

**As Introduced**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**H. B. No. 594**

**Representative Ramos**

**Cosponsors: Representatives Ashford, West**

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**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