

**As Introduced**

**133rd General Assembly  
Regular Session  
2019-2020**

**H. B. No. 400**

**Representative McClain**

**Cosponsors: Representatives Riedel, Hoops, Cupp**

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**A BILL**

To amend section 5747.98 and to enact section 1  
5747.74 of the Revised Code to authorize a 2  
nonrefundable income tax credit for the retail 3  
sale of high-ethanol blend motor fuel. 4

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

**Section 1.** That section 5747.98 be amended and section 5  
5747.74 of the Revised Code be enacted to read as follows: 6

**Sec. 5747.74.** (A) As used in this section: 7

(1) "Ethanol" has the same meaning as in section 5747.75  
of the Revised Code. 8  
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(2) "Higher ethanol blend" means a fuel capable of being  
dispensed directly into motor vehicle fuel tanks for consumption  
that is comprised of between and including fifteen and eighty-  
five per cent ethanol. 10  
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(3) "Retail dealer" means a person that owns or operates a  
retail service station. 14  
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(4) "Retail service station" means a location in this  
state from which higher ethanol blend is sold to the general 16  
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public and is dispensed directly into motor vehicle fuel tanks 18  
for consumption. 19

(B) There is hereby allowed a nonrefundable credit against 20  
a taxpayer's aggregate tax liability under section 5747.02 of 21  
the Revised Code for a taxpayer that is a retail dealer that 22  
sells higher ethanol blend at the dealer's retail service 23  
station. The credit shall equal five cents per gallon of higher 24  
ethanol blend the retail dealer sells and dispenses through 25  
metered pumps at the dealer's retail service station during the 26  
calendar year in which this section becomes law and during the 27  
three subsequent calendar years. The credit shall be claimed for 28  
the taxpayer's taxable year that includes the last day of such a 29  
calendar year. 30

The taxpayer shall claim the credit in the order required 31  
by section 5747.98 of the Revised Code. Any credit amount in 32  
excess of the taxpayer's tax liability, after allowing for any 33  
other credits preceding the credit in that order, may be carried 34  
forward for succeeding taxable years, but the amount of excess 35  
credit allowed in any such year shall be deducted from the 36  
balance carried forward to the next year. 37

If the taxpayer is a direct or indirect investor in a 38  
pass-through entity that is a retail dealer that has sold and 39  
dispensed higher ethanol blend as described in this section, the 40  
taxpayer may claim its proportionate or distributive share of 41  
the credit allowed under this section. 42

**Sec. 5747.98.** (A) To provide a uniform procedure for 43  
calculating a taxpayer's aggregate tax liability under section 44  
5747.02 of the Revised Code, a taxpayer shall claim any credits 45  
to which the taxpayer is entitled in the following order: 46

(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;	47 48 49 50
(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;	51 52 53
(3) The dependent care credit under section 5747.054 of the Revised Code;	54 55
(4) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	56 57
(5) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	58 59
(6) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	60 61
(7) The earned income credit under section 5747.71 of the Revised Code;	62 63
(8) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	64 65
(9) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	66 67
(10) The enterprise zone credit under section 5709.66 of the Revised Code;	68 69
(11) The ethanol plant investment credit under section 5747.75 of the Revised Code;	70 71
(12) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	72 73

(13) The small business investment credit under section 5747.81 of the Revised Code;	74 75
(14) The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	76 77
(15) <u>The credit for the sale of higher ethanol blend motor fuel under section 5747.74 of the Revised Code;</u>	78 79
<u>(16)</u> The opportunity zone investment credit under section 122.84 of the Revised Code;	80 81
<del>(16)</del> <u>(17)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	82 83
<del>(17)</del> <u>(18)</u> The research and development credit under section 5747.331 of the Revised Code;	84 85
<del>(18)</del> <u>(19)</u> The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	86 87
<del>(19)</del> <u>(20)</u> The nonresident credit under division (A) of section 5747.05 of the Revised Code;	88 89
<del>(20)</del> <u>(21)</u> The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	90 91
<del>(21)</del> <u>(22)</u> The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	92 93 94
<del>(22)</del> <u>(23)</u> The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	95 96 97
<del>(23)</del> <u>(24)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	98 99 100

~~(24)~~ (25) The refundable credits for taxes paid by a 101  
qualifying pass-through entity granted under division (I) of 102  
section 5747.08 of the Revised Code; 103

~~(25)~~ (26) The refundable credit under section 5747.80 of 104  
the Revised Code for losses on loans made to the Ohio venture 105  
capital program under sections 150.01 to 150.10 of the Revised 106  
Code; 107

~~(26)~~ (27) The refundable credit for rehabilitating a 108  
historic building under section 5747.76 of the Revised Code. 109

(B) For any credit, except the refundable credits 110  
enumerated in this section and the credit granted under division 111  
(H) of section 5747.08 of the Revised Code, the amount of the 112  
credit for a taxable year shall not exceed the taxpayer's 113  
aggregate amount of tax due under section 5747.02 of the Revised 114  
Code, after allowing for any other credit that precedes it in 115  
the order required under this section. Any excess amount of a 116  
particular credit may be carried forward if authorized under the 117  
section creating that credit. Nothing in this chapter shall be 118  
construed to allow a taxpayer to claim, directly or indirectly, 119  
a credit more than once for a taxable year. 120

**Section 2.** That existing section 5747.98 of the Revised 121  
Code is hereby repealed. 122