

As Introduced

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H. B. No. 79

Representatives Russo, Boyd

Cosponsors: Representatives Miranda, Miller, J., Kelly, Howse, Lightbody, Boggs,  
Schmidt, Crossman, Sheehy, Miller, A., Ingram, Sobecki, Weinstein, Crawley,  
Liston, Brown, West, Lepore-Hagan

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A BILL

To amend sections 5747.08 and 5747.98 and to enact 1  
section 5747.053 of the Revised Code to 2  
authorize a refundable tax credit for certain 3  
expenses incurred by caregivers. 4

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

**Section 1.** That sections 5747.08 and 5747.98 be amended 5  
and section 5747.053 of the Revised Code be enacted to read as 6  
follows: 7

**Sec. 5747.053.** (A) As used in this section: 8

(1) "Activity of daily living" has the meaning as in 9  
section 7702B of the Internal Revenue Code. 10

(2) "Eligible family member" means an individual that 11  
meets all of the following requirements: 12

(a) The individual is at least eighteen years of age on 13  
the last day of the taxable year. 14

(b) The individual possesses documentation from a licensed 15

health care provider certifying that the individual requires 16  
assistance with at least one activity of daily living. 17

(c) The individual is either (i) the spouse of the 18  
caregiver, (ii) related by blood or marriage to the caregiver 19  
and qualifies as a dependent of either the caregiver or the 20  
caregiver's spouse, or (iii) cohabits with the caregiver. 21

(3) "Caregiver" means an individual who is a resident of 22  
this state and who meets all of the following requirements: 23

(a) If the individual files a joint return, the modified 24  
adjusted gross income of the individual and the individual's 25  
spouse is less than one hundred fifty thousand dollars. If the 26  
individual does not file a joint return, the individual's 27  
modified adjusted gross income is less than seventy-five 28  
thousand dollars. 29

(b) The individual incurs eligible expenses to provide 30  
care for one or more eligible family members during the taxable 31  
year. 32

(c) The individual is not reimbursed or otherwise 33  
compensated for those eligible expenses. 34

(4) "Eligible expenses" means any necessary expenses 35  
directly related to providing care for an eligible family 36  
member. "Eligible expenses" include the following: 37

(a) Expenses incurred to improve or alter a caregiver's 38  
primary residence as necessary to allow the eligible family 39  
member to remain mobile, safe, and independent; 40

(b) The purchase or lease of equipment that is necessary 41  
to assist an eligible family member in performing one or more 42  
activities of daily living; 43

(c) Expenses related to respite care, adult day care, 44  
hiring a home care aide or personal care attendant, 45  
transportation, legal and financial services, or assistive 46  
technology necessary for the care of the eligible family member. 47

"Eligible expenses" does not include general household 48  
maintenance expenses, such as expenses related to painting, 49  
plumbing, electrical repairs, or exterior maintenance. 50

(5) "Licensed health care professional" means any of the 51  
following: 52

(a) A physician authorized under Chapter 4731. of the 53  
Revised Code to practice medicine or osteopathic medicine; 54

(b) A registered nurse, advanced practice registered 55  
nurse, or licensed practical nurse licensed under Chapter 4723. 56  
of the Revised Code; 57

(c) A physician assistant licensed under Chapter 4730. of 58  
the Revised Code. 59

(B) A refundable credit shall be allowed against a 60  
taxpayer's aggregate tax liability under section 5747.02 of the 61  
Revised Code for a caregiver who incurs eligible expenses to 62  
provide care for an eligible family member. The amount of the 63  
credit shall equal fifty per cent of the eligible expenses 64  
incurred by the caregiver during the taxable year, provided that 65  
the credit allowed to a caregiver for any taxable year shall not 66  
exceed one thousand dollars. 67

The credit shall be claimed in the order required under 68  
section 5747.98 of the Revised Code. If the amount of the credit 69  
exceeds the aggregate amount of tax otherwise due under section 70  
5747.02 of the Revised Code after deducting any other credits 71  
that precede the credit allowed under this section in that 72

order, the excess shall be refunded to the taxpayer. 73

(C) If two or more caregivers incur eligible expenses to 74  
provide care for an eligible family member during a taxable 75  
year, both are eligible to claim the credit allowed under this 76  
section, provided that no two caregivers may claim the credit on 77  
the basis of the same eligible expenses. 78

(D) The tax commissioner shall adopt any rules necessary 79  
to administer this chapter. 80

**Sec. 5747.08.** An annual return with respect to the tax 81  
imposed by section 5747.02 of the Revised Code and each tax 82  
imposed under Chapter 5748. of the Revised Code shall be made by 83  
every taxpayer for any taxable year for which the taxpayer is 84  
liable for the tax imposed by that section or under that 85  
chapter, unless the total credits allowed under division (E) of 86  
section 5747.05 and divisions (F) and (G) of section 5747.055 of 87  
the Revised Code for the year are equal to or exceed the tax 88  
imposed by section 5747.02 of the Revised Code, in which case no 89  
return shall be required unless the taxpayer is liable for a tax 90  
imposed pursuant to Chapter 5748. of the Revised Code. 91

(A) If an individual is deceased, any return or notice 92  
required of that individual under this chapter shall be made and 93  
filed by that decedent's executor, administrator, or other 94  
person charged with the property of that decedent. 95

(B) If an individual is unable to make a return or notice 96  
required by this chapter, the return or notice required of that 97  
individual shall be made and filed by the individual's duly 98  
authorized agent, guardian, conservator, fiduciary, or other 99  
person charged with the care of the person or property of that 100  
individual. 101

(C) Returns or notices required of an estate or a trust 102  
shall be made and filed by the fiduciary of the estate or trust. 103

(D) (1) (a) Except as otherwise provided in division (D) (1) 104  
(b) of this section, any pass-through entity may file a single 105  
return on behalf of one or more of the entity's investors other 106  
than an investor that is a person subject to the tax imposed 107  
under section 5733.06 of the Revised Code. The single return 108  
shall set forth the name, address, and social security number or 109  
other identifying number of each of those pass-through entity 110  
investors and shall indicate the distributive share of each of 111  
those pass-through entity investor's income taxable in this 112  
state in accordance with sections 5747.20 to 5747.231 of the 113  
Revised Code. Such pass-through entity investors for whom the 114  
pass-through entity elects to file a single return are not 115  
entitled to the exemption or credit provided for by sections 116  
5747.02 and 5747.022 of the Revised Code; shall calculate the 117  
tax before business credits at the highest rate of tax set forth 118  
in section 5747.02 of the Revised Code for the taxable year for 119  
which the return is filed; and are entitled to only their 120  
distributive share of the business credits as defined in 121  
division (D) (2) of this section. A single check drawn by the 122  
pass-through entity shall accompany the return in full payment 123  
of the tax due, as shown on the single return, for such 124  
investors, other than investors who are persons subject to the 125  
tax imposed under section 5733.06 of the Revised Code. 126

(b) (i) A pass-through entity shall not include in such a 127  
single return any investor that is a trust to the extent that 128  
any direct or indirect current, future, or contingent 129  
beneficiary of the trust is a person subject to the tax imposed 130  
under section 5733.06 of the Revised Code. 131

(ii) A pass-through entity shall not include in such a 132  
single return any investor that is itself a pass-through entity 133  
to the extent that any direct or indirect investor in the second 134  
pass-through entity is a person subject to the tax imposed under 135  
section 5733.06 of the Revised Code. 136

(c) Nothing in division (D) of this section precludes the 137  
tax commissioner from requiring such investors to file the 138  
return and make the payment of taxes and related interest, 139  
penalty, and interest penalty required by this section or 140  
section 5747.02, 5747.09, or 5747.15 of the Revised Code. 141  
Nothing in division (D) of this section precludes such an 142  
investor from filing the annual return under this section, 143  
utilizing the refundable credit equal to the investor's 144  
proportionate share of the tax paid by the pass-through entity 145  
on behalf of the investor under division (I) of this section, 146  
and making the payment of taxes imposed under section 5747.02 of 147  
the Revised Code. Nothing in division (D) of this section shall 148  
be construed to provide to such an investor or pass-through 149  
entity any additional deduction or credit, other than the credit 150  
provided by division (I) of this section, solely on account of 151  
the entity's filing a return in accordance with this section. 152  
Such a pass-through entity also shall make the filing and 153  
payment of estimated taxes on behalf of the pass-through entity 154  
investors other than an investor that is a person subject to the 155  
tax imposed under section 5733.06 of the Revised Code. 156

(2) For the purposes of this section, "business credits" 157  
means the credits listed in section 5747.98 of the Revised Code 158  
excluding the following credits: 159

(a) The retirement income credit under division (B) of 160  
section 5747.055 of the Revised Code; 161

(b) The senior citizen credit under division (F) of section 5747.055 of the Revised Code;	162 163
(c) The lump sum distribution credit under division (G) of section 5747.055 of the Revised Code;	164 165
(d) The dependent care credit under section 5747.054 of the Revised Code;	166 167
(e) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	168 169
(f) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	170 171
(g) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	172 173
(h) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	174 175
(i) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	176 177
(j) The joint filing credit under division (E) of section 5747.05 of the Revised Code;	178 179
(k) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	180 181
(l) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	182 183
(m) The earned income tax credit under section 5747.71 of the Revised Code;	184 185
(n) The lead abatement credit under section 5747.26 of the Revised Code;	186 187

(o) The caregiver credit under section 5747.053 of the 188  
Revised Code. 189

(3) The election provided for under division (D) of this 190  
section applies only to the taxable year for which the election 191  
is made by the pass-through entity. Unless the tax commissioner 192  
provides otherwise, this election, once made, is binding and 193  
irrevocable for the taxable year for which the election is made. 194  
Nothing in this division shall be construed to provide for any 195  
deduction or credit that would not be allowable if a nonresident 196  
pass-through entity investor were to file an annual return. 197

(4) If a pass-through entity makes the election provided 198  
for under division (D) of this section, the pass-through entity 199  
shall be liable for any additional taxes, interest, interest 200  
penalty, or penalties imposed by this chapter if the tax 201  
commissioner finds that the single return does not reflect the 202  
correct tax due by the pass-through entity investors covered by 203  
that return. Nothing in this division shall be construed to 204  
limit or alter the liability, if any, imposed on pass-through 205  
entity investors for unpaid or underpaid taxes, interest, 206  
interest penalty, or penalties as a result of the pass-through 207  
entity's making the election provided for under division (D) of 208  
this section. For the purposes of division (D) of this section, 209  
"correct tax due" means the tax that would have been paid by the 210  
pass-through entity had the single return been filed in a manner 211  
reflecting the commissioner's findings. Nothing in division (D) 212  
of this section shall be construed to make or hold a pass- 213  
through entity liable for tax attributable to a pass-through 214  
entity investor's income from a source other than the pass- 215  
through entity electing to file the single return. 216

(E) If a husband and wife file a joint federal income tax 217



return for a taxable year, they shall file a joint return under 218  
this section for that taxable year, and their liabilities are 219  
joint and several, but, if the federal income tax liability of 220  
either spouse is determined on a separate federal income tax 221  
return, they shall file separate returns under this section. 222

If either spouse is not required to file a federal income 223  
tax return and either or both are required to file a return 224  
pursuant to this chapter, they may elect to file separate or 225  
joint returns, and, pursuant to that election, their liabilities 226  
are separate or joint and several. If a husband and wife file 227  
separate returns pursuant to this chapter, each must claim the 228  
taxpayer's own exemption, but not both, as authorized under 229  
section 5747.02 of the Revised Code on the taxpayer's own 230  
return. 231

(F) Each return or notice required to be filed under this 232  
section shall contain the signature of the taxpayer or the 233  
taxpayer's duly authorized agent and of the person who prepared 234  
the return for the taxpayer, and shall include the taxpayer's 235  
social security number. Each return shall be verified by a 236  
declaration under the penalties of perjury. The tax commissioner 237  
shall prescribe the form that the signature and declaration 238  
shall take. 239

(G) Each return or notice required to be filed under this 240  
section shall be made and filed as required by section 5747.04 241  
of the Revised Code, on or before the fifteenth day of April of 242  
each year, on forms that the tax commissioner shall prescribe, 243  
together with remittance made payable to the treasurer of state 244  
in the combined amount of the state and all school district 245  
income taxes shown to be due on the form. 246

Upon good cause shown, the commissioner may extend the 247

period for filing any notice or return required to be filed 248  
under this section and may adopt rules relating to extensions. 249  
If the extension results in an extension of time for the payment 250  
of any state or school district income tax liability with 251  
respect to which the return is filed, the taxpayer shall pay at 252  
the time the tax liability is paid an amount of interest 253  
computed at the rate per annum prescribed by section 5703.47 of 254  
the Revised Code on that liability from the time that payment is 255  
due without extension to the time of actual payment. Except as 256  
provided in section 5747.132 of the Revised Code, in addition to 257  
all other interest charges and penalties, all taxes imposed 258  
under this chapter or Chapter 5748. of the Revised Code and 259  
remaining unpaid after they become due, except combined amounts 260  
due of one dollar or less, bear interest at the rate per annum 261  
prescribed by section 5703.47 of the Revised Code until paid or 262  
until the day an assessment is issued under section 5747.13 of 263  
the Revised Code, whichever occurs first. 264

If the commissioner considers it necessary in order to 265  
ensure the payment of the tax imposed by section 5747.02 of the 266  
Revised Code or any tax imposed under Chapter 5748. of the 267  
Revised Code, the commissioner may require returns and payments 268  
to be made otherwise than as provided in this section. 269

To the extent that any provision in this division 270  
conflicts with any provision in section 5747.026 of the Revised 271  
Code, the provision in that section prevails. 272

(H) The amounts withheld by an employer pursuant to 273  
section 5747.06 of the Revised Code, a casino operator pursuant 274  
to section 5747.063 of the Revised Code, or a lottery sales 275  
agent pursuant to section 5747.064 of the Revised Code shall be 276  
allowed to the recipient of the compensation casino winnings, or 277

lottery prize award as credits against payment of the 278  
appropriate taxes imposed on the recipient by section 5747.02 279  
and under Chapter 5748. of the Revised Code. 280

(I) If a pass-through entity elects to file a single 281  
return under division (D) of this section and if any investor is 282  
required to file the annual return and make the payment of taxes 283  
required by this chapter on account of the investor's other 284  
income that is not included in a single return filed by a pass- 285  
through entity or any other investor elects to file the annual 286  
return, the investor is entitled to a refundable credit equal to 287  
the investor's proportionate share of the tax paid by the pass- 288  
through entity on behalf of the investor. The investor shall 289  
claim the credit for the investor's taxable year in which or 290  
with which ends the taxable year of the pass-through entity. 291  
Nothing in this chapter shall be construed to allow any credit 292  
provided in this chapter to be claimed more than once. For the 293  
purpose of computing any interest, penalty, or interest penalty, 294  
the investor shall be deemed to have paid the refundable credit 295  
provided by this division on the day that the pass-through 296  
entity paid the estimated tax or the tax giving rise to the 297  
credit. 298

(J) The tax commissioner shall ensure that each return 299  
required to be filed under this section includes a box that the 300  
taxpayer may check to authorize a paid tax preparer who prepared 301  
the return to communicate with the department of taxation about 302  
matters pertaining to the return. The return or instructions 303  
accompanying the return shall indicate that by checking the box 304  
the taxpayer authorizes the department of taxation to contact 305  
the preparer concerning questions that arise during the 306  
processing of the return and authorizes the preparer only to 307  
provide the department with information that is missing from the 308

return, to contact the department for information about the 309  
processing of the return or the status of the taxpayer's refund 310  
or payments, and to respond to notices about mathematical 311  
errors, offsets, or return preparation that the taxpayer has 312  
received from the department and has shown to the preparer. 313

(K) The tax commissioner shall permit individual taxpayers 314  
to instruct the department of taxation to cause any refund of 315  
overpaid taxes to be deposited directly into a checking account, 316  
savings account, or an individual retirement account or 317  
individual retirement annuity, or preexisting college savings 318  
plan or program account offered by the Ohio tuition trust 319  
authority under Chapter 3334. of the Revised Code, as designated 320  
by the taxpayer, when the taxpayer files the annual return 321  
required by this section electronically. 322

(L) The tax commissioner may adopt rules to administer 323  
this section. 324

**Sec. 5747.98.** (A) To provide a uniform procedure for 325  
calculating a taxpayer's aggregate tax liability under section 326  
5747.02 of the Revised Code, a taxpayer shall claim any credits 327  
to which the taxpayer is entitled in the following order: 328

Either the retirement income credit under division (B) of 329  
section 5747.055 of the Revised Code or the lump sum retirement 330  
income credits under divisions (C), (D), and (E) of that 331  
section; 332

Either the senior citizen credit under division (F) of 333  
section 5747.055 of the Revised Code or the lump sum 334  
distribution credit under division (G) of that section; 335

The dependent care credit under section 5747.054 of the 336  
Revised Code; 337

The credit for displaced workers who pay for job training	338
under section 5747.27 of the Revised Code;	339
The campaign contribution credit under section 5747.29 of	340
the Revised Code;	341
The twenty-dollar personal exemption credit under section	342
5747.022 of the Revised Code;	343
The joint filing credit under division (G) of section	344
5747.05 of the Revised Code;	345
The earned income credit under section 5747.71 of the	346
Revised Code;	347
The credit for adoption of a minor child under section	348
5747.37 of the Revised Code;	349
The nonrefundable job retention credit under division (B)	350
of section 5747.058 of the Revised Code;	351
The enterprise zone credit under section 5709.66 of the	352
Revised Code;	353
The credit for purchases of qualifying grape production	354
property under section 5747.28 of the Revised Code;	355
The small business investment credit under section 5747.81	356
of the Revised Code;	357
The nonrefundable lead abatement credit under section	358
5747.26 of the Revised Code;	359
The opportunity zone investment credit under section	360
122.84 of the Revised Code;	361
The enterprise zone credits under section 5709.65 of the	362
Revised Code;	363

The research and development credit under section 5747.331 of the Revised Code;	364 365
The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	366 367
The nonresident credit under division (A) of section 5747.05 of the Revised Code;	368 369
The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	370 371
The refundable motion picture and Broadway theatrical production credit under section 5747.66 of the Revised Code;	372 373
The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	374 375 376
The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	377 378
The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	379 380 381
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;	382 383 384
The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	385 386
<u>The caregiver credit under section 5747.053 of the Revised Code.</u>	387 388
(B) For any credit, except the refundable credits enumerated in this section and the credit granted under division	389 390

(H) of section 5747.08 of the Revised Code, the amount of the 391  
credit for a taxable year shall not exceed the taxpayer's 392  
aggregate amount of tax due under section 5747.02 of the Revised 393  
Code, after allowing for any other credit that precedes it in 394  
the order required under this section. Any excess amount of a 395  
particular credit may be carried forward if authorized under the 396  
section creating that credit. Nothing in this chapter shall be 397  
construed to allow a taxpayer to claim, directly or indirectly, 398  
a credit more than once for a taxable year. 399

**Section 2.** That existing sections 5747.08 and 5747.98 of 400  
the Revised Code are hereby repealed. 401

**Section 3.** The amendment or enactment by this act of 402  
sections 5747.053, 5747.08, and 5747.98 of the Revised Code 403  
applies to taxable years beginning on or after the first day of 404  
January following the effective date of this section. 405

**Section 4.** Pursuant to division (G) of section 5703.95 of 406  
the Revised Code, which states that any bill introduced in the 407  
House of Representatives or the Senate that proposes to enact or 408  
modify one or more tax expenditures should include a statement 409  
explaining the objectives of the tax expenditure or its 410  
modification and the sponsor's intent in proposing the tax 411  
expenditure or its modification: 412

The purpose of this bill is to help alleviate the 413  
financial burdens of caregivers by providing a tax credit. 414