

**As Introduced**

**136th General Assembly  
Regular Session  
2025-2026**

**S. B. No. 40**

**Senator O'Brien**

**Cosponsors: Senators Koehler, Cirino, Schaffer**



**A BILL**

To amend sections 5747.98 and 5751.98 and to enact 1  
sections 5747.74 and 5751.56 of the Revised Code 2  
to authorize a nonrefundable tax credit for 3  
donations to certain pregnancy resource centers 4  
and maternity homes. 5

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

**Section 1.** That sections 5747.98 and 5751.98 be amended 6  
and sections 5747.74 and 5751.56 of the Revised Code be enacted 7  
to read as follows: 8

**Sec. 5747.74.** (A) As used in this section, "tax credit 9  
certificate" has the same meaning as in section 5751.56 of the 10  
Revised Code. 11

(B) There is hereby allowed a nonrefundable credit against 12  
a taxpayer's aggregate tax liability under section 5747.02 of 13  
the Revised Code equal to the amount stated in a tax credit 14  
certificate issued to the taxpayer, to the extent the 15  
certificate authorizes the credit to be claimed against that tax 16  
liability, except that the amount claimed may not exceed fifty 17  
per cent of the applicant's aggregate tax liability for the 18

taxable year, before applying any other credit against that tax. 19

The credit shall be claimed for the taxable year in which 20  
the certificate is issued and in the order required by section 21  
5747.98 of the Revised Code. Any credit amount in excess of 22  
fifty per cent of the taxpayer's tax liability, after allowing 23  
for any other credits preceding the credit in that order, may be 24  
carried forward for five taxable years, but the amount of the 25  
excess credit claimed in any such year may not exceed fifty per 26  
cent of the applicant's tax liability for the taxable year, 27  
before applying any other credit against that tax, and shall be 28  
deducted from the balance carried forward to the next year. 29

(C) If the person issued a tax credit certificate is a 30  
pass-through entity, the credit may be allocated among the 31  
entity's equity owners in proportion to their ownership 32  
interests or in such proportions or amounts as the equity owners 33  
mutually agree. 34

**Sec. 5747.98.** (A) To provide a uniform procedure for 35  
calculating a taxpayer's aggregate tax liability under section 36  
5747.02 of the Revised Code, a taxpayer shall claim any credits 37  
to which the taxpayer is entitled in the following order: 38

The nonrefundable credit for donations to pregnancy 39  
resource centers under section 5747.74 of the Revised Code; 40

Either the retirement income credit under division (B) of 41  
section 5747.055 of the Revised Code or the lump sum retirement 42  
income credits under divisions (C), (D), and (E) of that 43  
section; 44

Either the senior citizen credit under division (F) of 45  
section 5747.055 of the Revised Code or the lump sum 46  
distribution credit under division (G) of that section; 47

The dependent care credit under section 5747.054 of the Revised Code;	48 49
The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	50 51
The campaign contribution credit under section 5747.29 of the Revised Code;	52 53
The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	54 55
The joint filing credit under division <del>(G)</del> (E) of section 5747.05 of the Revised Code;	56 57
The earned income credit under section 5747.71 of the Revised Code;	58 59
The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	60 61
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	62 63 64
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	65 66 67
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	68 69
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	70 71
The enterprise zone credit under section 5709.66 of the Revised Code;	72 73
The credit for beginning farmers who participate in a	74

financial management program under division (B) of section	75
5747.77 of the Revised Code;	76
The credit for commercial vehicle operator training	77
expenses under section 5747.82 of the Revised Code;	78
The nonrefundable welcome home Ohio (WHO) program credit	79
under section 122.633 of the Revised Code;	80
The credit for selling or renting agricultural assets to	81
beginning farmers under division (A) of section 5747.77 of the	82
Revised Code;	83
The credit for purchases of qualifying grape production	84
property under section 5747.28 of the Revised Code;	85
The small business investment credit under section 5747.81	86
of the Revised Code;	87
The nonrefundable lead abatement credit under section	88
5747.26 of the Revised Code;	89
The opportunity zone investment credit under section	90
122.84 of the Revised Code;	91
The enterprise zone credits under section 5709.65 of the	92
Revised Code;	93
The research and development credit under section 5747.331	94
of the Revised Code;	95
The credit for rehabilitating a historic building under	96
section 5747.76 of the Revised Code;	97
The nonrefundable Ohio low-income housing tax credit under	98
section 5747.83 of the Revised Code;	99
The nonrefundable affordable single-family home credit	100
under section 5747.84 of the Revised Code;	101

The nonresident credit under division (A) of section 5747.05 of the Revised Code;	102 103
The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	104 105
The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	106 107
The refundable credit for film and theater capital improvement projects under section 5747.67 of the Revised Code;	108 109
The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	110 111 112
The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	113 114
The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	115 116 117
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;	118 119 120
The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	121 122
The refundable credit under section 5747.39 of the Revised Code for taxes levied under section 5747.38 of the Revised Code paid by an electing pass-through entity.	123 124 125
(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	126 127 128

credit for a taxable year shall not exceed the taxpayer's 129  
aggregate amount of tax due under section 5747.02 of the Revised 130  
Code, after allowing for any other credit that precedes it in 131  
the order required under this section. Any excess amount of a 132  
particular credit may be carried forward if authorized under the 133  
section creating that credit. Nothing in this chapter shall be 134  
construed to allow a taxpayer to claim, directly or indirectly, 135  
a credit more than once for a taxable year. 136

Sec. 5751.56. (A) As used in this section: 137

(1) "Affiliate" means a person that has with another 138  
person a legal relationship created or governed by at least one 139  
written instrument that demonstrates any of the following: 140

(a) Common ownership, management, or control; 141

(b) A franchise agreement; 142

(c) The granting or extension of a license or other 143  
agreement that authorizes a person to use the other person's 144  
brand name, trademark, service mark, or other registered 145  
identification mark. 146

(2) "Nontherapeutic abortion" has the same meaning as in 147  
section 9.04 of the Revised Code. 148

(3) "Promote" means to advocate for, assist with, 149  
encourage, or popularize through advertising or publicity. 150

(4) (a) "Qualifying pregnancy resource center" means a 151  
person to which all of the following apply: 152

(i) The person is an organization exempt from taxation 153  
under section 501(a) of the Internal Revenue Code, as described 154  
in section 501(c) (3) of the Internal Revenue Code; 155

<u>(ii) The person maintains its principal office or presence</u>	156
<u>in this state;</u>	157
<u>(iii) At least fifty per cent of its clients claim to be</u>	158
<u>residents of this state;</u>	159
<u>(iv) The person's principal purpose is to provide free or</u>	160
<u>low-cost assistance, which may include pregnancy tests,</u>	161
<u>ultrasounds, counseling, material support, and similar services</u>	162
<u>for pregnant women in carrying their pregnancies to term.</u>	163
<u>(b) "Qualifying pregnancy resource center" includes a</u>	164
<u>maternity home licensed under Chapter 3711. of the Revised Code</u>	165
<u>that meets the requirements described in divisions (A) (4) (a) (i)</u>	166
<u>to (iii) of this section and that is not an organization</u>	167
<u>described in division (A) (4) (c) (iii) of this section.</u>	168
<u>(c) "Qualifying pregnancy resource center" does not</u>	169
<u>include any of the following:</u>	170
<u>(i) A hospital as defined in section 3727.01 of the</u>	171
<u>Revised Code;</u>	172
<u>(ii) A nursing home or residential care facility as</u>	173
<u>defined in section 3721.01 of the Revised Code;</u>	174
<u>(iii) An organization that does any of the following:</u>	175
<u>(I) Performs nontherapeutic abortions;</u>	176
<u>(II) Promotes nontherapeutic abortions;</u>	177
<u>(III) Contracts with any person that performs or promotes</u>	178
<u>nontherapeutic abortions;</u>	179
<u>(IV) Is an affiliate of any person that performs or</u>	180
<u>promotes nontherapeutic abortions.</u>	181
<u>(5) "Tax credit certificate" means the certificate issued</u>	182

by the tax commissioner under division (C) of this section. 183

(6) "Certified pregnancy resource center" means a 184  
qualifying pregnancy resource center certified by the tax 185  
commissioner under division (B) of this section. 186

(B) A person may apply to the tax commissioner, on forms 187  
and in the manner prescribed by the commissioner, to be 188  
certified as a qualifying pregnancy resource center. With this 189  
application, the person shall certify that it meets all of the 190  
requirements of a qualifying pregnancy resource center by 191  
submitting the following information: 192

(1) Verification that the person qualifies as an 193  
organization exempt from taxation under section 501(a) of the 194  
Internal Revenue Code, as described in section 501(c) (3) of the 195  
Internal Revenue Code; 196

(2) A statement that the person maintains its principal 197  
office or presence in this state and that at least fifty per 198  
cent of its clients claim to be residents of this state; 199

(3) A statement that the person does not perform or 200  
promote nontherapeutic abortions, contract with any person that 201  
performs or promotes nontherapeutic abortions, and is not an 202  
affiliate of any person that performs or promotes nontherapeutic 203  
abortions. 204

The application shall be signed by an officer of the 205  
person under penalty of perjury. The tax commissioner shall 206  
review each application and determine if the person meets the 207  
requirements of a qualifying pregnancy resource center. The 208  
commissioner shall notify the applicant of the commissioner's 209  
determination within thirty days after the commissioner receives 210  
the application. 211



After granting certification to a person, the commissioner 212  
may periodically request recertification from the person. Upon 213  
receiving a recertification request, the person shall send to 214  
the tax commissioner all of the information required under 215  
divisions (B) (1) to (3) of this section and anything else 216  
required by the commissioner to verify that the person continues 217  
to qualify as a qualifying pregnancy resource center. A person 218  
granted a certification under this division shall notify the 219  
commissioner of any changes that may affect eligibility within 220  
sixty days after such a change. The commissioner shall revoke 221  
the certification of any person that no longer qualifies as a 222  
qualifying pregnancy resource center under this section. After a 223  
person's certification is revoked, the person may again be 224  
certified if the person submits another application and written 225  
certification to the tax commissioner as required under this 226  
division. The commissioner shall post and maintain a list of all 227  
qualifying pregnancy resource centers on the department of 228  
taxation's web site. 229

(C) (1) A person that contributes cash to one or more 230  
certified pregnancy resource centers in a calendar year may, 231  
within sixty days after making that contribution, submit an 232  
application to the tax commissioner for a tax credit authorized 233  
by this section. The application shall be made on a form and in 234  
a manner that the commissioner shall prescribe. The application 235  
shall state the amount of the contribution, the tax against 236  
which the credit would be claimed, and any other information the 237  
commissioner may require. The applicant shall also include with 238  
the application a copy of a receipt or other document issued by 239  
the qualifying pregnancy resource center acknowledging the 240  
taxpayer's contribution to the center, the amount of the 241  
contribution, and the date the contribution was made. 242

Except as provided in division (C) (3) of this section, the 243  
commissioner shall evaluate applications in the order in which 244  
they are received and issue a determination to an applicant not 245  
later than thirty days after receipt of an application. If the 246  
commissioner denies an application, the determination shall 247  
state the reason for the denial. If the commissioner approves an 248  
application, the determination shall include a tax credit 249  
certificate listing the amount of credit that the applicant may 250  
claim and the tax against which it may be claimed. 251

(2) The amount of the credit shall equal the amount of the 252  
applicant's contribution to a certified pregnancy resource 253  
center in the current calendar year, as approved by the 254  
commissioner and listed on the tax credit certificate. 255

(3) The commissioner may not approve more than ten million 256  
dollars in total tax credits in a calendar year and may not 257  
approve more than five million dollars in tax credits on the 258  
basis of donations to the same certified pregnancy resource 259  
center in a calendar year. 260

(D) There is hereby allowed a nonrefundable credit against 261  
a taxpayer's aggregate tax liability under section 5747.02 of 262  
the Revised Code or against the tax imposed under section 263  
5751.02 of the Revised Code, as authorized by the tax credit 264  
certificate, equal to the amount listed on that certificate. The 265  
credit shall be claimed in the manner prescribed by division (E) 266  
of this section or by section 5747.74 of the Revised Code, as 267  
applicable. A taxpayer shall include a copy of the taxpayer's 268  
tax credit certificate with the return on which the credit is 269  
claimed. 270

(E) A taxpayer issued a tax credit certificate authorizing 271  
the taxpayer to claim a credit against the tax levied under 272

section 5751.02 of the Revised Code may claim a credit against 273  
that tax equal to the amount stated in the certificate for the 274  
tax period in which the certificate is issued, but the amount 275  
claimed may not exceed fifty per cent of the applicant's tax 276  
liability for the tax period, before applying any other credit 277  
against that tax. The credit shall be claimed in the order 278  
required by section 5751.98 of the Revised Code. Any credit 279  
amount in excess of fifty per cent of the taxpayer's tax 280  
liability, after allowing for any other credits preceding the 281  
credit in that order, may be carried forward for five calendar 282  
years, but the amount of the excess credit claimed in any such 283  
year may not exceed fifty per cent of the taxpayer's tax 284  
liability for the tax period, before applying any other credit 285  
against that tax, and shall be deducted from the balance carried 286  
forward to the next year. 287

**Sec. 5751.98.** (A) To provide a uniform procedure for 288  
calculating the amount of tax due under this chapter, a taxpayer 289  
shall claim any credits to which it is entitled in the following 290  
order: 291

The nonrefundable credit for donations to pregnancy 292  
resource centers under section 5751.56 of the Revised Code; 293

The nonrefundable jobs retention credit under division (B) 294  
of section 5751.50 of the Revised Code; 295

The nonrefundable credit for qualified research expenses 296  
under division (B) of section 5751.51 of the Revised Code; 297

The nonrefundable credit for a borrower's qualified 298  
research and development loan payments under division (B) of 299  
section 5751.52 of the Revised Code; 300

The nonrefundable credit for calendar years 2010 to 2029 301

for unused net operating losses under division (B) of section	302
5751.53 of the Revised Code;	303
The refundable motion picture and Broadway theatrical	304
production credit under section 5751.54 of the Revised Code;	305
The refundable credit for film and theater capital	306
improvement projects under section 5751.55 of the Revised Code;	307
The refundable jobs creation credit or job retention	308
credit under division (A) of section 5751.50 of the Revised	309
Code;	310
The refundable credit for calendar year 2030 for unused	311
net operating losses under division (C) of section 5751.53 of	312
the Revised Code.	313
(B) For any credit except the refundable credits	314
enumerated in this section, the amount of the credit for a tax	315
period shall not exceed the tax due after allowing for any other	316
credit that precedes it in the order required under this	317
section. Any excess amount of a particular credit may be carried	318
forward if authorized under the section creating the credit.	319
<b>Section 2.</b> That existing sections 5747.98 and 5751.98 of	320
the Revised Code are hereby repealed.	321