new isotope and advanced-nuclear-research-reactor technologies;

(G) To assume any regulatory powers delegated from the United States nuclear regulatory commission, the United States department of energy, or any branch of the United States military, or similar federal agencies, departments, or programs, governing the construction and operation of noncommercial power-producing nuclear reactors and the handling of radioactive materials;

(H) To act in place of the governor in approving agreements with the United States nuclear regulatory commission and joint-development agreements with the United States department of energy or an equivalent regulatory agency in the event that any of the following occur:

(1) The authority requests the commission to delegate rules for a state-based nuclear research-and-development program.

(2) The authority requests to jointly develop advanced-nuclear-research-reactor technology with the department under the department's authority.

(3) The authority requests to jointly develop advanced-nuclear-research-reactor technology with the United States
department of defense or another United States military agency under the authority of the department or agency.

Sec. 4164.21. The authority shall, under Chapter 119. of the Revised Code, adopt rules provided for by the United States nuclear regulatory commission, department of energy, department of defense or another United States military agency, or a comparable federal agency for an Ohio state nuclear technology research program for the purposes of developing and studying advanced-nuclear research reactors to produce isotopes and to reduce this state's high-level nuclear waste. The rules shall reasonably ensure Ohioans of their safety in respect to nuclear technology research and development and radioactive materials utilized by the consortium.

Sec. 4164.25. The authority shall work with industrial and academic institutions and the United States department of energy or branches of the United States military to approve designs for the commercialization of advanced-nuclear-reactor components, which may include any of the following:

(A) Advanced-nuclear-reactor-neutronics analysis and experimentation, including reactor, plant, shielding, nuclear data, source-program software, nuclear database, conceptual design, core and system design, certification in the phases, core-management and fuel-management technology, modeling, and calculation;

(B) Advanced-nuclear-reactor safety and plant safety, including reactor-system safety standards, accident-analysis software, and accident-management regulations;

(C) Advanced-nuclear-reactor fuels and materials, including long-life fuel, clad materials, structural materials,
component materials, absorber materials, circuit materials, raw materials, fuels-and-materials research and development, testing programs used to develop fuels and materials-manufacturing processes, experimental data, formulae, technological processes, and facilities and equipment used to manufacture advanced-nuclear-reactor fuels and materials;

(D) Advanced-nuclear-reactor-nuclear-steam-supply systems and their associated components and equipment, including design standards, component, equipment, and systems design, thermal hydraulics, mechanics, and chemistry analysis;

(E) Advanced-nuclear-reactor engineered-safety features and their associated components, including design standards, component design, system design, and structural design;

(F) Advanced-nuclear-reactor building, including containment design, structural analysis, and architectural analysis;

(G) Advanced-nuclear-reactor instrumentation and control and application of computer science, including survey, monitor, control, and protection systems;

(H) Advanced-nuclear-reactor-quality practices, nondestructive-inspection practices, and in-service-inspection technology;

(I) Advanced-nuclear-reactor plant design and construction, debug, test-run, operation, maintenance, and decommissioning technology;

(J) Advanced-nuclear-reactor economic methodology and evaluation technology;

(K) Treatment, storage, recycling, and disposal technology
for advanced-nuclear-reactor and system-spent fuel;  

   (L) Treatment, storage, and disposal technology for 
advanced-nuclear-reactor and system radioactive waste;  

   (M) Other areas that the parties or their executive agents 
agree upon in writing.  

Sec. 4164.27. To fund and support the activities of the 
authority and the consortium, the authority shall apply for, 
solicit, and accept from any source, including any agency of 
this state, any other state, or the United States, any 
municipality, county, or other political subdivision, any 
shareholder of the consortium, or any private corporation or 
other entity, any of the following:  

   (A) Grants, including grants available under federal law;  

   (B) Aid;  

   (C) Contributions of money, property, or other things of 
value, which shall be held, used, and applied for the purposes 
set forth in this chapter.  

Sec. 4164.29. The authority shall give priority to all 
consortium projects that reduce nuclear waste and produce 
isotopes.  

Sec. 4164.33. On or before the fourth day of July of each 
year, the authority shall submit an updated strategic plan, an 
annual summary of its activities, and recommendations for the 
support and expansion of the purposes set forth in this chapter.  

Sec. 4164.35. The attorney general or the attorney 
general's designated representative shall be the primary general 
counsel for the authority and shall represent the interests of 
the authority in any litigation concerning the authority's
activities with other states and with the federal government.

Sec. 4164.41. (A) The authority, not later than one hundred eighty days after the appointment of its initial members, shall provide for the formation of a for-profit entity to be known as the Ohio nuclear development consortium. The consortium shall be created, organized, and governed, its business shall be conducted, and its directors shall be chosen, in all respects in the same manner as is provided by Chapters 1701. and 1704. of the Revised Code, for corporations generally, to the extent that it is not inconsistent with this chapter.

(B) The purposes of the consortium include carrying out the mission of the authority in:

(1) Making the state a leader in the commercial production of isotopes and in nuclear-waste reduction and storage;

(2) Serving as an interdisciplinary study, research, and information resource for the state, the United States nuclear regulatory commission, the United States department of energy, and the United States department of defense on isotopes.

(C) The consortium shall be solely responsible for the internment and sequestration of high-level nuclear waste, or its destruction or reduction, that is produced in the state if the federal government defaults on its obligation to dispose of or store Ohio produced high-level nuclear waste. The consortium may seek funds of the United States department of energy to develop alternative technologies to store, reduce, or consume Ohio's high-level nuclear waste. The consortium shall have legal standing to represent the state if the United States department of energy fails in its obligation to provide a viable repository for the state's high-level nuclear waste.
(D) The consortium may commit to research and development agreements with other state organizations that are authorized to enter into such agreements, but may not obligate the state to such agreements.

(E) The consortium shall annually report to the authority on its nonproprietary activities.

Sec. 4164.43. The consortium shall pay the administrative expenses of the authority, which shall not exceed five per cent of the shareholders' equity in the consortium each year.

Sec. 4164.45. (A) The treasurer of state shall provide for an initial offering of uncertificated private common consortium stock that is set at twenty million shares at fifty dollars per share.

(B) The treasurer of state's office shall provide equity management services for the consortium and shall establish an online exchange to purchase, sell, and trade consortium stock. The treasurer of state may charge each purchaser of consortium stock a monthly fee to cover the costs incurred by the office in providing these services.

Sec. 4164.46. (A) The following purchase requirements apply to consortium stock:

(1) If the purchaser is a resident of this state who pays Ohio income tax or a business entity organized under Ohio law, no minimum purchase of shares is required.

(2) If the purchaser is an out-of-state resident, the minimum purchase shall be one hundred shares.

(3) If the purchaser is a business entity organized under the laws of another state, the minimum purchase shall be one
thousand shares.

    (B) At no point shall a foreign national, foreign company, or foreign country be allowed to own more than thirty-three percent shares of stock that entitle the holder to vote. A foreign national, foreign company, or foreign country may, however, own an unlimited amount of preferred stock that does not allow the holder to vote.

Sec. 4164.48. An organizational meeting of the shareholders of the consortium shall be held as early as five hundred forty days after the formation of the consortium by the authority, or within one hundred eighty days after the sale of one million shares of the original offering of stock, whichever comes first. Thereafter, the annual meeting of the shareholders for the election of directors and the transaction of other business shall be held on the date in each year determined by the board of directors.

Sec. 4164.50. (A) Immediately after the consortium's organization and before its first organizational meeting, the nonprofit eGeneration foundation, or its successor entity, shall act as an agent to encourage investment into the consortium, to educate the public of the importance of isotopes, and to lobby the federal government, as the authority approves.

    (B) The eGeneration foundation, or its successor entity, shall be permitted to expend consortium-derived funds, at its discretion and with the approval of the authority, of up to one million dollars annually, provided the foundation or successor entity remains a nonprofit organization and pays not more than one manager one hundred ten thousand dollars or less annually and no other employees more than seventy thousand dollars annually. The authority, at its discretion, may approve more
discretionary spending for the foundation or successor entity
prior to the first organizational meeting of the consortium.

(C) After the first meeting of the consortium, the
consortium shall determine the annual budget of the consortium.

Sec. 4164.52. (A) The business of the consortium shall be
managed by the board of directors. Each director shall be at
least eighteen years of age, a resident of this state, and a
citizen of the United States.

(B)(1) The number of directors constituting the entire
board shall be the number, not less than one nor more than
twenty, that is fixed from time to time by a majority of the
total number of directors that the consortium would have, prior
to any increase or decrease, if there were no vacancies. No
decrease, however, shall shorten the term of an incumbent
director.

(2) Until otherwise fixed by the directors, the number of
directors constituting the entire board shall be four.

(C) At each annual meeting of shareholders, directors
shall be elected to hold office until the next annual meeting
and until their successors have been elected and qualified or
until their death, resignation, or removal in the manner
provided in this chapter.

(D) For their own government, the directors may adopt
bylaws that are not inconsistent with the articles or
regulations.

Sec. 4164.58. The consortium, with the consent of a
majority of its shareholders and also the United States
department of energy, the United States nuclear regulatory
commission, or the United States military, may build one or more
demonstration power-producing nuclear reactors located in this state. The reactor or reactors shall not transmit electricity outside of this state and shall not transmit district heat outside of this state.

Sec. 4164.59. Neither the authority nor the consortium shall operate a power-producing reactor or research reactor outside of this state.

Sec. 4164.63. The auditor of state or the auditor of state's legally authorized representatives shall annually audit the financial accounts of the consortium, provided that the working papers and files of the auditor of state relating to such audits are not public records under section 149.43 of the Revised Code.

Sec. 4164.71. Nothing in this chapter shall be construed to supersede any agreement between the department of health and the United States nuclear regulatory commission entered into under section 3748.03 of the Revised Code with respect to regulating activities not within the scope of activities of the authority.

Sec. 4164.73. Notwithstanding any law to the contrary, no officer or employee of this state shall be deemed to have forfeited or shall have forfeited the officer's or employee's office or employment due to acceptance of membership on the authority or by providing service to the authority or to the consortium.

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

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

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

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

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

(5) The nonrefundable credit for investments in rural business growth funds under section 122.152 of the Revised Code;

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

(7) The nonrefundable credit for investment in the Ohio nuclear development consortium under section 122.97 of the Revised Code;

(8) The refundable credit for rehabilitating a historic building under section 5725.34 of the Revised Code;

(8)-(9) The refundable credit for Ohio job retention under former division (B)(2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;

(9)-(10) The refundable credit for Ohio job creation under section 5725.32 of the Revised Code;

(10)-(11) The refundable credit under section 5725.19 of
the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.

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

Sec. 5726.98. (A) To provide a uniform procedure for calculating the amount of tax due under section 5726.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled under this chapter in the following order:

(1) The nonrefundable job retention credit under division (B) of section 5726.50 of the Revised Code;

(2) The nonrefundable credit for purchases of qualified low-income community investments under section 5726.54 of the Revised Code;

(3) The nonrefundable credit for qualified research expenses under section 5726.56 of the Revised Code;

(4) The nonrefundable credit for qualifying dealer in intangibles taxes under section 5726.57 of the Revised Code;

(5) The nonrefundable credit for investment in the Ohio nuclear development consortium under section 122.97 of the Revised Code;
(6) The refundable credit for rehabilitating an historic building under section 5726.52 of the Revised Code;

(6)-(7) The refundable job retention or job creation credit under division (A) of section 5726.50 of the Revised Code;

(7)-(8) The refundable credit under section 5726.53 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;

(8)-(9) The refundable motion picture production credit under section 5726.55 of the Revised Code.

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

Sec. 5729.98. (A) To provide a uniform procedure for calculating the amount of tax due under this chapter, a taxpayer shall claim any credits and offsets against tax liability to which it is entitled in the following order:

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

(2) The credit for eligible employee training costs under section 5729.07 of the Revised Code;
(3) The credit for purchases of qualified low-income community investments under section 5729.16 of the Revised Code;

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

(5) The nonrefundable credit for investments in rural business growth funds under section 122.152 of the Revised Code;

(6) The offset of assessments by the Ohio life and health insurance guaranty association against tax liability permitted by section 3956.20 of the Revised Code;

(7) The nonrefundable credit for investment in the Ohio nuclear development consortium under section 122.97 of the Revised Code;

(8) The refundable credit for rehabilitating a historic building under section 5729.17 of the Revised Code;

(9) The refundable credit for Ohio job retention under former division (B)(2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;

(10) The refundable credit for Ohio job creation under section 5729.032 of the Revised Code;

(11) The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.

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

Sec. 5747.02. (A) For the purpose of providing revenue for the support of schools and local government functions, to provide relief to property taxpayers, to provide revenue for the general revenue fund, and to meet the expenses of administering the tax levied by this chapter, there is hereby levied on every individual, trust, and estate residing in or earning or receiving income in this state, on every individual, trust, and estate earning or receiving lottery winnings, prizes, or awards pursuant to Chapter 3770. of the Revised Code, on every individual, trust, and estate earning or receiving winnings on casino gaming, and on every individual, trust, and estate otherwise having nexus with or in this state under the Constitution of the United States, an annual tax measured as prescribed in divisions (A)(1) to (4) of this section.

(1) In the case of trusts, the tax imposed by this section shall be measured by modified Ohio taxable income under division (D) of this section and levied in the same amount as the tax is imposed on estates as prescribed in division (A)(2) of this section.

(2) In the case of estates, the tax imposed by this section shall be measured by Ohio taxable income and levied at the rate of seven thousand four hundred twenty-five ten-thousandths per cent for the first ten thousand five hundred dollars of such income and, for income in excess of that amount,
at the same rates prescribed in division (A)(3) of this section for individuals.

(3) In the case of individuals, for taxable years beginning in 2017 or thereafter, the tax imposed by this section on income other than taxable business income shall be measured by Ohio adjusted gross income, less taxable business income and less an exemption for the taxpayer, the taxpayer's spouse, and each dependent as provided in section 5747.025 of the Revised Code. If the balance thus obtained is equal to or less than ten thousand five hundred dollars, no tax shall be imposed on that balance. If the balance thus obtained is greater than ten thousand five hundred dollars, the tax is hereby levied as follows:

<table>
<thead>
<tr>
<th>OHIO ADJUSTED GROSS</th>
<th>TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than $10,500 but not more than $15,800</td>
<td>$77.96 plus 1.980% of the amount in excess of $10,500</td>
</tr>
<tr>
<td>More than $15,800 but not more than $21,100</td>
<td>$182.90 plus 2.476% of the amount in excess of $15,800</td>
</tr>
<tr>
<td>More than $21,100 but not more than $42,100</td>
<td>$314.13 plus 2.969% of the amount in excess of $21,100</td>
</tr>
<tr>
<td>More than $42,100 but</td>
<td>$937.62 plus 3.465% of the amount</td>
</tr>
</tbody>
</table>
not more than $84,200

More than $84,200 but not more than $105,300

More than $105,300 but not more than $210,600

More than $210,600

in excess of $42,100 in excess of $84,200

$2,396.39 plus 3.960% of the amount in excess of $84,200

$3,231.95 plus 4.597% of the amount in excess of $105,300

$8,072.59 plus 4.997% of the amount in excess of $210,600

(4)(a) In the case of individuals, for taxable years beginning in 2016 or thereafter, the tax imposed by this section on taxable business income shall equal three per cent of the result obtained by subtracting any amount allowed under division (A)(4)(b) of this section from the individual's taxable business income.

(b) If the exemptions allowed to an individual under division (A)(3) of this section exceed the taxpayer's Ohio adjusted gross income less taxable business income, the excess shall be deducted from taxable business income before computing the tax under division (A)(4)(a) of this section.

(5) Except as otherwise provided in this division, in August of each year, the tax commissioner shall make a new adjustment to the income amounts prescribed in divisions (A)(2) and (3) of this section by multiplying the percentage increase in the gross domestic product deflator computed that year under section 5747.025 of the Revised Code by each of the income amounts resulting from the adjustment under this division in the preceding year, adding the resulting product to the corresponding income amount resulting from the adjustment in the preceding year, and rounding the resulting sum to the nearest multiple of fifty dollars. The tax commissioner also shall
recompute each of the tax dollar amounts to the extent necessary to reflect the new adjustment of the income amounts. To recompute the tax dollar amount corresponding to the lowest tax rate in division (A)(3) of this section, the commissioner shall multiply the tax rate prescribed in division (A)(2) of this section by the income amount specified in that division and as adjusted according to this paragraph. The rates of taxation shall not be adjusted.

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

(B) If the director of budget and management makes a certification to the tax commissioner under division (B) of section 131.44 of the Revised Code, the amount of tax as determined under divisions (A)(1) to (3) of this section shall be reduced by the percentage prescribed in that certification for taxable years beginning in the calendar year in which that certification is made.

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

(D) This division applies only to taxable years of a trust beginning in 2002 or thereafter.
(1) The tax imposed by this section on a trust shall be computed by multiplying the Ohio modified taxable income of the trust by the rates prescribed by division (A) of this section.

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

(3) The credits enumerated in divisions (A)(1) to (9) and (A)(18) to (20), (19), and (21) of section 5747.98 of the Revised Code do not apply to a trust subject to division (D) of this section. Any credits enumerated in other divisions of section 5747.98 of the Revised Code apply to a trust subject to division (D) of this section. To the extent that the trust distributes income for the taxable year for which a credit is available to the trust, the credit shall be shared by the trust and its beneficiaries. The tax commissioner and the trust shall be guided by applicable regulations of the United States treasury regarding the sharing of credits.

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

(F) Nothing in division (A)(3) of this section shall prohibit an individual with an Ohio adjusted gross income, less taxable business income and exemptions, of ten thousand five hundred dollars or less from filing a return under this chapter to receive a refund of taxes withheld or to claim any refundable credit allowed under this chapter.

Sec. 5747.98. (A) To provide a uniform procedure for calculating a taxpayer's aggregate tax liability under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order:

(1) Either the retirement income credit under division (B) of section 5747.055 of the Revised Code or the lump sum retirement income credits under divisions (C), (D), and (E) of that section;

(2) Either the senior citizen credit under division (F) of section 5747.055 of the Revised Code or the lump sum distribution credit under division (G) of that section;

(3) The dependent care credit under section 5747.054 of the Revised Code;

(4) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;
(5) The campaign contribution credit under section 5747.29 of the Revised Code;

(6) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;

(7) The joint filing credit under division (G) of section 5747.05 of the Revised Code;

(8) The earned income credit under section 5747.71 of the Revised Code;

(9) The credit for adoption of a minor child under section 5747.37 of the Revised Code;

(10) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;

(11) The enterprise zone credit under section 5709.66 of the Revised Code;

(12) The ethanol plant investment credit under section 5747.75 of the Revised Code;

(13) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;

(14) The small business investment credit under section 5747.81 of the Revised Code;

(15) The enterprise zone credits under section 5709.65 of the Revised Code;

(16) The research and development credit under section 5747.331 of the Revised Code;

(17) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;
(18) The nonresident credit under division (A) of section 5747.05 of the Revised Code;

(19) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;

(20) The nonrefundable credit for investment in the Ohio nuclear development consortium under section 122.97 of the Revised Code;

(21) The refundable motion picture production credit under section 5747.66 of the Revised Code;

(21) The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;

(22) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;

(23) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;

(24) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;

(25) The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;

(26) The refundable credit for financial institution taxes paid by a pass-through entity granted under section 5747.65 of the Revised Code.
(B) For any credit, except the refundable credits enumerated in this section and the credit granted under division (H) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the taxpayer's aggregate amount of tax due under section 5747.02 of the Revised Code, after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

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

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

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

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

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

(5) The nonrefundable credit for investment in the Ohio nuclear development consortium under section 122.97 of the Revised Code;
(6) The refundable motion picture production credit under section 5751.54 of the Revised Code;

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

(7)(8) The refundable credit for calendar year 2030 for unused net operating losses under division (C) of section 5751.53 of the Revised Code.

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

Section 2. That existing sections 3748.03, 5725.98, 5726.98, 5729.98, 5747.02, 5747.98, and 5751.98 of the Revised Code are hereby repealed.