

**As Introduced**

**135th General Assembly  
Regular Session  
2023-2024**

**S. B. No. 189**

**Senators Craig, Sykes**

**Cosponsors: Senators Hicks-Hudson, Antonio, DeMora**



**A BILL**

To amend sections 5747.08 and 5747.98 and to enact 1  
sections 5747.86 and 5747.87 of the Revised Code 2  
to authorize a nonrefundable income tax credit 3  
for the cost of handgun training and firearms 4  
storage and locking devices. 5

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

**Section 1.** That sections 5747.08 and 5747.98 be amended 6  
and sections 5747.86 and 5747.87 of the Revised Code be enacted 7  
to read as follows: 8

**Sec. 5747.08.** An annual return with respect to the tax 9  
imposed by section 5747.02 of the Revised Code and each tax 10  
imposed under Chapter 5748. of the Revised Code shall be made by 11  
every taxpayer for any taxable year for which the taxpayer is 12  
liable for the tax imposed by that section or under that 13  
chapter, unless the total credits allowed under division (E) of 14  
section 5747.05 and divisions (F) and (G) of section 5747.055 of 15  
the Revised Code for the year are equal to or exceed the tax 16  
imposed by section 5747.02 of the Revised Code, in which case no 17  
return shall be required unless the taxpayer is liable for a tax 18

imposed pursuant to Chapter 5748. of the Revised Code. 19

(A) If an individual is deceased, any return or notice 20  
required of that individual under this chapter shall be made and 21  
filed by that decedent's executor, administrator, or other 22  
person charged with the property of that decedent. 23

(B) If an individual is unable to make a return or notice 24  
required by this chapter, the return or notice required of that 25  
individual shall be made and filed by the individual's duly 26  
authorized agent, guardian, conservator, fiduciary, or other 27  
person charged with the care of the person or property of that 28  
individual. 29

(C) Returns or notices required of an estate or a trust 30  
shall be made and filed by the fiduciary of the estate or trust. 31

(D) (1) (a) Except as otherwise provided in division (D) (1) 32  
(b) of this section, any pass-through entity may file a single 33  
return on behalf of one or more of the entity's investors other 34  
than an investor that is a person subject to the tax imposed 35  
under section 5733.06 of the Revised Code. The single return 36  
shall set forth the name, address, and social security number or 37  
other identifying number of each of those pass-through entity 38  
investors and shall indicate the distributive share of each of 39  
those pass-through entity investor's income taxable in this 40  
state in accordance with sections 5747.20 to 5747.231 of the 41  
Revised Code. Such pass-through entity investors for whom the 42  
pass-through entity elects to file a single return are not 43  
entitled to the exemption or credit provided for by sections 44  
5747.02 and 5747.022 of the Revised Code; shall calculate the 45  
tax before business credits at the highest rate of tax set forth 46  
in section 5747.02 of the Revised Code for the taxable year for 47  
which the return is filed; and are entitled to only their 48

distributive share of the business credits as defined in 49  
division (D) (2) of this section. A single check drawn by the 50  
pass-through entity shall accompany the return in full payment 51  
of the tax due, as shown on the single return, for such 52  
investors, other than investors who are persons subject to the 53  
tax imposed under section 5733.06 of the Revised Code. 54

(b) (i) A pass-through entity shall not include in such a 55  
single return any investor that is a trust to the extent that 56  
any direct or indirect current, future, or contingent 57  
beneficiary of the trust is a person subject to the tax imposed 58  
under section 5733.06 of the Revised Code. 59

(ii) A pass-through entity shall not include in such a 60  
single return any investor that is itself a pass-through entity 61  
to the extent that any direct or indirect investor in the second 62  
pass-through entity is a person subject to the tax imposed under 63  
section 5733.06 of the Revised Code. 64

(c) Except as provided by division (L) of this section, 65  
nothing in division (D) of this section precludes the tax 66  
commissioner from requiring such investors to file the return 67  
and make the payment of taxes and related interest, penalty, and 68  
interest penalty required by this section or section 5747.02, 69  
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 70  
of this section precludes such an investor from filing the 71  
annual return under this section, utilizing the refundable 72  
credit equal to the investor's proportionate share of the tax 73  
paid by the pass-through entity on behalf of the investor under 74  
division (I) of this section, and making the payment of taxes 75  
imposed under section 5747.02 of the Revised Code. Nothing in 76  
division (D) of this section shall be construed to provide to 77  
such an investor or pass-through entity any additional deduction 78

or credit, other than the credit provided by division (I) of 79  
this section, solely on account of the entity's filing a return 80  
in accordance with this section. Such a pass-through entity also 81  
shall make the filing and payment of estimated taxes on behalf 82  
of the pass-through entity investors other than an investor that 83  
is a person subject to the tax imposed under section 5733.06 of 84  
the Revised Code. 85

(2) For the purposes of this section, "business credits" 86  
means the credits listed in section 5747.98 of the Revised Code 87  
excluding the following credits: 88

(a) The retirement income credit under division (B) of 89  
section 5747.055 of the Revised Code; 90

(b) The senior citizen credit under division (F) of 91  
section 5747.055 of the Revised Code; 92

(c) The lump sum distribution credit under division (G) of 93  
section 5747.055 of the Revised Code; 94

(d) The dependent care credit under section 5747.054 of 95  
the Revised Code; 96

(e) The lump sum retirement income credit under division 97  
(C) of section 5747.055 of the Revised Code; 98

(f) The lump sum retirement income credit under division 99  
(D) of section 5747.055 of the Revised Code; 100

(g) The lump sum retirement income credit under division 101  
(E) of section 5747.055 of the Revised Code; 102

(h) The credit for displaced workers who pay for job 103  
training under section 5747.27 of the Revised Code; 104

(i) The twenty-dollar personal exemption credit under 105

section 5747.022 of the Revised Code;	106
(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;	107 108
(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	109 110
(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	111 112
(m) The earned income tax credit under section 5747.71 of the Revised Code;	113 114
(n) The lead abatement credit under section 5747.26 of the Revised Code;	115 116
(o) The credit for education expenses under section 5747.72 of the Revised Code;	117 118
(p) The credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	119 120
<u>(q) The handgun training credit under section 5747.86 of the Revised Code;</u>	121 122
<u>(r) The credit for secure storage or locking device purchases under section 5747.87 of the Revised Code.</u>	123 124
(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return.	125 126 127 128 129 130 131 132

(4) If a pass-through entity makes the election provided 133  
for under division (D) of this section, the pass-through entity 134  
shall be liable for any additional taxes, interest, interest 135  
penalty, or penalties imposed by this chapter if the tax 136  
commissioner finds that the single return does not reflect the 137  
correct tax due by the pass-through entity investors covered by 138  
that return. Nothing in this division shall be construed to 139  
limit or alter the liability, if any, imposed on pass-through 140  
entity investors for unpaid or underpaid taxes, interest, 141  
interest penalty, or penalties as a result of the pass-through 142  
entity's making the election provided for under division (D) of 143  
this section. For the purposes of division (D) of this section, 144  
"correct tax due" means the tax that would have been paid by the 145  
pass-through entity had the single return been filed in a manner 146  
reflecting the commissioner's findings. Nothing in division (D) 147  
of this section shall be construed to make or hold a pass- 148  
through entity liable for tax attributable to a pass-through 149  
entity investor's income from a source other than the pass- 150  
through entity electing to file the single return. 151

(E) If a husband and wife file a joint federal income tax 152  
return for a taxable year, they shall file a joint return under 153  
this section for that taxable year, and their liabilities are 154  
joint and several, but, if the federal income tax liability of 155  
either spouse is determined on a separate federal income tax 156  
return, they shall file separate returns under this section. 157

If either spouse is not required to file a federal income 158  
tax return and either or both are required to file a return 159  
pursuant to this chapter, they may elect to file separate or 160  
joint returns, and, pursuant to that election, their liabilities 161  
are separate or joint and several. If a husband and wife file 162  
separate returns pursuant to this chapter, each must claim the 163

taxpayer's own exemption, but not both, as authorized under 164  
section 5747.02 of the Revised Code on the taxpayer's own 165  
return. 166

(F) Each return or notice required to be filed under this 167  
section shall contain the signature of the taxpayer or the 168  
taxpayer's duly authorized agent and of the person who prepared 169  
the return for the taxpayer, and shall include the taxpayer's 170  
social security number. Each return shall be verified by a 171  
declaration under the penalties of perjury. The tax commissioner 172  
shall prescribe the form that the signature and declaration 173  
shall take. 174

(G) Each return or notice required to be filed under this 175  
section shall be made and filed as required by section 5747.04 176  
of the Revised Code, on or before the fifteenth day of April of 177  
each year, on forms that the tax commissioner shall prescribe, 178  
together with remittance made payable to the treasurer of state 179  
in the combined amount of the state and all school district 180  
income taxes shown to be due on the form. 181

Upon good cause shown, the commissioner may extend the 182  
period for filing any notice or return required to be filed 183  
under this section and may adopt rules relating to extensions. 184  
If the extension results in an extension of time for the payment 185  
of any state or school district income tax liability with 186  
respect to which the return is filed, the taxpayer shall pay at 187  
the time the tax liability is paid an amount of interest 188  
computed at the rate per annum prescribed by section 5703.47 of 189  
the Revised Code on that liability from the time that payment is 190  
due without extension to the time of actual payment. Except as 191  
provided in section 5747.132 of the Revised Code, in addition to 192  
all other interest charges and penalties, all taxes imposed 193

under this chapter or Chapter 5748. of the Revised Code and 194  
remaining unpaid after they become due, except combined amounts 195  
due of one dollar or less, bear interest at the rate per annum 196  
prescribed by section 5703.47 of the Revised Code until paid or 197  
until the day an assessment is issued under section 5747.13 of 198  
the Revised Code, whichever occurs first. 199

If the commissioner considers it necessary in order to 200  
ensure the payment of the tax imposed by section 5747.02 of the 201  
Revised Code or any tax imposed under Chapter 5748. of the 202  
Revised Code, the commissioner may require returns and payments 203  
to be made otherwise than as provided in this section. 204

To the extent that any provision in this division 205  
conflicts with any provision in section 5747.026 of the Revised 206  
Code, the provision in that section prevails. 207

(H) The amounts withheld pursuant to section 5747.06, 208  
5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of the 209  
Revised Code shall be allowed to the ultimate recipient of the 210  
income as credits against payment of the appropriate taxes 211  
imposed on the ultimate recipient by section 5747.02 and under 212  
Chapter 5748. of the Revised Code. As used in this division, 213  
"ultimate recipient" means the person who is required to report 214  
income from which amounts are withheld pursuant to section 215  
5747.06, 5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of 216  
the Revised Code on the annual return required to be filed under 217  
this section. 218

(I) If a pass-through entity elects to file a single 219  
return under division (D) of this section and if any investor is 220  
required to file the annual return and make the payment of taxes 221  
required by this chapter on account of the investor's other 222  
income that is not included in a single return filed by a pass- 223



through entity or any other investor elects to file the annual 224  
return, the investor is entitled to a refundable credit equal to 225  
the investor's proportionate share of the tax paid by the pass- 226  
through entity on behalf of the investor. The investor shall 227  
claim the credit for the investor's taxable year in which or 228  
with which ends the taxable year of the pass-through entity. 229  
Nothing in this chapter shall be construed to allow any credit 230  
provided in this chapter to be claimed more than once. For the 231  
purpose of computing any interest, penalty, or interest penalty, 232  
the investor shall be deemed to have paid the refundable credit 233  
provided by this division on the day that the pass-through 234  
entity paid the estimated tax or the tax giving rise to the 235  
credit. 236

(J) The tax commissioner shall ensure that each return 237  
required to be filed under this section includes a box that the 238  
taxpayer may check to authorize a paid tax preparer who prepared 239  
the return to communicate with the department of taxation about 240  
matters pertaining to the return. The return or instructions 241  
accompanying the return shall indicate that by checking the box 242  
the taxpayer authorizes the department of taxation to contact 243  
the preparer concerning questions that arise during the 244  
processing of the return and authorizes the preparer only to 245  
provide the department with information that is missing from the 246  
return, to contact the department for information about the 247  
processing of the return or the status of the taxpayer's refund 248  
or payments, and to respond to notices about mathematical 249  
errors, offsets, or return preparation that the taxpayer has 250  
received from the department and has shown to the preparer. 251

(K) The tax commissioner shall permit individual taxpayers 252  
to instruct the department of taxation to cause any refund of 253  
overpaid taxes to be deposited directly into a checking account, 254

savings account, or an individual retirement account or 255  
individual retirement annuity, or preexisting college savings 256  
plan or program account offered by the Ohio tuition trust 257  
authority under Chapter 3334. of the Revised Code, as designated 258  
by the taxpayer, when the taxpayer files the annual return 259  
required by this section electronically. 260

(L) If, for the taxable year, a nonresident or trust that 261  
is the owner of an electing pass-through entity, as defined in 262  
section 5747.38 of the Revised Code, does not have Ohio adjusted 263  
gross income or, in the case of a trust, modified Ohio taxable 264  
income other than from one or more electing pass-through 265  
entities, the nonresident or trust shall not be required to file 266  
an annual return under this section. Nothing in this division 267  
precludes such an owner from filing the annual return under this 268  
section, utilizing the refundable credit under section 5747.39 269  
of the Revised Code equal to the owner's proportionate share of 270  
the tax levied under section 5747.38 of the Revised Code and 271  
paid by the electing pass-through entity, and making the payment 272  
of taxes imposed under section 5747.02 of the Revised Code. 273

(M) The tax commissioner may adopt rules to administer 274  
this section. 275

Sec. 5747.86. A nonrefundable tax credit against a 276  
taxpayer's aggregate tax liability under section 5747.02 of the 277  
Revised Code is allowed for the cost of a course, class, or 278  
program described in division (B)(3)(a), (b), (c), or (e) of 279  
section 2923.125 of the Revised Code. The amount of the credit 280  
shall equal the cost of the course, class, or program, but the 281  
amount of credit claimed by the taxpayer for any taxable year 282  
may not exceed two hundred fifty dollars. 283

The credit shall be claimed for the taxable year in which 284

the taxpayer completed the course, class, or program, and in the 285  
order prescribed by section 5747.98 of the Revised Code. 286

The tax commissioner shall not prepare or keep a list of 287  
taxpayers who have claimed the credit authorized by this 288  
section. 289

**Sec. 5747.87.** (A) As used in this section: 290

(1) "Secure storage device" means a locked safe, 291  
container, case, lock box, or other device that is designed to 292  
be, or can be, used to store a firearm provided that it can only 293  
be unlocked by means of a key, combination, biometric 294  
identifier, or other similar means. 295

(2) "Locking device" means a tamper-resistant mechanical 296  
lock or device that disables a firearm and renders the firearm 297  
inoperable without first deactivating the device. A locking 298  
device can only be unlocked by means of a key, combination, 299  
biometric identifier, or other similar means. 300

(B) There is hereby allowed a nonrefundable credit against 301  
a taxpayer's aggregate tax liability under section 5747.02 of 302  
the Revised Code for amounts spent by the taxpayer during the 303  
taxable year to purchase secure storage devices or locking 304  
devices. The amount of the credit on the basis of each secure 305  
storage device or locking device shall equal the lesser of two 306  
hundred fifty dollars or the purchase price of the secure 307  
storage device or locking device. 308

The taxpayer shall claim the credit in the order required 309  
under section 5747.98 of the Revised Code. 310

The tax commissioner may request that a taxpayer furnish a 311  
sales receipt or any other information necessary to support a 312  
claim for credit under this section, and no credit shall be 313

<u>allowed unless the requested information is provided.</u>	314
<u>The tax commissioner shall not prepare or keep a list of</u>	315
<u>taxpayers who have claimed the credit authorized by this</u>	316
<u>section.</u>	317
<b>Sec. 5747.98.</b> (A) To provide a uniform procedure for	318
calculating a taxpayer's aggregate tax liability under section	319
5747.02 of the Revised Code, a taxpayer shall claim any credits	320
to which the taxpayer is entitled in the following order:	321
Either the retirement income credit under division (B) of	322
section 5747.055 of the Revised Code or the lump sum retirement	323
income credits under divisions (C), (D), and (E) of that	324
section;	325
Either the senior citizen credit under division (F) of	326
section 5747.055 of the Revised Code or the lump sum	327
distribution credit under division (G) of that section;	328
The dependent care credit under section 5747.054 of the	329
Revised Code;	330
The credit for displaced workers who pay for job training	331
under section 5747.27 of the Revised Code;	332
The campaign contribution credit under section 5747.29 of	333
the Revised Code;	334
The twenty-dollar personal exemption credit under section	335
5747.022 of the Revised Code;	336
The joint filing credit under division <del>(G)</del> <u>(E)</u> of section	337
5747.05 of the Revised Code;	338
The earned income credit under section 5747.71 of the	339
Revised Code;	340

The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	341 342
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	343 344 345
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	346 347 348
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	349 350
<u>The nonrefundable handgun training credit under section 5747.86 of the Revised Code;</u>	351 352
<u>The nonrefundable credit for secure storage or locking device purchases under section 5747.87 of the Revised Code;</u>	353 354
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	355 356
The enterprise zone credit under section 5709.66 of the Revised Code;	357 358
The credit for beginning farmers who participate in a financial management program under division (B) of section 5747.77 of the Revised Code;	359 360 361
The credit for commercial vehicle operator training expenses under section 5747.82 of the Revised Code;	362 363
The nonrefundable welcome home Ohio (WHO) program credit under section 122.633 of the Revised Code;	364 365
The credit for selling or renting agricultural assets to beginning farmers under division (A) of section 5747.77 of the	366 367

Revised Code;	368
The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	369 370
The small business investment credit under section 5747.81 of the Revised Code;	371 372
The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	373 374
The opportunity zone investment credit under section 122.84 of the Revised Code;	375 376
The enterprise zone credits under section 5709.65 of the Revised Code;	377 378
The research and development credit under section 5747.331 of the Revised Code;	379 380
The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	381 382
The nonrefundable Ohio low-income housing tax credit under section 5747.83 of the Revised Code;	383 384
The nonrefundable affordable single-family home credit under section 5747.84 of the Revised Code;	385 386
The nonresident credit under division (A) of section 5747.05 of the Revised Code;	387 388
The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	389 390
The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	391 392
The refundable credit for film and theater capital	393

improvement projects under section 5747.67 of the Revised Code;	394
The refundable jobs creation credit or job retention	395
credit under division (A) of section 5747.058 of the Revised	396
Code;	397
The refundable credit for taxes paid by a qualifying	398
entity granted under section 5747.059 of the Revised Code;	399
The refundable credits for taxes paid by a qualifying	400
pass-through entity granted under division (I) of section	401
5747.08 of the Revised Code;	402
The refundable credit under section 5747.80 of the Revised	403
Code for losses on loans made to the Ohio venture capital	404
program under sections 150.01 to 150.10 of the Revised Code;	405
The refundable credit for rehabilitating a historic	406
building under section 5747.76 of the Revised Code;	407
The refundable credit under section 5747.39 of the Revised	408
Code for taxes levied under section 5747.38 of the Revised Code	409
paid by an electing pass-through entity.	410
(B) For any credit, except the refundable credits	411
enumerated in this section and the credit granted under division	412
(H) of section 5747.08 of the Revised Code, the amount of the	413
credit for a taxable year shall not exceed the taxpayer's	414
aggregate amount of tax due under section 5747.02 of the Revised	415
Code, after allowing for any other credit that precedes it in	416
the order required under this section. Any excess amount of a	417
particular credit may be carried forward if authorized under the	418
section creating that credit. Nothing in this chapter shall be	419
construed to allow a taxpayer to claim, directly or indirectly,	420
a credit more than once for a taxable year.	421

**Section 2.** That existing sections 5747.08 and 5747.98 of 422  
the Revised Code are hereby repealed. 423

**Section 3.** The enactment by this act of sections 5747.86 424  
and 5747.87 of the Revised Code applies to taxable years ending 425  
on or after the effective date of this section. 426