

H. B. No. 165
As Introduced

_____ moved to amend as follows:

In line 2 of the title, after "sections" insert "122.078,"; after "5747.74" insert "," 1
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In line 7, after "sections" insert "122.078,"; after "5747.74" insert "," 3
4

After line 8, insert: 5

"Sec. 122.078. (A) As used in this section: 6

(1) "Ethanol" has the same meaning as in section 122.075 of the Revised Code. 7
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(2) "Higher ethanol blend" means a fuel capable of being dispensed directly into motor vehicle fuel tanks for consumption that is comprised of between and including fifteen and eighty-five per cent ethanol. 9
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(3) "Retail dealer" means a person that owns or operates a retail service station. 13
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(4) "Retail service station" means a location in this state from which higher ethanol blend is sold to the general public and is dispensed directly into motor vehicle fuel tanks 15
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for consumption. 18

(B) A retail dealer may apply to the director of 19
development services for a tax credit under section 5747.74 or 20
5751.55 of the Revised Code. The credit shall equal five cents 21
per gallon of higher ethanol blend the retail dealer sells and 22
dispenses through metered pumps at the retail dealer's retail 23
service station during the calendar year. 24

The application may be submitted after the first day and 25
before the twenty-first day of January of the year following the 26
the calendar year in which the sales are made. The application 27
shall be made on a form and in the manner prescribed by the 28
director, and shall, at a minimum, include any information and 29
documentation sufficient to establish that the applicant meets 30
the eligibility criteria prescribed by this section. 31

(C) If the director determines that the applicant 32
qualifies for a credit under this section, the director shall 33
issue, within fifteen days after the receipt of a complete 34
application under division (B) of this section, a tax credit 35
certificate to the taxpayer. The tax credit certificate shall be 36
identified with a unique number and shall list the amount of 37
credit the director determines the retail dealer is eligible to 38
claim under section 5747.74 or 5751.55 of the Revised Code. The 39
director shall send a copy of each tax credit certificate to the 40
tax commissioner. 41

(D) (1) The director shall not award more than ten million 42
dollars in tax credits under this section. 43

(2) The director shall not award tax credits under this 44
section for retail sales of higher ethanol blend that occur more 45
than four calendar years after the calendar year in which this 46

section becomes law." 47

Delete lines 9 through 47 48

After line 47, insert: 49

"Sec. 5747.74. There is hereby allowed a nonrefundable 50
credit against the taxpayer's aggregate tax liability under 51
section 5747.02 of the Revised Code for a taxpayer issued a tax 52
credit certificate under section 122.078 of the Revised Code. 53
The credit shall equal the dollar amount indicated on the 54
certificate. The credit shall be claimed for the taxpayer's 55
taxable year that includes the last day of the calendar year in 56
which the sales that are the basis of the credit are made. 57

The taxpayer shall claim the credit in the order required 58
by section 5747.98 of the Revised Code. Any credit amount in 59
excess of the taxpayer's tax liability, after allowing for any 60
other credits preceding the credit in that order, may be carried 61
forward for succeeding taxable years, but the amount of excess 62
credit allowed in any such year shall be deducted from the 63
balance carried forward to the next year. 64

If the taxpayer is a direct or indirect investor in a 65
pass-through entity that was issued a tax credit certificate 66
under section 122.078 of the Revised Code, the taxpayer may 67
claim its proportionate or distributive share of the credit 68
allowed under this section. 69

A taxpayer claiming a credit under this section may not 70
claim the credit authorized under section 5751.55 of the Revised 71
Code on the basis of the same tax credit certificate." 72

Delete lines 123 through 145 73

After line 145, insert: 74

"Sec. 5751.55. There is hereby allowed a nonrefundable credit against the tax levied under section 5751.02 of the Revised Code for a taxpayer issued a tax credit certificate under section 122.078 of the Revised Code. The credit shall equal the dollar amount indicated on the certificate. The credit shall be claimed for the taxpayer's tax period that includes the last day of the calendar year in which the sales that are the basis of the credit are made.

The taxpayer shall claim the credit in the order required by section 5751.98 of the Revised Code. Any credit amount in excess of the taxpayer's tax liability, after allowing for any other credits preceding the credit in that order, may be carried forward for succeeding tax periods, but the amount of excess credit allowed in any such period shall be deducted from the balance carried forward to the next period.

A taxpayer claiming a credit under this section may not claim the credit authorized under section 5747.74 of the Revised Code on the basis of the same tax credit certificate."

The motion was _____ agreed to.

SYNOPSIS 93

Credit limitation 94

R.C. 122.078, 5747.74, and 5751.55 95

Limits the total amount of tax credits that may issued over the four years the credit is authorized to \$10 million. 96
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To enforce this limitation, requires retail dealers to 98

apply to the Director of Development Services Agency for a tax 99
credit certificate for the retail sale of higher ethanol blend 100
motor fuel. Under the introduced bill, there is no limit and a 101
retail dealer may claim the credit without first being issued a 102
tax credit certificate. 103