

As Introduced

**134th General Assembly
Regular Session
2021-2022**

H. B. No. 443

Representative Koehler

**Cosponsors: Representatives Stoltzfus, Seitz, Riedel, White, Johnson, Fowler
Arthur, Hoops**

A BILL

To amend sections 5725.98, 5726.98, 5729.98, 1
5747.98, and 5751.98 and to enact sections 2
5725.36, 5726.58, 5727.242, 5727.301, 5729.19, 3
5736.51, 5747.77, and 5751.55 of the Revised 4
Code to authorize a refundable tax credit for a 5
portion of employer group health plan premiums. 6

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

Section 1. That sections 5725.98, 5726.98, 5729.98, 7
5747.98, and 5751.98 be amended and sections 5725.36, 5726.58, 8
5727.242, 5727.301, 5729.19, 5736.51, 5747.77, and 5751.55 of 9
the Revised Code be enacted to read as follows: 10

Sec. 5725.36. (A) As used in this section: 11

(1) "Health benefit plan," "basic health care services," 12
and "resident" have the same meanings as in section 5751.55 of 13
the Revised Code. 14

(2) "Taxpayer" means a domestic insurance company subject 15
to the tax imposed under section 5725.18 of the Revised Code. 16

(B) There is allowed a refundable credit against the tax imposed by section 5725.18 of the Revised Code for a taxpayer that purchases a group health benefit plan that provides coverage for basic health care services to one or more of the taxpayer's employees who are residents. The credit shall equal one and three-tenths per cent of the portion of the premiums paid by the taxpayer during the calendar year to purchase such a plan for the taxpayer's employees who are residents. No person shall claim the credit authorized by this section based on coverage provided through a program of self-insurance.

The credit shall be claimed in the order required under section 5725.98 of the Revised Code. If the credit amount exceeds the tax otherwise due under section 5725.18 of the Revised Code after deducting all other credits in that order, the excess shall be refunded to the taxpayer.

No credit shall be allowed under this section on the basis of group health benefit plan premiums if those premiums are the basis of a credit claimed under section 5726.58, 5727.242, 5727.301, 5729.19, 5736.51, 5747.77, or 5751.55 of the Revised Code.

Sec. 5725.98. (A) To provide a uniform procedure for calculating the amount of tax imposed by section 5725.18 of the Revised Code that is due under this chapter, a taxpayer shall claim any credits and offsets against tax liability to which it is entitled in the following order:

The credit for an insurance company or insurance company group under section 5729.031 of the Revised Code;

The credit for eligible employee training costs under section 5725.31 of the Revised Code;

The credit for purchasers of qualified low-income community investments under section 5725.33 of the Revised Code;	46 47
The nonrefundable job retention credit under division (B) of section 122.171 of the Revised Code;	48 49
The nonrefundable credit for investments in rural business growth funds under section 122.152 of the Revised Code;	50 51
The nonrefundable credit for contributing capital to a transformational mixed use development project under section 5725.35 of the Revised Code;	52 53 54
The offset of assessments by the Ohio life and health insurance guaranty association permitted by section 3956.20 of the Revised Code;	55 56 57
The refundable credit for rehabilitating a historic building under section 5725.34 of the Revised Code;	58 59
The refundable credit for Ohio job retention under former division (B) (2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;	60 61 62 63 64
The refundable credit for Ohio job creation under section 5725.32 of the Revised Code;	65 66
The refundable credit under section 5725.19 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;	67 68 69
<u>The refundable credit for employer health benefit plan premiums under section 5725.36 of the Revised Code.</u>	70 71
(B) For any credit except the refundable credits	72

enumerated in this section, the amount of the credit for a 73
taxable year shall not exceed the tax due after allowing for any 74
other credit that precedes it in the order required under this 75
section. Any excess amount of a particular credit may be carried 76
forward if authorized under the section creating that credit. 77
Nothing in this chapter shall be construed to allow a taxpayer 78
to claim, directly or indirectly, a credit more than once for a 79
taxable year. 80

Sec. 5726.58. (A) As used in this section, "health benefit 81
plan," "basic health care services," and "resident" have the 82
same meanings as in section 5751.55 of the Revised Code. 83

(B) There is allowed a refundable credit against the tax 84
imposed by section 5726.02 of the Revised Code for a taxpayer 85
that purchases a group health benefit plan that provides 86
coverage for basic health care services to one or more of the 87
taxpayer's employees who are residents. The credit shall equal 88
one and three-tenths per cent of the portion of the premiums 89
paid by the taxpayer during the taxable year to purchase such a 90
plan for the taxpayer's employees who are residents. No person 91
shall claim the credit authorized by this section based on 92
coverage provided through a program of self-insurance. 93

The credit shall be claimed in the order required under 94
section 5726.98 of the Revised Code. If the credit amount 95
exceeds the tax otherwise due under section 5726.02 of the 96
Revised Code after deducting all other credits in that order, 97
the excess shall be refunded to the taxpayer. 98

No credit shall be allowed under this section on the basis 99
of group health benefit plan premiums if those premiums are the 100
basis of a credit claimed under section 5725.36, 5727.242, 101
5727.301, 5729.19, 5736.51, 5747.77, or 5751.55 of the Revised 102

<u>Code.</u>	103
Sec. 5726.98. (A) To provide a uniform procedure for	104
calculating the amount of tax due under section 5726.02 of the	105
Revised Code, a taxpayer shall claim any credits to which the	106
taxpayer is entitled under this chapter in the following order:	107
The nonrefundable job retention credit under division (B)	108
of section 5726.50 of the Revised Code;	109
The nonrefundable credit for purchases of qualified low-	110
income community investments under section 5726.54 of the	111
Revised Code;	112
The nonrefundable credit for qualified research expenses	113
under section 5726.56 of the Revised Code;	114
The nonrefundable credit for qualifying dealer in	115
intangibles taxes under section 5726.57 of the Revised Code;	116
The refundable credit for rehabilitating an historic	117
building under section 5726.52 of the Revised Code;	118
The refundable job retention or job creation credit under	119
division (A) of section 5726.50 of the Revised Code;	120
The refundable credit under section 5726.53 of the Revised	121
Code for losses on loans made under the Ohio venture capital	122
program under sections 150.01 to 150.10 of the Revised Code;	123
The refundable motion picture and Broadway theatrical	124
production credit under section 5726.55 of the Revised Code;	125
<u>The refundable credit for employer health benefit plan</u>	126
<u>premiums under section 5726.58 of the Revised Code.</u>	127
(B) For any credit except the refundable credits	128
enumerated in this section, the amount of the credit for a	129

taxable year shall not exceed the tax due after allowing for any 130
other credit that precedes it in the order required under this 131
section. Any excess amount of a particular credit may be carried 132
forward if authorized under the section creating that credit. 133
Nothing in this chapter shall be construed to allow a taxpayer 134
to claim, directly or indirectly, a credit more than once for a 135
taxable year. 136

Sec. 5727.242. (A) As used in this section: 137

(1) "Health benefit plan," "basic health care services," 138
and "resident" have the same meanings as in section 5751.55 of 139
the Revised Code. 140

(2) "Taxpayer" means a person subject to the tax imposed 141
by section 5727.24 of the Revised Code. 142

(B) There is hereby allowed a refundable credit against 143
the tax imposed by section 5727.24 of the Revised Code for a 144
taxpayer that purchases a group health benefit plan that 145
provides coverage for basic health care services to one or more 146
of the taxpayer's employees who are residents. The credit shall 147
equal one and three-tenths per cent of the portion of the 148
premiums paid by the taxpayer during the calendar quarter or 149
calendar year, as applicable, to purchase such a plan for the 150
taxpayer's employees who are residents. No person shall claim 151
the credit authorized by this section based on coverage provided 152
through a program of self-insurance. 153

The taxpayer shall claim the credit after the credit 154
authorized in sections 5727.241 and 5727.291 of the Revised 155
Code. Any credit amount in excess of the taxpayer's tax 156
liability shall be refunded to the taxpayer. 157

No credit shall be allowed under this section on the basis 158

of group health benefit plan premiums if those premiums are the 159
basis of a credit claimed under section 5725.36, 5726.58, 160
5727.301, 5729.19, 5736.51, 5747.77, or 5751.55 of the Revised 161
Code. 162

Sec. 5727.301. (A) As used in this section: 163

(1) "Health benefit plan," "basic health care services," 164
and "resident" have the same meanings as in section 5751.55 of 165
the Revised Code. 166

(2) "Taxpayer" means a person subject to the tax imposed 167
by section 5727.30 of the Revised Code. 168

(B) There is hereby allowed a refundable credit against 169
the tax imposed by section 5727.30 of the Revised Code for a 170
taxpayer that purchases a group health benefit plan that 171
provides coverage for basic health care services to one or more 172
of the taxpayer's employees who are residents. The credit shall 173
equal one and three-tenths per cent of the portion of the 174
premiums paid by the taxpayer during the calendar year to 175
purchase such a plan for the taxpayer's employees who are 176
residents. No person shall claim the credit authorized by this 177
section based on coverage provided through a program of self- 178
insurance. 179

The taxpayer shall claim the credit after the credit 180
authorized in section 5727.29 of the Revised Code. Any credit 181
amount in excess of the taxpayer's tax liability shall be 182
refunded to the taxpayer. 183

No credit shall be allowed under this section on the basis 184
of group health benefit plan premiums if those premiums are the 185
basis of a credit claimed under section 5725.36, 5726.58, 186
5727.242, 5729.19, 5736.51, 5747.77, or 5751.55 of the Revised 187

<u>Code.</u>	188
<u>Sec. 5729.19. (A) As used in this section:</u>	189
<u>(1) "Health benefit plan," "basic health care services,"</u>	190
<u>and "resident" have the same meanings as in section 5751.55 of</u>	191
<u>the Revised Code.</u>	192
<u>(2) "Taxpayer" means a foreign insurance company subject</u>	193
<u>to the tax imposed by section 5729.03 of the Revised Code.</u>	194
<u>(B) There is allowed a refundable credit against the tax</u>	195
<u>imposed by section 5729.03 of the Revised Code for a taxpayer</u>	196
<u>that purchases a group health benefit plan that provides</u>	197
<u>coverage for basic health care services to one or more of the</u>	198
<u>taxpayer's employees who are residents. The credit shall equal</u>	199
<u>one and three-tenths per cent of the portion of the premiums</u>	200
<u>paid by the taxpayer during the calendar year to purchase such a</u>	201
<u>plan for the taxpayer's employees who are residents. No person</u>	202
<u>shall claim the credit authorized by this section based on</u>	203
<u>coverage provided through a program of self-insurance.</u>	204
<u>The credit shall be claimed in the order required under</u>	205
<u>section 5729.98 of the Revised Code. If the credit amount</u>	206
<u>exceeds the tax otherwise due under section 5729.03 of the</u>	207
<u>Revised Code after deducting all other credits in that order,</u>	208
<u>the excess shall be refunded to the taxpayer.</u>	209
<u>No credit shall be allowed under this section on the basis</u>	210
<u>of group health benefit plan premiums if those premiums are the</u>	211
<u>basis of a credit claimed under section 5725.36, 5726.58,</u>	212
<u>5727.242, 5727.301, 5736.51, 5747.77, or 5751.55 of the Revised</u>	213
<u>Code.</u>	214
<u>Sec. 5729.98. (A) To provide a uniform procedure for</u>	215
<u>calculating the amount of tax due under this chapter, a taxpayer</u>	216

shall claim any credits and offsets against tax liability to	217
which it is entitled in the following order:	218
The credit for an insurance company or insurance company	219
group under section 5729.031 of the Revised Code;	220
The credit for eligible employee training costs under	221
section 5729.07 of the Revised Code;	222
The credit for purchases of qualified low-income community	223
investments under section 5729.16 of the Revised Code;	224
The nonrefundable job retention credit under division (B)	225
of section 122.171 of the Revised Code;	226
The nonrefundable credit for investments in rural business	227
growth funds under section 122.152 of the Revised Code;	228
The nonrefundable credit for contributing capital to a	229
transformational mixed use development project under section	230
5729.18 of the Revised Code;	231
The offset of assessments by the Ohio life and health	232
insurance guaranty association against tax liability permitted	233
by section 3956.20 of the Revised Code;	234
The refundable credit for rehabilitating a historic	235
building under section 5729.17 of the Revised Code;	236
The refundable credit for Ohio job retention under former	237
division (B) (2) or (3) of section 122.171 of the Revised Code as	238
those divisions existed before September 29, 2015, the effective	239
date of the amendment of this section by H.B. 64 of the 131st	240
general assembly;	241
The refundable credit for Ohio job creation under section	242
5729.032 of the Revised Code;	243

The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;

The refundable credit for employer health benefit plan premiums under section 5729.19 of the Revised Code.

(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a taxable year shall not exceed the tax due 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.

Sec. 5736.51. (A) As used in this section, "health benefit plan," "basic health care services," and "resident" have the same meanings as in section 5751.55 of the Revised Code.

(B) There is allowed a refundable credit against the tax imposed by this chapter for a taxpayer that purchases a group health benefit plan that provides coverage for basic health care services to one or more of the taxpayer's employees who are residents. The credit shall equal one and three-tenths per cent of the portion of the premiums paid by the taxpayer during the tax period to purchase such a plan for the taxpayer's employees who are residents. No person shall claim the credit authorized by this section based on coverage provided through a program of self-insurance.

The taxpayer shall claim the credit after any credits allowed under section 5736.50 of the Revised Code. Any credit

amount in excess of the taxpayer's tax liability shall be 273
refunded to the taxpayer. 274

No credit shall be allowed under this section on the basis 275
of group health benefit plan premiums if those premiums are the 276
basis of a credit claimed under section 5725.36, 5726.58, 277
5727.242, 5727.301, 5729.19, 5747.77, or 5751.55 of the Revised 278
Code. 279

Sec. 5747.77. (A) As used in this section, "health benefit 280
plan" and "basic health care services" have the same meanings as 281
in section 5751.55 of the Revised Code. 282

(B) There is allowed a refundable credit against the 283
taxpayer's aggregate tax liability under section 5747.02 of the 284
Revised Code for a taxpayer that purchases a group health 285
benefit plan that provides coverage for basic health care 286
services to one or more of the taxpayer's employees who are 287
residents. The credit shall equal one and three-tenths per cent 288
of the portion of the premiums paid by the taxpayer during the 289
taxable year to purchase such a plan for the taxpayer's 290
employees who are residents. No person shall claim the credit 291
authorized by this section based on coverage provided through a 292
program of self-insurance. 293

The credit shall be claimed in the order required under 294
section 5747.98 of the Revised Code. If the credit amount 295
exceeds the tax otherwise due under section 5747.02 of the 296
Revised Code after deducting all other credits in that order, 297
the excess shall be refunded to the taxpayer. Nothing in this 298
section limits or disallows pass-through treatment of the 299
credit. 300

No credit shall be allowed under this section on the basis 301

of group health benefit plan premiums if those premiums are the 302
basis of a credit claimed under section 5725.36, 5726.58, 303
5727.242, 5727.301, 5729.19, 5736.51, or 5751.55 of the Revised 304
Code. 305

Sec. 5747.98. (A) To provide a uniform procedure for 306
calculating a taxpayer's aggregate tax liability under section 307
5747.02 of the Revised Code, a taxpayer shall claim any credits 308
to which the taxpayer is entitled in the following order: 309

Either the retirement income credit under division (B) of 310
section 5747.055 of the Revised Code or the lump sum retirement 311
income credits under divisions (C), (D), and (E) of that 312
section; 313

Either the senior citizen credit under division (F) of 314
section 5747.055 of the Revised Code or the lump sum 315
distribution credit under division (G) of that section; 316

The dependent care credit under section 5747.054 of the 317
Revised Code; 318

The credit for displaced workers who pay for job training 319
under section 5747.27 of the Revised Code; 320

The campaign contribution credit under section 5747.29 of 321
the Revised Code; 322

The twenty-dollar personal exemption credit under section 323
5747.022 of the Revised Code; 324

The joint filing credit under division (G) of section 325
5747.05 of the Revised Code; 326

The earned income credit under section 5747.71 of the 327
Revised Code; 328

The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	329 330
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	331 332 333
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	334 335 336
The credit for adoption of a minor child under section 5747.37 of the Revised Code;	337 338
The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	339 340
The enterprise zone credit under section 5709.66 of the Revised Code;	341 342
The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	343 344
The small business investment credit under section 5747.81 of the Revised Code;	345 346
The nonrefundable lead abatement credit under section 5747.26 of the Revised Code;	347 348
The opportunity zone investment credit under section 122.84 of the Revised Code;	349 350
The enterprise zone credits under section 5709.65 of the Revised Code;	351 352
The research and development credit under section 5747.331 of the Revised Code;	353 354
The credit for rehabilitating a historic building under	355

section 5747.76 of the Revised Code;	356
The nonresident credit under division (A) of section 5747.05 of the Revised Code;	357 358
The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	359 360
The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	361 362
The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	363 364 365
The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	366 367
The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	368 369 370
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;	371 372 373
The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	374 375
<u>The refundable credit for employer health benefit plan premiums under section 5747.77 of the Revised Code.</u>	376 377
(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	378 379 380 381 382

Code, after allowing for any other credit that precedes it in 383
the order required under this section. Any excess amount of a 384
particular credit may be carried forward if authorized under the 385
section creating that credit. Nothing in this chapter shall be 386
construed to allow a taxpayer to claim, directly or indirectly, 387
a credit more than once for a taxable year. 388

Sec. 5751.55. (A) As used in this section, "health benefit 389
plan" has the same meaning as in section 3922.01 of the Revised 390
Code, "basic health care services" has the same meaning as in 391
section 1751.01 of the Revised Code, and "resident" has the same 392
meaning as in section 5747.01 of the Revised Code. 393

(B) There is allowed a refundable credit against the tax 394
imposed by section 5751.02 of the Revised Code for a taxpayer 395
that purchases a group health benefit plan that provides 396
coverage for basic health care services to one or more of the 397
taxpayer's employees who are residents. The credit shall equal 398
one and three-tenths per cent of the portion of the premiums 399
paid by the taxpayer during the tax period to purchase such a 400
plan for the taxpayer's employees who are residents. No person 401
shall claim the credit authorized by this section based on 402
coverage provided through a program of self-insurance. 403

The credit shall be claimed in the order required under 404
section 5751.98 of the Revised Code. If the credit amount 405
exceeds the tax otherwise due under section 5751.02 of the 406
Revised Code after deducting all other credits in that order, 407
the excess shall be refunded to the taxpayer. 408

A person that is not required to register with the tax 409
commissioner under section 5751.04 of the Revised Code and pay 410
the tax under this chapter may not claim the credit authorized 411
by this section. 412

(C) No credit shall be allowed under this section on the 413
basis of group health benefit plan premiums if those premiums 414
are the basis of a credit claimed under section 5725.36, 415
5726.58, 5727.242, 5727.301, 5729.19, 5736.51, or 5747.77 of the 416
Revised Code. 417

Sec. 5751.98. (A) To provide a uniform procedure for 418
calculating the amount of tax due under this chapter, a taxpayer 419
shall claim any credits to which it is entitled in the following 420
order: 421

The nonrefundable jobs retention credit under division (B) 422
of section 5751.50 of the Revised Code; 423

The nonrefundable credit for qualified research expenses 424
under division (B) of section 5751.51 of the Revised Code; 425

The nonrefundable credit for a borrower's qualified 426
research and development loan payments under division (B) of 427
section 5751.52 of the Revised Code; 428

The nonrefundable credit for calendar years 2010 to 2029 429
for unused net operating losses under division (B) of section 430
5751.53 of the Revised Code; 431

The refundable motion picture and Broadway theatrical 432
production credit under section 5751.54 of the Revised Code; 433

The refundable jobs creation credit or job retention 434
credit under division (A) of section 5751.50 of the Revised 435
Code; 436

The refundable credit for calendar year 2030 for unused 437
net operating losses under division (C) of section 5751.53 of 438
the Revised Code; 439

The refundable credit for employer health benefit plan 440

premiums under section 5751.55 of the Revised Code. 441

(B) For any credit except the refundable credits 442
enumerated in this section, the amount of the credit for a tax 443
period shall not exceed the tax due after allowing for any other 444
credit that precedes it in the order required under this 445
section. Any excess amount of a particular credit may be carried 446
forward if authorized under the section creating the credit. 447

Section 2. That existing sections 5725.98, 5726.98, 448
5729.98, 5747.98, and 5751.98 of the Revised Code are hereby 449
repealed. 450

Section 3. The enactment by this act of sections 5725.36, 451
5726.58, 5727.242, 5727.301, 5729.19, 5736.51, 5747.77, and 452
5751.55 of the Revised Code applies to premiums paid on and 453
after the effective date of this section by an employer for a 454
group health benefit plan that provides coverage for basic 455
health care services, as those terms are defined in section 456
5751.55 of the Revised Code, as enacted by this act. 457

Section 4. The General Assembly, applying the principle 458
stated in division (B) of section 1.52 of the Revised Code that 459
amendments are to be harmonized if reasonably capable of 460
simultaneous operation, finds that the following sections, 461
presented in this act as composites of the sections as amended 462
by the acts indicated, are the resulting versions of the 463
sections in effect prior to the effective date of the sections 464
as presented in this act: 465

Section 5725.98 of the Revised Code as amended by H.B. 197 466
and S.B. 39 both of the 133rd General Assembly. 467

Section 5729.98 of the Revised Code as amended by H.B. 197 468
and S.B. 39 both of the 133rd General Assembly. 469