

# AN ACT

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

*Be it enacted by the General Assembly of the State of Ohio:*

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

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

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

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

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

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

(5) "Owner of agricultural assets" means a person that is the owner in fee of agricultural land or that has legal title to any other agricultural asset. An "owner of agricultural assets" does not include an equipment dealer or comparable entity engaged in the business of selling agricultural assets for profit.

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

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

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

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

(2) Farm, or intend to farm, land in this state;

(3) Not be a partner, member, shareholder, or trustee of the owner of the agricultural assets the individual is seeking to purchase or rent.

(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.

(5) Provide the majority of the day-to-day physical labor for and management of the farm;

(6) Have adequate farming experience or demonstrate knowledge in the type of farming for which the individual seeks assistance;

(7) Submit projected earnings statements and demonstrate a profit potential;

(8) Demonstrate that farming will be a significant source of income for the individual;

(9) Participate in a financial management program approved under division (C) of this section;

(10) Meet any other requirements prescribed by the director.

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

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

(a) The name of the beginning farmer;

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

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

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

(i) The duration of the lease;

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

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

(iv) Whether the asset is rented pursuant to a share rent agreement.

(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:

(a) The sale price of the agricultural asset;

(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;

(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.

(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 all of the following:

(1) The name and address of the financial management program;

(2) The costs the individual incurs for participating in that program;

(3) The date or dates the individual participated in that program.

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 (B) of section 5747.77 of the Revised Code.

(F) The director may not issue more than ten million dollars in tax credit certificates under divisions (D) and (E) of this section. The director may not issue tax credit certificates under this section on or after the first day of January of the sixth calendar year beginning after the effective date of this section.

(G) The director of agriculture, in consultation with the tax commissioner, may adopt any rules necessary to administer this section, including a rule prescribing the method for determining

prevailing community rental rates.

Sec. 4517.22. (A) As used in this section:

(1) "General market area" means the contiguous geographical area established by a motor vehicle show sponsor that is based upon the size of the show and that does not unreasonably exclude any licensed new motor vehicle dealer.

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

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

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

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

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

(B) Any group of licensed new motor vehicle dealers may display motor vehicles at a motor vehicle show within the general market area assigned by the sponsor if, not less than thirty days before the planned opening date of the motor vehicle show, the sponsor executes and files with the registrar an affidavit, in a form prescribed by the registrar, that certifies that all requirements of this section have been or will be met, as applicable.

If the registrar approves the affidavit, the registrar shall grant the sponsor permission to conduct the motor vehicle show. If the registrar determines that there is a deficiency in the affidavit, the registrar shall inform the sponsor of the deficiency as soon as possible after the registrar receives the affidavit so that the sponsor has the opportunity to remedy the deficiency. The registrar also shall describe with specificity the measures the sponsor is required to take in order to cure the deficiency. The sponsor shall return the corrected affidavit to the registrar not later than before the planned opening date of the motor vehicle show in order for the sponsor to be eligible to hold the show. If the registrar finds that the deficiency has been cured in the corrected affidavit, the registrar shall grant the sponsor permission to conduct the motor vehicle show. If the registrar finds that the deficiency has not been cured, the registrar shall deny the sponsor permission to conduct the motor vehicle show.

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

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

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

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

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

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

(I) Nothing contained in this section shall be construed as prohibiting the display of, the taking of orders for, or the sale of, livestock trailers at livestock and agricultural shows, including county fairs. Notwithstanding section 4517.03 of the Revised Code, livestock trailers may be sold at livestock and agricultural shows, including county fairs, as permitted by this division.

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

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

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

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

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

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

(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.

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

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

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

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

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

(B)(1) If the application for exemption under section 725.02, 1728.10, 5709.40, 5709.41,

5709.45, 5709.73, or 5709.78 of the Revised Code is filed by the owner of the property or by a municipal corporation, township, or county with the owner's written consent attached to the application, and if more than one real property tax exemption applies by law to the property or a portion of the property, no other exemption shall be granted for the portion of the property already exempt under section 725.02, 1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the Revised Code unless the municipal corporation, township, or county that enacted the authorizing ordinance or resolution for the earlier exemption provides its duly authorized written consent to the subsequent exemption by means of a duly enacted ordinance or resolution.

(2) If the application for exemption under section 725.02, 1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the Revised Code is filed by a municipal corporation, township, or county and approved by the tax commissioner, if the owner of the property subsequently provides written consent to the exemption and the consent is filed with the tax commissioner, and if more than one real property tax exemption applies by law to the property or a portion of the property, no other exemption shall be granted for the portion of the property already exempt under section 725.02, 1728.10, 5709.40, 5709.41, 5709.45, 5709.73, or 5709.78 of the Revised Code unless the municipal corporation, township, or county that enacted the authorizing ordinance or resolution for the earlier exemption provides its duly authorized written consent to the subsequent exemption by means of a duly enacted ordinance or resolution.

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

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

(2) An agreement, declaration, or covenant by which the owner of the property subject to the exemption binds the owner and the property, regardless of future use or ownership, to the obligation to make service payments or service charges in lieu of taxes as required by the exemption until the terms of the exemption have been satisfied, unless the municipal corporation, township, or county consents to the subsequent exemption and relinquishes its right to collect the service payments or service charges as provided in division (B)(1) or (2) of this section, as applicable.

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

~~(2) If a property owner subsequently provides written consent to an exemption under the circumstances described in division (B)(2) of this section, the municipal corporation, township, county, or property owner shall file notice with the county recorder for the county in which the property is located that clearly identifies the property and the owner of the property and states that~~

~~the property, regardless of future use or ownership, remains liable for any service payments or service charges required by the exemption until the terms of the exemption have been satisfied, unless the municipal corporation, township, or county consents to the subsequent exemption and relinquishes its right to collect the service payments or service charges as provided in division (B)(2) of this section. The county recorder's office shall charge a fee of fourteen dollars to record the notice, the proceeds of which shall be retained by the county.~~

(D) Upon filing of the notice, agreement, declaration, or covenant with the county recorder, the provisions of division (B) of this section are binding on all future owners of the property or portion of the property, regardless of how the property is used. Failure to file ~~the a~~ notice, agreement, declaration, or covenant with the county recorder relieves future owners of the property from the obligation to make service payments in lieu of taxes under section 725.04, 5709.42, 5709.46, 5709.74, or 5709.79 of the Revised Code or service charges in lieu of taxes under section 1728.11 or 1728.111 of the Revised Code, if the property or a portion of the property later qualifies for exemption under any other provision of the Revised Code. Failure to file ~~the a~~ notice, agreement, declaration, or covenant does not, however, relieve the owner of the property, at the time the application for exemption is filed, from making those payments or charges.

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

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

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

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

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

(3) The property owner shall not be required to pay as service payments in lieu of taxes under



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

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

(1) If one application for exemption is filed by the municipal corporation, as described in division (A) of section 5709.911 of the Revised Code, without written consent of the property owner and the other application for exemption is filed by the property owner or with the property owner's consent, as described in division (B)(1) or (2) of section 5709.911 of the Revised Code, the exemption granted or sought in the application filed or consented to by the owner is dominant, and the exemption granted or sought in the application filed by the municipal corporation without the owner's consent is subordinate.

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

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

(E) On and after March 1, 2022, an ordinance adopted under division (B) or (C) of section 5709.40 or section 5709.41 of the Revised Code exempting improvements to a parcel from real property taxation terminates and replaces any prior exemption of improvements to the same parcel authorized by a previous ordinance adopted by the same municipal corporation under division (B) or (C) of section 5709.40 or section 5709.41 of the Revised Code, regardless of whether the application for exemption under either or both ordinances was filed by, or with the consent of, the property owner. A municipal ordinance adopted under division (B) or (C) of section 5709.40 or section 5709.41 of the Revised Code before that date may terminate and replace a prior exemption of improvements to the same parcel by the same municipal corporation in the manner prescribed by this division if the ordinance clearly expresses that intent.

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

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

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

during which the certificate is issued.

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

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:

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;

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;

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

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

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

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

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

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

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

The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;

The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;

The nonrefundable vocational job credit under section 5747.057 of the Revised Code;

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

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

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

The credit for beginning farmers who participate in a financial management program under division (B) of section 5747.77 of the Revised Code;

The credit for selling or renting agricultural assets to beginning farmers under division (A) of section 5747.77 of the Revised Code;

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

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

The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;

The opportunity zone investment credit under section 122.84 of the Revised Code;

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

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

The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;

The nonresident credit under division (A) of section 5747.05 of the Revised Code;

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

The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;

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

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

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

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;

The refundable credit for rehabilitating a historic building under section 5747.76 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.

SECTION 2. That existing sections 4517.22, 5709.911, and 5747.98 of the Revised Code are hereby repealed.

SECTION 3. The amendment or enactment by this act of sections 5747.77 and 5747.98 of the Revised Code applies to taxable years beginning on or after the effective date of this section.

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

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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 Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from operating appropriations contained in this act shall be accounted for as though made in H.B. 110 of the 134th General Assembly. The operating appropriations made in this act are subject to all provisions of H.B. 110 of the 134th General Assembly that are generally applicable to such appropriations.

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

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

(C) The application shall be made on the form prescribed 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, penalties, and interest for any of the years for which the owner claims an exemption or abatement, the Tax Commissioner shall order the county treasurer of the county in which the property is located to collect all taxes, penalties, and interest due on the property for those years in accordance with law.

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

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

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_\_ day of \_\_\_\_\_, A. D. 20 \_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_