

Sub. H.B. 110
L-134-0001-3

_____ moved to amend as follows:

In line 98 of the title, after "5747.10," insert "5747.71,
5747.98," 1
2

In line 260, after "5747.10," insert "5747.71, 5747.98," 3

After line 59999, insert: 4

"Sec. 5747.71. (A) As used in this section, "eligible
individual" has the same meaning as in section 32 of the Internal
Revenue Code. 5
6
7

(B) There is hereby allowed a nonrefundable credit against a
taxpayer's aggregate tax liability under section 5747.02 of the
Revised Code for a taxpayer who is an "eligible individual" ~~as
defined in section 32 of the Internal Revenue Code.~~ The credit
shall equal ~~thirty~~ twenty per cent of the federal credit allowed
for the taxable year. The credit shall not exceed the aggregate
amount of tax otherwise due under section 5747.02 of the Revised
Code after deducting any other nonrefundable credits that precede
the credit allowed under this section in the order prescribed by
section 5747.98 of the Revised Code. 8
9
10
11
12
13
14
15
16
17

The credit shall be claimed in the order prescribed by 18
section 5747.98 of the Revised Code. 19

(C) There is hereby allowed a refundable credit against a 20

taxpayer's aggregate tax liability under section 5747.02 of the Revised Code for a taxpayer who is an eligible individual. The credit shall equal ten per cent of the credit allowed on the taxpayer's federal income tax return pursuant to section 32 of the Internal Revenue Code for the taxable year. The credit shall be claimed in the order prescribed by section 5747.98 of the Revised Code. If the credit authorized by this division exceeds the aggregate amount of tax otherwise due after deducting all other credits in that order, the excess shall be refunded to the taxpayer.

21
22
23
24
25
26
27
28
29
30

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:

31
32
33
34

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;

35
36
37

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;

38
39
40

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

41
42

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

43
44

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

45
46

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

47
48

The joint filing credit under division (G) of section 5747.05 of the Revised Code; 49
50

The nonrefundable earned income credit under division (B) of section 5747.71 of the Revised Code; 51
52

The credit for adoption of a minor child under section 5747.37 of the Revised Code; 53
54

The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code; 55
56

The enterprise zone credit under section 5709.66 of the Revised Code; 57
58

The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code; 59
60

The small business investment credit under section 5747.81 of the Revised Code; 61
62

The nonrefundable lead abatement credit under section 5747.26 of the Revised Code; 63
64

The opportunity zone investment credit under section 122.84 of the Revised Code; 65
66

The enterprise zone credits under section 5709.65 of the Revised Code; 67
68

The research and development credit under section 5747.331 of the Revised Code; 69
70

The credit for rehabilitating a historic building under section 5747.76 of the Revised Code; 71
72

The nonresident credit under division (A) of section 5747.05 of the Revised Code; 73
74

The credit for a resident's out-of-state income under 75

division (B) of section 5747.05 of the Revised Code; 76

The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code; 77 78

The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code; 79 80

The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code; 81 82

The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code; 83 84 85

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; 86 87 88

The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code; 89 90

The refundable earned income credit under division (C) of section 5747.71 of the Revised Code. 91 92

(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." 93 94 95 96 97 98 99 100 101 102 103

In line 60871, after "5747.10," insert "5747.71, 5747.98," 104

After line 76633, insert: 105

"Section 803.__. The amendment by this act of section 5747.71 106
of the Revised Code applies to taxable years ending on or after 107
the effective date of this section." 108

The motion was _____ agreed to.

SYNOPSIS

Refundable earned income tax credit 109

R.C. 5747.71 and 5747.98; Section 803.__ 110

Converts a portion of the state's nonrefundable earned income 111
tax credit (EITC) to a refundable credit. Currently, the credit is 112
nonrefundable and equals 30% of the federal EITC; the amendment 113
retains a nonrefundable EITC equal to 20% of the federal EITC, but 114
converts the remaining portion of the credit (10% of the federal 115
EITC) into a refundable credit. 116