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Office of Research
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Legislative Budget
Office

H.B. 277
135th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Ray and Brent

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SUMMARY

- Authorizes nonrefundable tax credits against the financial institution tax, income tax, and commercial activity tax for landlords that have policies that allow tenants to live with companion animals, i.e., cats and dogs.
- Sets the credit at \$750 per dwelling unit where companion animals are allowed and limits the total tax credit that may be claimed by a single landlord to \$7,500 per calendar year.
- Prohibits landlords that claim the credit from requiring a nonrefundable fee or additional rent or imposing breed or size restrictions for any dwelling unit that is the basis for a claimed credit.
- Allows landlords to prohibit dogs that have been determined to be dangerous or vicious from a dwelling unit that is the basis of a claimed credit.
- Requires the Tax Commissioner to publish a list of landlords who claim the credit and the addresses of dwelling units that are the basis of claimed credits.

DETAILED ANALYSIS

Credit for landlords that allow companion animals

The bill authorizes a nonrefundable credit against the financial institution tax, income tax, or commercial activity tax for landlords with policies that allow companion animals. To qualify, a landlord must have policies that allow tenants to live with companion animals, i.e., dogs and cats, in residential housing the landlord owns or manages. Additionally, the landlord may not, with respect to a dwelling unit upon which a credit is claimed or the larger premises of which it is a part, either: (1) require a tenant to pay a nonrefundable fee or additional rent for any companion animal, or (2) impose any restrictions on breed or size of a companion animal, except the landlord may prohibit a companion animal that has been adjudicated to be a dangerous or vicious dog.

The credit equals \$750 for each dwelling unit covered by a policy that allows a tenant to live with their companion animal. There is, however, a \$7,500 maximum credit amount per calendar year, per landlord.

To claim the credit, the landlord must provide the Tax Commissioner with the address of each dwelling unit at which the landlord allows tenants to live in with companion animals and a copy of its policies that govern companion animals at that unit.¹

Posting requirement

The bill requires the Tax Commissioner to compose a list of landlords that claim the bill's credit and the addresses of the dwelling units in which the landlord allows tenants to live with companion animals on the Department of Taxation's website.²

Limitations and total credit limit

A taxpayer may only claim one of the three credits authorized by the bill on the basis of a single dwelling unit each calendar year. In other words, a landlord cannot claim credits against more than one tax on the basis of the same dwelling unit in the same calendar year. The total credits claimed by a landlord during a calendar year may not exceed \$7,500.³

HISTORY

Action	Date
Introduced	09-18-23

ANHB277IN-135/ar

¹ R.C. 5726.61(B) to (D), 5747.86(B) to (D), and 5751.56(B) to (D); Section 3.

² R.C. 5726.61(F), 5747.86(F), and 5751.56(F).

³ R.C. 5726.61(E), 5747.86(E), and 5751.56(E).