

As Introduced

**131st General Assembly
Regular Session
2015-2016**

H. B. No. 563

**Representative Ramos
Cosponsors: Representatives Antonio, Lepore-Hagan**

A BILL

To enact section 131.46 of the Revised Code to 1
provide for payments to municipalities or school 2
districts for their lost income tax revenue 3
after a business lays off 50 or more employees 4
within their jurisdiction. 5

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

Section 1. That section 131.46 of the Revised Code be 6
enacted to read as follows: 7

Sec. 131.46. (A) (1) "Eligible political subdivision" means 8
any municipal corporation or city, local, exempted village, or 9
joint vocational school district that levies or levied a tax on 10
income at the time of a mass workforce reduction in the 11
municipal corporation or school district. 12

(2) "Mass workforce reduction" means a reduction in a 13
business' workforce that meets all of the following criteria: 14

(a) The business reduced the portion of its workforce that 15
is employed in a single eligible political subdivision by fifty 16
or more employees. 17

(b) The reduction occurred over a period of thirty days or less. 18
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(c) The reduction occurred on or after January 1, 2013. 20

(3) "Base year" means the twelve months preceding the first month in which a mass workforce reduction occurs in a municipal corporation or the four calendar quarters preceding the first calendar quarter in which a mass workforce reduction occurs in a school district. 21
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(4) "Calendar quarter" means the three-month period ending on the last day of March, June, September, or December. 26
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(B) If a mass workforce reduction occurs in an eligible political subdivision, the eligible political subdivision may notify the tax commissioner and, upon receiving such notification, the commissioner shall direct the director of budget and management to make payments to the eligible political subdivision as described in this section. 28
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(1) If the eligible political subdivision is a municipal corporation, payments shall be made for the month after the first month in which a mass workforce reduction occurs in the municipal corporation and for the fifty-nine months thereafter. Each payment shall equal the difference obtained by subtracting the amount described in division (B) (1) (a) of this section from the amount described in division (B) (1) (b) of this section: 34
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(a) The total amount of income tax revenue the municipal corporation received during the preceding month; 41
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(b) The total amount of income tax revenue the municipal corporation received during the corresponding calendar month in the base year. 43
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The municipal corporation shall certify the amount 46
calculated for each month for which a payment is allowed under 47
this division to the director of budget and management on or 48
before the fifteenth day of that month. If the mass workforce 49
reduction occurred before the effective date of this act, the 50
municipal corporation shall submit one certification for the 51
total amount allowed for all months preceding and including the 52
month in which the act takes effect. Payments received under 53
this section shall be credited to the general fund of the 54
municipal corporation within fifteen days after receiving each 55
certification. 56

(2) If the eligible political subdivision is a school 57
district, payments shall be made for the calendar quarter after 58
the first calendar quarter in which a mass workforce reduction 59
occurs in the school district and for the nineteen calendar 60
quarters thereafter. Each payment shall equal the difference 61
obtained by subtracting the amount described in division (B) (2) 62
(a) of this section from the amount described in division (B) (2) 63
(b) of this section: 64

(a) The total amount of income tax revenue the school 65
district received during the preceding calendar quarter; 66

(b) The total amount of income tax revenue the school 67
district received during the corresponding calendar quarter in 68
the base year. 69

The tax commissioner shall certify the amount calculated 70
for each calendar quarter for which a payment is allowed under 71
this division to the director of budget and management within 72
fifteen days after the end of the calendar quarter. If the mass 73
workforce reduction occurred before the effective date of this 74
act, the commissioner shall submit one certification for the 75

total amount allowed for all calendar quarters preceding and 76
including the calendar quarter in which the bill takes effect. 77
The director shall credit all amounts certified to the general 78
fund of the school district within fifteen days after receiving 79
each certification. 80

(3) All payments made under this section shall be made 81
from the budget stabilization fund. 82

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