

**As Reported by the House Ways and Means Committee**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**Am. H. B. No. 155**

**Representatives Sprague, Howse**

**Cosponsors: Representatives Antani, Hughes, Manning, Miller, Reece, Riedel,  
Roegner, Schaffer, Sykes, Vitale, West, Boyd, Green, Retherford**

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**A BILL**

To amend section 5747.98 and to enact sections 1  
122.91 and 5747.82 of the Revised Code to 2  
authorize an income tax credit for expenses 3  
incurred by an employer to train a commercial 4  
vehicle operator. 5

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

**Section 1.** That section 5747.98 be amended and sections 6  
122.91 and 5747.82 of the Revised Code be enacted to read as 7  
follows: 8

**Sec. 122.91.** (A) As used in this section: 9

(1) "Qualifying individual" means an individual who holds 10  
a valid commercial driver's license or who is eligible to obtain 11  
such a license. 12

(2) "Commercial driver's license" and "commercial motor 13  
vehicle" have the same meanings as in section 4506.01 of the 14  
Revised Code. 15

(3) "Training expense" means any cost customarily incurred 16

by an employer to train an employee who is a qualifying 17  
individual to obtain a commercial driver's license or to operate 18  
a commercial motor vehicle. "Training expense" shall not include 19  
such an employee's wages. 20

(4) "Tax credit-eligible training expense" means any 21  
training expense certified under division (B) of this section. 22

(5) "Director" means the director of development services. 23

(B) (1) On or before the first day of December, an employer 24  
may apply to the director, on a form prescribed by the director, 25  
to certify training expenses that an employer estimates the 26  
employer will incur during the following calendar year as tax 27  
credit-eligible training expenses. Within thirty days after 28  
receiving such an application, the director shall certify to 29  
each applicant the amount of the applicant's submitted expenses 30  
the director finds to be tax credit-eligible training expenses. 31  
The director shall not certify more than fifty thousand dollars 32  
of training expenses per year as tax credit-eligible training 33  
expenses for any employer. 34

(2) The director shall not certify more than three million 35  
dollars in tax credit-eligible training expenses for each 36  
calendar year, increased by the sum of tax credit-eligible 37  
expenses the director was authorized to certify within the limit 38  
described in division (B) (2) of this section for preceding years 39  
that were not the basis of a tax credit certificate issued under 40  
division (C) (2) of this section in the current year or any 41  
preceding year. 42

(C) (1) An employer that incurs tax credit-eligible 43  
training expenses in a calendar year that were certified for 44  
that year under division (B) of this section may apply to the 45

director for a nonrefundable credit against the tax imposed by 46  
section 5747.02 of the Revised Code. The credit shall equal one- 47  
half of the tax credit-eligible training expenses actually 48  
incurred by the employer in, and certified for, the preceding 49  
calendar year. The application may be submitted after the first 50  
day and before the twenty-first day of January of the year 51  
following the year for which the director certified the 52  
expenses. The application shall be submitted on a form 53  
prescribed by the director. 54

(2) If the director approves an application described in 55  
division (C)(1) of this section, the director, within fifteen 56  
days after receipt of the application, shall issue a tax credit 57  
certificate to the applicant. The director in consultation with 58  
the tax commissioner shall prescribe the form and manner of 59  
issuing certificates. The director shall assign a unique 60  
identifying number to each tax credit certificate and shall 61  
record the certificate in a register devised and maintained by 62  
the director for that purpose. The certificate shall state the 63  
amount of the tax credit-eligible training expenses on which the 64  
credit is based, the amount of the credit, and the date the 65  
certificate is issued. Upon issuance of a certificate, the 66  
director shall certify to the tax commissioner the name of the 67  
applicant, the amount of tax credit-eligible training expenses 68  
stated on the certificate, and any other information required by 69  
the rules adopted under this section. 70

(D) The director in consultation with the tax commissioner 71  
shall adopt rules under Chapter 119. of the Revised Code for the 72  
administration of this section. Such rules shall set forth the 73  
types of expenses that qualify as training expenses for purposes 74  
of this section. 75

Sec. 5747.82. There is allowed a nonrefundable credit 76  
against a taxpayer's aggregate tax liability under section 77  
5747.02 of the Revised Code for a taxpayer that has been issued 78  
a tax credit certificate under section 122.91 of the Revised 79  
Code. The amount of the credit shall equal the credit amount 80  
stated on the certificate. The credit shall be claimed for the 81  
taxpayer's most recently concluded taxable year that ended 82  
before the issuance date stated on the certificate. 83

The credit shall be claimed in the order required under 84  
section 5747.98 of the Revised Code. Any credit amount in excess 85  
of the aggregate amount of tax due under section 5747.02 of the 86  
Revised Code, after allowing for any other credits preceding the 87  
credit in that order, may be carried forward for five taxable 88  
years, but the amount of the excess credit allowed in any such 89  
year shall be deducted from the balance carried forward to the 90  
next year. 91

Nothing in this section limits or disallows pass-through 92  
treatment of the credit if the credit certificate has been 93  
issued to a pass-through entity. 94

**Sec. 5747.98.** (A) To provide a uniform procedure for 95  
calculating a taxpayer's aggregate tax liability under section 96  
5747.02 of the Revised Code, a taxpayer shall claim any credits 97  
to which the taxpayer is entitled in the following order: 98

(1) Either the retirement income credit under division (B) 99  
of section 5747.055 of the Revised Code or the lump sum 100  
retirement income credits under divisions (C), (D), and (E) of 101  
that section; 102

(2) Either the senior citizen credit under division (F) of 103  
section 5747.055 of the Revised Code or the lump sum 104

distribution credit under division (G) of that section;	105
(3) The dependent care credit under section 5747.054 of the Revised Code;	106 107
(4) The low-income credit under section 5747.056 of the Revised Code;	108 109
(5) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	110 111
(6) The campaign contribution credit under section 5747.29 of the Revised Code;	112 113
(7) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	114 115
(8) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	116 117
(9) The earned income credit under section 5747.71 of the Revised Code;	118 119
(10) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	120 121
(11) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	122 123
(12) The enterprise zone credit under section 5709.66 of the Revised Code;	124 125
(13) The ethanol plant investment credit under section 5747.75 of the Revised Code;	126 127
(14) <u>The credit for commercial vehicle operator training expenses under section 5747.82 of the Revised Code;</u>	128 129
<u>(15) The credit for purchases of qualifying grape</u>	130

production property under section 5747.28 of the Revised Code;	131
<del>(15)</del> <u>(16)</u> The small business investment credit under section 5747.81 of the Revised Code;	132 133
<del>(16)</del> <u>(17)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	134 135
<del>(17)</del> <u>(18)</u> The research and development credit under section 5747.331 of the Revised Code;	136 137
<del>(18)</del> <u>(19)</u> The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	138 139
<del>(19)</del> <u>(20)</u> The nonresident credit under division (A) of section 5747.05 of the Revised Code;	140 141
<del>(20)</del> <u>(21)</u> The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	142 143
<del>(21)</del> <u>(22)</u> The refundable motion picture production credit under section 5747.66 of the Revised Code;	144 145
<del>(22)</del> <u>(23)</u> The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	146 147 148
<del>(23)</del> <u>(24)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	149 150 151
<del>(24)</del> <u>(25)</u> The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	152 153 154
<del>(25)</del> <u>(26)</u> 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	155 156 157

Code;	158
<del>(26)</del> <u>(27)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	159 160
<del>(27)</del> <u>(28)</u> The refundable credit for financial institution taxes paid by a pass-through entity granted under section 5747.65 of the Revised Code.	161 162 163
(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.	164 165 166 167 168 169 170 171 172 173 174
<b>Section 2.</b> That existing section 5747.98 of the Revised Code is hereby repealed.	175 176
<b>Section 3.</b> (A) The amendment or enactment by this act of sections 122.91, 5747.82, and 5747.98 of the Revised Code applies to training expenses, as that term is defined under section 122.91 of the Revised Code, estimated to be incurred on or after January 1, 2018.	177 178 179 180 181
(B) In adopting the rules required under division (D) of section 122.91 of the Revised Code, as enacted by this act, the Director of Development Services shall file the notice and text of the proposed rules as required by division (B) of section 119.03 of the Revised Code not later than one hundred fifty days	182 183 184 185 186

after the effective date of this section.

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