



**Michael A. Rulli**  
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33<sup>rd</sup> Senate District

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### **Sponsor Testimony Senate Bill 171**

Chairman Blessing and members of the Way and Means committee, thank you for allowing me to provide written sponsor testimony on Senate Bill 171. Senate Bill 171 temporarily authorizes a refundable income tax credit for investing in a sound recording production company.

This bill allows sound recording productions, up to \$75,000 of refundable funds for projects related to sound and music. This will help cover a percentage of the company's total cost that so many companies so desperately need. The credit that the companies will be able to apply for has to be given authorization from the Director of Development. A total of \$1 million in credits shall be awarded to companies who apply for the application.

In this bill the application is clearly laid out. The first step will be for the Director to certify if the company submitting the application is applicable to receive credit. They will submit a description of the project they are wanting to receive money for followed by location, budget and completion dates of the project very similar to the application process of the capital budget. The Director will consider if the project has an impact on infrastructure, employment, and Ohio's economy to ensure the right project is chosen, as well as ensuring it meets on the proper guidelines.

If the company gets picked the Director will determine if the expenditures are valid to be accepted officially. If not, the Director must coordinate the information with the company. The individually receiving a tax credit is required to claim the corresponding income tax credit for the individuals taxable year. If the credit exceeds the investor's tax liability then, the commissioner will make an assessment against an investor portion of any credit that may have not been eligible.

I am happy to be a joint sponsor with Senator Smith and would be happy to discuss with the committee further. Thank you for your consideration of Senate Bill 171 and I would be happy to answer any questions from the committee.

A handwritten signature in blue ink, appearing to read "Michael A. Rulli".

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