

As Introduced

132nd General Assembly

Regular Session

2017-2018

H. B. No. 594

Representative Ramos

Cosponsors: Representatives Ashford, West

A BILL

To enact section 131.46 of the Revised Code to 1
provide for payments to municipalities or school 2
districts for their lost income tax revenue 3
after a business lays off 50 or more employees 4
within their jurisdiction. 5

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

Section 1. That section 131.46 of the Revised Code be 7
enacted to read as follows: 8

Sec. 131.46. (A) (1) "Eligible political subdivision" means 9
any municipal corporation or city, local, exempted village, or 10
joint vocational school district that levies or levied a tax on 11
income at the time of a mass workforce reduction in the 12
municipal corporation or school district. 13

(2) "Mass workforce reduction" means a reduction in a 14
business' workforce that meets all of the following criteria: 15

(a) The business reduced the portion of its workforce that 16
is employed in a single eligible political subdivision by fifty 17
or more employees. 18

(b) The reduction occurred over a period of thirty days or less. 19
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(c) The reduction occurred on or after January 1, 2013. 21

(3) "Base year" means the twelve months preceding the first month in which a mass workforce reduction occurs in a municipal corporation or the four calendar quarters preceding the first calendar quarter in which a mass workforce reduction occurs in a school district. 22
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(4) "Calendar quarter" means the three-month period ending on the last day of March, June, September, or December. 27
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(B) If a mass workforce reduction occurs in an eligible political subdivision, the eligible political subdivision may notify the tax commissioner and, upon receiving such notification, the commissioner shall direct the director of budget and management to make payments to the eligible political subdivision as described in this section. 29
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(1) If the eligible political subdivision is a municipal corporation, payments shall be made for the month after the first month in which a mass workforce reduction occurred or occurs in the municipal corporation and for the fifty-nine months thereafter. 35
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Each payment shall equal the difference obtained by subtracting the amount described in division (B)(1)(a) of this section from the amount described in division (B)(1)(b) of this section: 40
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(a) The total amount of income tax revenue the municipal corporation received during the preceding month; 44
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(b) The total amount of income tax revenue the municipal 46

corporation received during the corresponding calendar month in 47
the base year. 48

The municipal corporation shall certify the amount 49
calculated for each month for which a payment is allowed under 50
this division to the director of budget and management on or 51
before the fifteenth day of that month. If the mass workforce 52
reduction occurred before the effective date of this section, 53
the municipal corporation shall submit one certification for the 54
total amount allowed for all months preceding and including the 55
month in which the section takes effect. Payments received under 56
this section shall be credited to the general fund of the 57
municipal corporation within fifteen days after receiving each 58
certification. 59

(2) If the eligible political subdivision is a school 60
district, payments shall be made for the calendar quarter after 61
the first calendar quarter in which a mass workforce reduction 62
occurred or occurs in the school district and for the nineteen 63
calendar quarters thereafter. Each payment shall equal the 64
difference obtained by subtracting the amount described in 65
division (B) (2) (a) of this section from the amount described in 66
division (B) (2) (b) of this section: 67

(a) The total amount of income tax revenue the school 68
district received during the preceding calendar quarter; 69

(b) The total amount of income tax revenue the school 70
district received during the corresponding calendar quarter in 71
the base year. 72

The tax commissioner shall certify the amount calculated 73
for each calendar quarter for which a payment is allowed under 74
this division to the director of budget and management within 75

fifteen days after the end of the calendar quarter. If the mass 76
workforce reduction occurred before the effective date of this 77
section, the commissioner shall submit one certification for the 78
total amount allowed for all calendar quarters preceding and 79
including the calendar quarter in which the section takes 80
effect. 81

The director shall credit all amounts certified to the 82
general fund of the school district within fifteen days after 83
receiving each certification. 84

(3) All payments made under this section shall be made 85
from the budget stabilization fund. 86