

**As Passed by the Senate**

**134th General Assembly**

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**2021-2022**

**Am. Sub. H. B. No. 95**

**Representatives Manchester, Lightbody**

**Cosponsors: Representatives Cross, Bird, Koehler, Russo, Brent, Riedel, Lanese, LaRe, Lipps, Kick, Troy, Miller, J., Weinstein, Galonski, Carfagna, Loychik, Stoltzfus, Fowler Arthur, Stephens, Ingram, Stein, Miller, A., Creech, Baldrige, Jones, O'Brien, Blackshear, Boggs, Boyd, Click, Crawley, Crossman, Denson, Ghanbari, Ginter, Hall, Hicks-Hudson, Hillyer, Hoops, Jarrells, John, Johnson, Lampton, Leland, Lepore-Hagan, Liston, McClain, Miller, K., Oelslager, Pavliga, Plummer, Robinson, Roemer, Schmidt, SobECKi, Stewart, Sweeney, Upchurch, West, White, Wiggam, Young, B., Young, T., Speaker Cupp**

**Senators Antonio, Blessing, Brenner, Cirino, Craig, Dolan, Gavarone, Hackett, Hottinger, Huffman, S., Kunze, Maharath, Manning, Reineke, Roegner, Rulli, Schaffer, Schuring, Thomas, Yuko**

**A BILL**

To amend sections 4517.22, 5709.911, and 5747.98 1  
and to enact sections 901.61, 5709.916, and 2  
5747.77 of the Revised Code to temporarily allow 3  
income tax credits for beginning farmers who 4  
participate in a financial management program 5  
and for businesses that sell or rent 6  
agricultural land, livestock, facilities, or 7  
equipment to beginning farmers, to modify the 8  
law governing certain tax increment financing 9  
arrangements, to alter the types of vehicles 10  
that may be purchased at a motor vehicle show, 11  
to permit, for a limited time, the abatement of 12  
unpaid taxes, penalties, and interest for 13  
certain municipal property, and to make an 14  
appropriation. 15

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

**Section 1.** That sections 4517.22, 5709.911, and 5747.98 be 16  
amended and sections 901.61, 5709.916, and 5747.77 of the 17  
Revised Code be enacted to read as follows: 18

**Sec. 901.61.** (A) As used in this section: 19

(1) "Agricultural asset" means agricultural land, 20  
livestock, facilities, buildings, and machinery used for 21  
agricultural production in this state. 22

(2) "Agricultural land" means land that is composed of 23  
tracts, lots, or parcels totaling not less than ten acres 24  
devoted to agricultural production or totaling less than ten 25  
acres devoted to agricultural production if the land produces an 26  
average yearly gross income of at least two thousand five 27  
hundred dollars from agricultural production. 28

(3) "Agricultural production" has the same meaning as in 29  
section 929.01 of the Revised Code. 30

(4) "Beginning farmer" means an individual who has been 31  
certified as a beginning farmer by the director of agriculture 32  
or a participating land grant college under division (B) of this 33  
section or who has received a substantially equivalent 34  
certification from the United States department of agriculture. 35  
"Beginning farmer" does not include an individual who has 36  
previously been certified as a beginning farmer but no longer 37  
meets the criteria for certification. 38

(5) "Owner of agricultural assets" means a person that is 39  
the owner in fee of agricultural land or that has legal title to 40  
any other agricultural asset. An "owner of agricultural assets" 41

does not include an equipment dealer or comparable entity 42  
engaged in the business of selling agricultural assets for 43  
profit. 44

(6) "Share rent agreement" means a rental agreement in 45  
which the principal consideration given to the owner of 46  
agricultural assets is a predetermined portion of the production 47  
of the agricultural products produced from the rented 48  
agricultural assets and which provides for sharing production 49  
costs or risk of loss. 50

(7) "Participating land grant college" or "college" means 51  
a state university, as defined in section 3345.011 of the 52  
Revised Code, that is designated a land grant college under the 53  
federal "Morrill Act of 1862," 7 U.S.C. 301 et seq., or the 54  
"Agricultural College Act of 1890," 7 U.S.C. 321 et seq., and 55  
that elects to participate in certifying individuals as 56  
beginning farmers under this section. 57

(B) For the purposes of the tax credit authorized in 58  
division (A) of section 5747.77 of the Revised Code, the 59  
director of agriculture and participating land grant colleges 60  
shall certify individuals as beginning farmers. An individual 61  
may apply to the director or college for certification, and the 62  
director or college shall provide the certification if the 63  
director or college determines that the individual meets all of 64  
the requirements of this division. The certification is valid 65  
until the individual no longer meets all of the requirements of 66  
this division. To qualify, the individual must be a resident of 67  
this state and: 68

(1) Be seeking entry, or have entered within the last ten 69  
years, into farming; 70

<u>(2) Farm, or intend to farm, land in this state;</u>	71
<u>(3) Not be a partner, member, shareholder, or trustee of the owner of the agricultural assets the individual is seeking to purchase or rent.</u>	72 73 74
<u>(4) Have a total net worth, including the assets and liabilities of the individual's spouse and dependents, of less than eight hundred thousand dollars in 2021 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the consumer price index (all items) prepared by the United States bureau of labor statistics.</u>	75 76 77 78 79 80 81
<u>(5) Provide the majority of the day-to-day physical labor for and management of the farm;</u>	82 83
<u>(6) Have adequate farming experience or demonstrate knowledge in the type of farming for which the individual seeks assistance;</u>	84 85 86
<u>(7) Submit projected earnings statements and demonstrate a profit potential;</u>	87 88
<u>(8) Demonstrate that farming will be a significant source of income for the individual;</u>	89 90
<u>(9) Participate in a financial management program approved under division (C) of this section;</u>	91 92
<u>(10) Meet any other requirements prescribed by the director.</u>	93 94
<u>(C) For the purposes of the tax credit authorized in division (B) of section 5747.77 of the Revised Code, the director of agriculture, in consultation with the participating land grant colleges, shall certify financial management programs</u>	95 96 97 98

that would qualify a beginning farmer for the credit authorized 99  
under that division. The director and colleges shall establish a 100  
procedure for certifying such programs and shall maintain a list 101  
of certified programs on the web site of the department of 102  
agriculture. 103

(D) (1) The owner of agricultural assets who sells 104  
agricultural assets to a beginning farmer during the calendar 105  
year or who rents agricultural assets to a beginning farmer 106  
during the calendar year or in either of the two preceding 107  
calendar years may apply to the director of agriculture, on 108  
forms prescribed by the director, for a tax credit under 109  
division (A) of section 5747.77 of the Revised Code, provided, 110  
in the case of a rental, the asset is rented at prevailing 111  
community rates, as determined under the rules adopted under 112  
division (G) of this section. The application shall identify or 113  
include all of the following: 114

(a) The name of the beginning farmer; 115

(b) The date the sale was made or the date the lease was 116  
entered into; 117

(c) If applying for the credit on the basis of the sale of 118  
an agricultural asset, the sale price of the asset; 119

(d) If applying for the credit on the basis of renting an 120  
agricultural asset: 121

(i) The duration of the lease; 122

(ii) Proof that the asset is rented at prevailing 123  
community rates; 124

(iii) The amount, in cash equivalent, of the gross rental 125  
income received during the taxable year for which the credit is 126

<u>sought;</u>	127
<u>(iv) Whether the asset is rented pursuant to a share rent agreement.</u>	128 129
<u>(2) The director shall approve an application received under this section if the director determines that the applicant is eligible for the credit and if awarding the credit would not cause the limit described in division (F) of this section to be exceeded. The director shall issue a tax credit certificate to an approved applicant listing the amount of the credit the applicant is authorized to claim under division (A) of section 5747.77 of the Revised Code, which shall equal three and ninety-nine one-hundredths per cent of one of the following:</u>	130 131 132 133 134 135 136 137 138
<u>(a) The sale price of the agricultural asset;</u>	139
<u>(b) The gross rental income received during the calendar year pursuant to a rental agreement, provided the agreement was entered into on or after the first day of the second preceding calendar year;</u>	140 141 142 143
<u>(c) The gross rental income received during the taxable year pursuant to a share rent agreement, provided the agreement was entered into on or after the first day of the second preceding calendar year.</u>	144 145 146 147
<u>(E) A beginning farmer may apply to the director of agriculture, on forms prescribed by the director, for a tax credit under division (B) of section 5747.77 of the Revised Code equal to the cost the individual incurred during the calendar year for participating in a financial management program approved under division (C) of this section or a substantially equivalent financial management program approved by the United States department of agriculture. The application shall include</u>	148 149 150 151 152 153 154 155

<u>all of the following:</u>	156
<u>(1) The name and address of the financial management</u>	157
<u>program;</u>	158
<u>(2) The costs the individual incurs for participating in</u>	159
<u>that program;</u>	160
<u>(3) The date or dates the individual participated in that</u>	161
<u>program.</u>	162
<u>The director shall approve an application received under</u>	163
<u>this section if the director determines that the applicant is</u>	164
<u>eligible for the credit and if awarding the credit would not</u>	165
<u>cause the limit described in division (F) of this section to be</u>	166
<u>exceeded. The director shall issue a tax credit certificate to</u>	167
<u>an approved applicant listing the amount of the credit the</u>	168
<u>applicant is authorized to claim under division (B) of section</u>	169
<u>5747.77 of the Revised Code.</u>	170
<u>(F) The director may not issue more than ten million</u>	171
<u>dollars in tax credit certificates under divisions (D) and (E)</u>	172
<u>of this section. The director may not issue tax credit</u>	173
<u>certificates under this section on or after the first day of</u>	174
<u>January of the sixth calendar year beginning after the effective</u>	175
<u>date of this section.</u>	176
<u>(G) The director of agriculture, in consultation with the</u>	177
<u>tax commissioner, may adopt any rules necessary to administer</u>	178
<u>this section, including a rule prescribing the method for</u>	179
<u>determining prevailing community rental rates.</u>	180
<b>Sec. 4517.22.</b> (A) As used in this section:	181
(1) "General market area" means the contiguous	182
geographical area established by a motor vehicle show sponsor	183

that is based upon the size of the show and that does not 184  
unreasonably exclude any licensed new motor vehicle dealer. 185

(2) "Gross vehicle weight rating" means the ~~unladen~~maximum 186  
weight ~~of while loaded at which~~ a motor vehicle ~~fully~~ 187  
~~equipped~~can safely operate as rated by its manufacturer. 188

(3) "Livestock trailer" means a new or used trailer 189  
designed by its manufacturer to be used to transport horses or 190  
to transport animals generally used for food or in the 191  
production of food, including cattle, sheep, goats, rabbits, 192  
poultry, swine, and any other animals included by the director 193  
of agriculture in rules adopted under section 901.72 of the 194  
Revised Code. 195

(4) "Major livestock show" means any show of livestock 196  
that is held at the Ohio state fairgrounds, is national in 197  
scope, and that continues for more than ten consecutive days. 198

(5) "Motor vehicle show" means a display of new motor 199  
vehicles that lasts not more than ten days by more than one new 200  
motor vehicle dealer dealing in competitive types of motor 201  
vehicles and that is authorized by the registrar of motor 202  
vehicles primarily to allow the general public an opportunity to 203  
compare and inspect a variety of makes and models 204  
simultaneously, test drive vehicles, and gain an understanding 205  
of new technology and available features. 206

~~(6) "Truck" has the same meaning as in section 4511.01 of~~ 207  
~~the Revised Code.~~ 208

(B) Any group of licensed new motor vehicle dealers may 209  
display motor vehicles at a motor vehicle show within the 210  
general market area assigned by the sponsor if, not less than 211  
thirty days before the planned opening date of the motor vehicle 212



show, the sponsor executes and files with the registrar an 213  
affidavit, in a form prescribed by the registrar, that certifies 214  
that all requirements of this section have been or will be met, 215  
as applicable. 216

If the registrar approves the affidavit, the registrar 217  
shall grant the sponsor permission to conduct the motor vehicle 218  
show. If the registrar determines that there is a deficiency in 219  
the affidavit, the registrar shall inform the sponsor of the 220  
deficiency as soon as possible after the registrar receives the 221  
affidavit so that the sponsor has the opportunity to remedy the 222  
deficiency. The registrar also shall describe with specificity 223  
the measures the sponsor is required to take in order to cure 224  
the deficiency. The sponsor shall return the corrected affidavit 225  
to the registrar not later than before the planned opening date 226  
of the motor vehicle show in order for the sponsor to be 227  
eligible to hold the show. If the registrar finds that the 228  
deficiency has been cured in the corrected affidavit, the 229  
registrar shall grant the sponsor permission to conduct the 230  
motor vehicle show. If the registrar finds that the deficiency 231  
has not been cured, the registrar shall deny the sponsor 232  
permission to conduct the motor vehicle show. 233

(C) No contracts shall be signed, deposits taken, or sales 234  
consummated at the location of a motor vehicle show. 235

(D) Any sponsor of a motor vehicle show or the sponsor's 236  
representative shall offer by mail an invitation to all new 237  
motor vehicle dealers dealing in competitive types of motor 238  
vehicles in the general market area to participate and display 239  
motor vehicles in the show. The sponsor or representative may 240  
offer a similar invitation to manufacturers or distributors. A 241  
copy of each invitation shall be retained by the sponsor for one 242

year after the show. 243

(E) A manufacturer or distributor may hold in any public 244  
place a motor vehicle show at which only one motor vehicle is 245  
displayed, but no such single unit show shall be held unless the 246  
manufacturer or distributor executes and files with the 247  
registrar not less than thirty days before the show an 248  
affidavit, in a form prescribed by the registrar, that certifies 249  
that all requirements of this section have been or will be met, 250  
as applicable, and subsequently receives approval of that 251  
affidavit from the registrar. 252

(F) The registrar shall not grant permission for any motor 253  
vehicle show to be held, unless it is proven to the registrar's 254  
satisfaction that no attempt is being made to circumvent the 255  
provisions of sections 4517.01 to 4517.45 of the Revised Code. 256

(G) Nothing contained in this section shall be construed 257  
as prohibiting the taking of orders for nonmotorized 258  
recreational vehicles as defined in section 4501.01 of the 259  
Revised Code at sports or camping shows. 260

(H) No motor vehicle dealer, motor vehicle leasing dealer, 261  
motor vehicle auction owner, or distributor licensed under 262  
sections 4517.01 to 4517.45 of the Revised Code shall display a 263  
motor vehicle at any place except the dealer's, owner's, or 264  
distributor's licensed location, unless the dealer, owner, or 265  
distributor first obtains permission from the registrar and 266  
complies with the applicable rules of the motor vehicle dealers 267  
board or the display is authorized pursuant to section 4517.221 268  
of the Revised Code. 269

(I) Nothing contained in this section shall be construed 270  
as prohibiting the display of, the taking of orders for, or the 271

sale of, livestock trailers at livestock and agricultural shows, 272  
including county fairs. Notwithstanding section 4517.03 of the 273  
Revised Code, livestock trailers may be sold at livestock and 274  
agricultural shows, including county fairs, as permitted by this 275  
division. 276

(J) Notwithstanding any provision of this section to the 277  
contrary, for a period not to exceed thirty days, contracts may 278  
be signed, deposits taken, and sales consummated at the location 279  
of a motor vehicle show ~~where the~~ if all of the following apply: 280

(1) The motor vehicles involved are horse trailers or 281  
~~towing motor~~ vehicles that ~~are trucks and~~ have a gross vehicle 282  
weight rating of six thousand eight hundred pounds or more than 283  
~~three quarters of a ton, the.~~ 284

(2) The motor vehicle show is being held as part of or in 285  
connection with a major livestock show, ~~the.~~ 286

(3) The licensed new motor vehicle dealers involved have 287  
complied with the applicable requirements of this section, ~~and~~ 288  
~~the.~~ 289

(4) The registrar has granted permission for the motor 290  
vehicle show in accordance with division (F) of this section. 291

(K) (1) Notwithstanding division (H) of this section, if, 292  
pursuant to division (B) of this section, the registrar has 293  
granted a show representative permission to hold a motor vehicle 294  
show at the annual fair of a county or independent agricultural 295  
society and if the society files a certification under division 296  
(K) (2) of this section, a new motor vehicle dealer may display 297  
motor vehicles at that annual fair even if no other new motor 298  
vehicle dealer displays competitive makes and models at the 299  
fair. 300

(2) To obtain a waiver under division (K) (1) of this section, a county or independent agricultural society shall certify all of the following:

(a) That an invitation was sent to all new motor vehicle dealers within the county where the fair is held;

(b) That the terms of the invitation were reasonable and nondiscriminatory;

(c) That only one new motor vehicle dealer accepted the invitation.

(L) (1) Until six months after ~~the effective date of this amendment~~ March 23, 2015, whoever violates this section or section 4517.221 of the Revised Code is guilty of a misdemeanor of the fourth degree.

(2) The board shall adopt rules establishing the amount of a penalty for a violation of this section or section 4517.221 of the Revised Code, which shall not exceed one thousand dollars for each violation.

(3) Beginning six months after ~~the effective date of this amendment~~ March 23, 2015, after finding, pursuant to adjudication conducted in accordance with Chapter 119. of the Revised Code, that a person has violated this section or section 4517.221 of the Revised Code, the board may order the person to pay an administrative penalty described in division (L) (2) of this section for each violation in accordance with the rule adopted by the board.

(4) For purposes of the administrative penalties described in divisions (L) (2) and (3) of this section, each sale that occurs in violation of this section or section 4517.221 of the Revised Code and each day that a violation occurs or continues

to occur constitutes a separate violation. 330

(5) All penalties collected pursuant to division (L)(3) of 331  
this section shall be paid to the title defect rescission fund 332  
established in section 1345.52 of the Revised Code. 333

**Sec. 5709.911.** (A)(1) A municipal corporation, township, 334  
or county that has enacted an ordinance or resolution under 335  
section 5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the 336  
Revised Code or that has entered into an agreement referred to 337  
in section 725.02 or 1728.07 of the Revised Code may file an 338  
application for exemption under those sections in the same 339  
manner as other real property tax exemptions, notwithstanding 340  
the indication in division (A) of section 5715.27 of the Revised 341  
Code that the owner of the property may file the application. An 342  
application for exemption may not be filed by a municipal 343  
corporation, township, or county for an exemption of a parcel 344  
under section 5709.40, 5709.73, or 5709.78 of the Revised Code 345  
if the property owner excludes the property from such exemption 346  
as provided in that section. 347

(2) Except as provided in division (B) of this section, if 348  
the application for exemption under section 725.02, 1728.10, 349  
5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the Revised 350  
Code is filed by a municipal corporation, township, or county 351  
and more than one real property tax exemption applies by law to 352  
the property or a portion of the property, both of the following 353  
apply: 354

(a) An exemption granted under section 725.02, 1728.10, 355  
5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the Revised 356  
Code shall be subordinate to an exemption with respect to the 357  
property or portion of the property granted under any other 358  
provision of the Revised Code. 359

(b) Neither service payments in lieu of taxes under 360  
section 725.04, 5709.42, 5709.46, 5709.74, or 5709.79 of the 361  
Revised Code, nor service charges in lieu of taxes under section 362  
1728.11 or 1728.111 of the Revised Code, shall be required with 363  
respect to the property or portion of the property that is 364  
exempt from real property taxes under that other provision of 365  
the Revised Code during the effective period of the exemption. 366

(B) (1) If the application for exemption under section 367  
725.02, 1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 368  
of the Revised Code is filed by the owner of the property or by 369  
a municipal corporation, township, or county with the owner's 370  
written consent attached to the application, and if more than 371  
one real property tax exemption applies by law to the property 372  
or a portion of the property, no other exemption shall be 373  
granted for the portion of the property already exempt under 374  
section 725.02, 1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 375  
5709.78 of the Revised Code unless the municipal corporation, 376  
township, or county that enacted the authorizing ordinance or 377  
resolution for the earlier exemption provides its duly 378  
authorized written consent to the subsequent exemption by means 379  
of a duly enacted ordinance or resolution. 380

(2) If the application for exemption under section 725.02, 381  
1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the 382  
Revised Code is filed by a municipal corporation, township, or 383  
county and approved by the tax commissioner, if the owner of the 384  
property subsequently provides written consent to the exemption 385  
and the consent is filed with the tax commissioner, and if more 386  
than one real property tax exemption applies by law to the 387  
property or a portion of the property, no other exemption shall 388  
be granted for the portion of the property already exempt under 389  
section 725.02, 1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 390

5709.78 of the Revised Code unless the municipal corporation, 391  
township, or county that enacted the authorizing ordinance or 392  
resolution for the earlier exemption provides its duly 393  
authorized written consent to the subsequent exemption by means 394  
of a duly enacted ordinance or resolution. 395

~~(C) (1)~~ (C) After the tax commissioner has approved or 396  
partially approved an application for exemption filed by or with 397  
the consent of a property owner under the circumstances 398  
described in division (B) (1) of this section or if a property 399  
owner subsequently provides written consent to an exemption 400  
under the circumstances described in division (B) (2) of this 401  
section, the municipal corporation, township, county, or 402  
property owner shall file ~~a notice~~ one of the following with the 403  
county recorder for the county in which the property is located: 404

(1) A notice that clearly identifies the property and the 405  
owner of the property and states that the property, regardless 406  
of future use or ownership, remains liable for any service 407  
payments or service charges required by the exemption until the 408  
terms of the exemption have been satisfied, unless the municipal 409  
corporation, township, or county consents to the subsequent 410  
exemption and relinquishes its right to collect the service 411  
payments or service charges as provided in division (B) (1) or 412  
(2) of this section, as applicable; 413

(2) An agreement, declaration, or covenant by which the 414  
owner of the property subject to the exemption binds the owner 415  
and the property, regardless of future use or ownership, to the 416  
obligation to make service payments or service charges in lieu 417  
of taxes as required by the exemption until the terms of the 418  
exemption have been satisfied, unless the municipal corporation, 419  
township, or county consents to the subsequent exemption and 420

relinquishes its right to collect the service payments or 421  
service charges as provided in division (B) (1) or (2) of this 422  
section, as applicable. 423

The county recorder's office shall charge a fee of 424  
fourteen dollars to record the notice, agreement, declaration, 425  
or covenant, the proceeds of which shall be retained by the 426  
county. 427

~~(2) If a property owner subsequently provides written~~ 428  
~~consent to an exemption under the circumstances described in~~ 429  
~~division (B) (2) of this section, the municipal corporation,~~ 430  
~~township, county, or property owner shall file notice with the~~ 431  
~~county recorder for the county in which the property is located~~ 432  
~~that clearly identifies the property and the owner of the~~ 433  
~~property and states that the property, regardless of future use~~ 434  
~~or ownership, remains liable for any service payments or service~~ 435  
~~charges required by the exemption until the terms of the~~ 436  
~~exemption have been satisfied, unless the municipal corporation,~~ 437  
~~township, or county consents to the subsequent exemption and~~ 438  
~~relinquishes its right to collect the service payments or~~ 439  
~~service charges as provided in division (B) (2) of this section.~~ 440  
~~The county recorder's office shall charge a fee of fourteen~~ 441  
~~dollars to record the notice, the proceeds of which shall be~~ 442  
~~retained by the county.~~ 443

(D) Upon filing of the notice, agreement, declaration, or 444  
covenant with the county recorder, the provisions of division 445  
(B) of this section are binding on all future owners of the 446  
property or portion of the property, regardless of how the 447  
property is used. Failure to file ~~the~~ a notice, agreement, 448  
declaration, or covenant with the county recorder relieves 449  
future owners of the property from the obligation to make 450



service payments in lieu of taxes under section 725.04, 5709.42, 451  
5709.46, 5709.74, or 5709.79 of the Revised Code or service 452  
charges in lieu of taxes under section 1728.11 or 1728.111 of 453  
the Revised Code, if the property or a portion of the property 454  
later qualifies for exemption under any other provision of the 455  
Revised Code. Failure to file ~~the a~~ notice, agreement, 456  
declaration, or covenant does not, however, relieve the owner of 457  
the property, at the time the application for exemption is 458  
filed, from making those payments or charges. 459

Sec. 5709.916. (A) As used in this section, "incentive 460  
district ordinance" means an ordinance adopted under division 461  
(C) of section 5709.40 of the Revised Code. 462

(B) Notwithstanding any contrary provision of section 463  
5709.40, 5709.41, 5709.42, 5709.43, or 5709.911 of the Revised 464  
Code, divisions (C) and (D) of this section apply to any 465  
exemption granted by a municipal corporation by an ordinance 466  
adopted under division (B) of section 5709.40 or section 5709.41 467  
of the Revised Code before March 1, 2022, declaring improvements 468  
to one or more parcels of real property located within an 469  
existing incentive district, created by an incentive district 470  
ordinance adopted by the same municipal corporation, to be a 471  
public purpose and concurrently exempting a percentage of such 472  
improvements from real property taxation. 473

(C) For the period that the exemptions are concurrent 474  
under division (B) of this section: 475

(1) With respect to improvements exempted under only the 476  
incentive district ordinance, the exemption percentage, any 477  
payments required to a city, local, or exempted village school 478  
district or county, and the purposes for which the remaining 479  
service payment revenue is used shall be determined based on 480

that ordinance. 481

(2) With respect to improvements that are concurrently 482  
exempt under both the incentive district ordinance and the 483  
subsequent ordinance adopted as specified under division (B) of 484  
this section, the exemption percentage equals the sum of the 485  
exemption percentages authorized by each such ordinance, not to 486  
exceed one hundred per cent. Service payments shall be collected 487  
under section 5709.42 of the Revised Code based on that 488  
cumulative exemption percentage. The service payment revenue, 489  
net of any required payments to city, local, or exempted village 490  
school districts or counties, shall first be directed and used 491  
in accordance with the ordinance that authorizes the dominant 492  
exemption, as determined under division (D) of this section. If 493  
the dominant exemption is less than one hundred per cent, the 494  
service payment revenue attributed to the remaining portion of 495  
the exempt improvements shall be distributed and used in 496  
accordance with the ordinance that authorizes the subordinate 497  
exemption, as determined under division (D) of this section. 498

(3) The property owner shall not be required to pay as 499  
service payments in lieu of taxes under section 5709.42 of the 500  
Revised Code an amount that is greater than the amount of real 501  
property taxes the owner would have been required to pay on the 502  
improvements exempted by the incentive district ordinance and 503  
the subsequent ordinance adopted as specified under division (B) 504  
of this section. Division (C)(3) of this section does not apply 505  
to "minimum service payment obligations," as defined in section 506  
5709.91 of the Revised Code. 507

(D) For purposes of division (C) of this section: 508

(1) If one application for exemption is filed by the 509  
municipal corporation, as described in division (A) of section 510

5709.911 of the Revised Code, without written consent of the 511  
property owner and the other application for exemption is filed 512  
by the property owner or with the property owner's consent, as 513  
described in division (B) (1) or (2) of section 5709.911 of the 514  
Revised Code, the exemption granted or sought in the application 515  
filed or consented to by the owner is dominant, and the 516  
exemption granted or sought in the application filed by the 517  
municipal corporation without the owner's consent is 518  
subordinate. 519

(2) If both applications for exemption are filed by the 520  
municipal corporation, as described in division (A) of section 521  
5709.911 of the Revised Code, without written consent of the 522  
property owner, the most recently authorized exemption is 523  
dominant, and the earlier authorized exemption is subordinate. 524

(3) If both applications for exemption are filed by the 525  
property owner or with the property owner's consent, as 526  
described in division (B) (1) or (2) of section 5709.911 of the 527  
Revised Code, the most recently authorized exemption is 528  
dominant, and the earlier authorized exemption is subordinate. 529

(E) On and after March 1, 2022, an ordinance adopted under 530  
division (B) or (C) of section 5709.40 or section 5709.41 of the 531  
Revised Code exempting improvements to a parcel from real 532  
property taxation terminates and replaces any prior exemption of 533  
improvements to the same parcel authorized by a previous 534  
ordinance adopted by the same municipal corporation under 535  
division (B) or (C) of section 5709.40 or section 5709.41 of the 536  
Revised Code, regardless of whether the application for 537  
exemption under either or both ordinances was filed by, or with 538  
the consent of, the property owner. A municipal ordinance 539  
adopted under division (B) or (C) of section 5709.40 or section 540

5709.41 of the Revised Code before that date may terminate and 541  
replace a prior exemption of improvements to the same parcel by 542  
the same municipal corporation in the manner prescribed by this 543  
division if the ordinance clearly expresses that intent. 544

**Sec. 5747.77.** (A) There is hereby allowed a nonrefundable 545  
credit against a taxpayer's aggregate liability under section 546  
5747.02 of the Revised Code for a taxpayer that is issued a 547  
credit certificate under division (D) of section 901.61 of the 548  
Revised Code. The credit shall be claimed for the taxable year 549  
during which the certificate is issued. 550

The credit shall be claimed in the order required under 551  
section 5747.98 of the Revised Code. If a credit exceeds the 552  
aggregate amount of tax otherwise due for a taxable year, the 553  
excess may be carried forward and applied against the tax due 554  
for not more than seven succeeding taxable years, provided that 555  
the amount applied to the tax due for any taxable year shall be 556  
subtracted from the amount available to carry forward to 557  
succeeding years. 558

(B) There is hereby allowed a nonrefundable credit against 559  
a taxpayer's aggregate liability under section 5747.02 of the 560  
Revised Code for a taxpayer that is issued a credit certificate 561  
under division (E) of section 901.61 of the Revised Code. The 562  
credit shall be claimed for the taxable year during which the 563  
certificate is issued. 564

The credit shall be claimed in the order required under 565  
section 5747.98 of the Revised Code. If a credit exceeds the 566  
aggregate amount of tax otherwise due for the taxable year, the 567  
excess may be carried forward and applied against the tax due 568  
for not more than three succeeding taxable years, provided that 569  
the amount applied to the tax due for any taxable year shall be 570

subtracted from the amount available to carry forward to 571  
succeeding years. 572

**Sec. 5747.98.** (A) To provide a uniform procedure for 573  
calculating a taxpayer's aggregate tax liability under section 574  
5747.02 of the Revised Code, a taxpayer shall claim any credits 575  
to which the taxpayer is entitled in the following order: 576

Either the retirement income credit under division (B) of 577  
section 5747.055 of the Revised Code or the lump sum retirement 578  
income credits under divisions (C), (D), and (E) of that 579  
section; 580

Either the senior citizen credit under division (F) of 581  
section 5747.055 of the Revised Code or the lump sum 582  
distribution credit under division (G) of that section; 583

The dependent care credit under section 5747.054 of the 584  
Revised Code; 585

The credit for displaced workers who pay for job training 586  
under section 5747.27 of the Revised Code; 587

The campaign contribution credit under section 5747.29 of 588  
the Revised Code; 589

The twenty-dollar personal exemption credit under section 590  
5747.022 of the Revised Code; 591

The joint filing credit under division (G) of section 592  
5747.05 of the Revised Code; 593

The earned income credit under section 5747.71 of the 594  
Revised Code; 595

The nonrefundable credit for education expenses under 596  
section 5747.72 of the Revised Code; 597

The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	598 599 600
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	601 602 603
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	604 605
The credit for adoption of a minor child under section 5747.37 of the Revised Code;	606 607
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	608 609
The enterprise zone credit under section 5709.66 of the Revised Code;	610 611
<u>The credit for beginning farmers who participate in a financial management program under division (B) of section 5747.77 of the Revised Code;</u>	612 613 614
<u>The credit for selling or renting agricultural assets to beginning farmers under division (A) of section 5747.77 of the Revised Code;</u>	615 616 617
The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	618 619
The small business investment credit under section 5747.81 of the Revised Code;	620 621
The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	622 623
The opportunity zone investment credit under section	624

122.84 of the Revised Code;	625
The enterprise zone credits under section 5709.65 of the Revised Code;	626 627
The research and development credit under section 5747.331 of the Revised Code;	628 629
The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	630 631
The nonresident credit under division (A) of section 5747.05 of the Revised Code;	632 633
The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	634 635
The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	636 637
The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	638 639 640
The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	641 642
The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	643 644 645
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;	646 647 648
The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code.	649 650
(B) For any credit, except the refundable credits	651

enumerated in this section and the credit granted under division 652  
(H) of section 5747.08 of the Revised Code, the amount of the 653  
credit for a taxable year shall not exceed the taxpayer's 654  
aggregate amount of tax due under section 5747.02 of the Revised 655  
Code, after allowing for any other credit that precedes it in 656  
the order required under this section. Any excess amount of a 657  
particular credit may be carried forward if authorized under the 658  
section creating that credit. Nothing in this chapter shall be 659  
construed to allow a taxpayer to claim, directly or indirectly, 660  
a credit more than once for a taxable year. 661

**Section 2.** That existing sections 4517.22, 5709.911, and 662  
5747.98 of the Revised Code are hereby repealed. 663

**Section 3.** The amendment or enactment by this act of 664  
sections 5747.77 and 5747.98 of the Revised Code applies to 665  
taxable years beginning on or after the effective date of this 666  
section. 667

**Section 4.** All items in this act are hereby appropriated 668  
as designated out of any moneys in the state treasury to the 669  
credit of the designated fund. For all operating appropriations 670  
made in this act, those in the first column are for fiscal year 671  
2022 and those in the second column are for fiscal year 2023. 672  
The operating appropriations made in this act are in addition to 673  
any other operating appropriations made for the FY 2022-FY 2023 674  
biennium. 675

676

1 2 3 4 5



B	Federal Fund Group				
C	3L60	200617	Federal School Lunch	\$338,000,000	\$0
D	TOTAL FED	Federal Fund Group		\$338,000,000	\$0
E	TOTAL ALL BUDGET FUND GROUPS			\$338,000,000	\$0

**Section 5.** Within the limits set forth in this act, the 677  
Director of Budget and Management shall establish accounts 678  
indicating the source and amount of funds for each appropriation 679  
made in this act, and shall determine the form and manner in 680  
which appropriation accounts shall be maintained. Expenditures 681  
from operating appropriations contained in this act shall be 682  
accounted for as though made in H.B. 110 of the 134th General 683  
Assembly. The operating appropriations made in this act are 684  
subject to all provisions of H.B. 110 of the 134th General 685  
Assembly that are generally applicable to such appropriations. 686

**Section 6.** (A) As used in this section, "qualified 687  
property" means real property (1) owned by a municipal 688  
corporation that acquired the property from the state between 689  
January 1, 2020, and December 31, 2020, and (2) that satisfies 690  
the qualifications for tax exemption under the terms of section 691  
5709.08 of the Revised Code. 692

(B) Notwithstanding sections 5713.08 and 5713.081 of the 693  
Revised Code, the owner of qualified property, at any time on or 694  
before twelve months after the effective date of this section, 695  
may file with the Tax Commissioner an application requesting 696  
that the property be placed on the tax exempt list and that all 697  
unpaid taxes, penalties, and interest on the property be abated. 698

(C) The application shall be made on the form prescribed 699

by the Tax Commissioner under section 5715.27 of the Revised Code and shall list the name of the county in which the property is located; the property's legal description; its taxable value; the amount in dollars of the unpaid taxes, penalties, and interest; the date of acquisition of title to the property; the use of the property during any time that the unpaid taxes accrued; and any other information required by the Tax Commissioner. The county auditor shall supply the required information upon request of the applicant.

(D) Upon request of the applicant, the county treasurer shall determine if all taxes, penalties, and interest that became a lien on the qualified property before it first was used for an exempt purpose have been paid in full. If so, the county treasurer shall issue a certificate to the applicant stating that all such taxes, penalties, and interest have been paid in full. Prior to filing the application with the Tax Commissioner, the applicant shall attach the county treasurer's certificate to it.

(E) Upon receipt of the application and after consideration of it, the Tax Commissioner shall determine if the applicant meets the qualifications set forth in this section, and if so shall issue an order directing that the property be placed on the tax exempt list of the county and that all unpaid taxes, penalties, and interest for every year the property met the qualifications for exemption described in section 5709.08 of the Revised Code be abated. If the Tax Commissioner finds that the property is not now being so used or is being used for a purpose that would foreclose its right to tax exemption, the Tax Commissioner shall issue an order denying the application.

(F) If the Tax Commissioner finds that the property is not

entitled to tax exemption and to the abatement of unpaid taxes, 730  
penalties, and interest for any of the years for which the owner 731  
claims an exemption or abatement, the Tax Commissioner shall 732  
order the county treasurer of the county in which the property 733  
is located to collect all taxes, penalties, and interest due on 734  
the property for those years in accordance with law. 735

**Section 7.** Pursuant to division (G) of section 5703.95 of 736  
the Revised Code, which states that any bill introduced in the 737  
House of Representatives or the Senate that proposes to enact or 738  
modify one or more tax expenditures should include a statement 739  
explaining the objective of the tax expenditure or its 740  
modification and the sponsor's intent in proposing the tax 741  
expenditure or its modification: 742

The purpose of this act is to help the next generation 743  
enter agriculture by removing some of the existing barriers to 744  
entry and exit. The current tax code structure incentivizes 745  
farmers to hold onto their land until the time of death. The 746  
change proposed by this act will more readily allow succession 747  
to occur during the lifetime of a farmer, allowing beginning 748  
farmers to acquire assets sooner. 749