

**As Introduced**

**135th General Assembly**

**Regular Session**

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**H. B. No. 290**

**Representatives Weinstein, McNally**

**Cosponsors: Representatives Baker, Brewer, Brennan, Brown, Dell'Aquila, Galonski, Grim, Isaacsohn, Lightbody, Liston, Miller, A., Miller, J., Miranda, Mohamed, Russo, Skindell, Somani, Thomas, C., Upchurch**

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**A BILL**

To amend sections 5747.01, 5747.08, and 5747.98 and 1  
to enact section 5747.36 of the Revised Code to 2  
authorize the refundable thriving families tax 3  
credit for certain income taxpayers with 4  
dependents who are minor children. 5

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

**Section 1.** That sections 5747.01, 5747.08, and 5747.98 be 6  
amended and section 5747.36 of the Revised Code be enacted to 7  
read as follows: 8

**Sec. 5747.01.** Except as otherwise expressly provided or 9  
clearly appearing from the context, any term used in this 10  
chapter that is not otherwise defined in this section has the 11  
same meaning as when used in a comparable context in the laws of 12  
the United States relating to federal income taxes or if not 13  
used in a comparable context in those laws, has the same meaning 14  
as in section 5733.40 of the Revised Code. Any reference in this 15  
chapter to the Internal Revenue Code includes other laws of the 16  
United States relating to federal income taxes. 17

As used in this chapter:	18
(A) "Adjusted gross income" or "Ohio adjusted gross income" means federal adjusted gross income, as defined and used in the Internal Revenue Code, adjusted as provided in this section:	19 20 21 22
(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.	23 24 25 26
(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes.	27 28 29 30 31
(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.	32 33 34 35 36 37
(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.	38 39
(5) Deduct the following, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income:	40 41 42
(a) Benefits under Title II of the Social Security Act and tier 1 railroad retirement;	43 44
(b) Railroad retirement benefits, other than tier 1	45

railroad retirement benefits, to the extent such amounts are 46  
exempt from state taxation under federal law. 47

(6) Deduct the amount of wages and salaries, if any, not 48  
otherwise allowable as a deduction but that would have been 49  
allowable as a deduction in computing federal adjusted gross 50  
income for the taxable year, had the work opportunity tax credit 51  
allowed and determined under sections 38, 51, and 52 of the 52  
Internal Revenue Code not been in effect. 53

(7) Deduct any interest or interest equivalent on public 54  
obligations and purchase obligations to the extent that the 55  
interest or interest equivalent is included in federal adjusted 56  
gross income. 57

(8) Add any loss or deduct any gain resulting from the 58  
sale, exchange, or other disposition of public obligations to 59  
the extent that the loss has been deducted or the gain has been 60  
included in computing federal adjusted gross income. 61

(9) Deduct or add amounts, as provided under section 62  
5747.70 of the Revised Code, related to contributions made to or 63  
tuition units purchased under a qualified tuition program 64  
established pursuant to section 529 of the Internal Revenue 65  
Code. 66

(10) (a) Deduct, to the extent not otherwise allowable as a 67  
deduction or exclusion in computing federal or Ohio adjusted 68  
gross income for the taxable year, the amount the taxpayer paid 69  
during the taxable year for medical care insurance and qualified 70  
long-term care insurance for the taxpayer, the taxpayer's 71  
spouse, and dependents. No deduction for medical care insurance 72  
under division (A) (10) (a) of this section shall be allowed 73  
either to any taxpayer who is eligible to participate in any 74

subsidized health plan maintained by any employer of the 75  
taxpayer or of the taxpayer's spouse, or to any taxpayer who is 76  
entitled to, or on application would be entitled to, benefits 77  
under part A of Title XVIII of the "Social Security Act," 49 78  
Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of 79  
division (A)(10)(a) of this section, "subsidized health plan" 80  
means a health plan for which the employer pays any portion of 81  
the plan's cost. The deduction allowed under division (A)(10)(a) 82  
of this section shall be the net of any related premium refunds, 83  
related premium reimbursements, or related insurance premium 84  
dividends received during the taxable year. 85

(b) Deduct, to the extent not otherwise deducted or 86  
excluded in computing federal or Ohio adjusted gross income 87  
during the taxable year, the amount the taxpayer paid during the 88  
taxable year, not compensated for by any insurance or otherwise, 89  
for medical care of the taxpayer, the taxpayer's spouse, and 90  
dependents, to the extent the expenses exceed seven and one-half 91  
per cent of the taxpayer's federal adjusted gross income. 92

(c) For purposes of division (A)(10) of this section, 93  
"medical care" has the meaning given in section 213 of the 94  
Internal Revenue Code, subject to the special rules, 95  
limitations, and exclusions set forth therein, and "qualified 96  
long-term care" has the same meaning given in section 7702B(c) 97  
of the Internal Revenue Code. Solely for purposes of division 98  
(A)(10)(a) of this section, "dependent" includes a person who 99  
otherwise would be a "qualifying relative" and thus a 100  
"dependent" under section 152 of the Internal Revenue Code but 101  
for the fact that the person fails to meet the income and 102  
support limitations under section 152(d)(1)(B) and (C) of the 103  
Internal Revenue Code. 104

(11) (a) Deduct any amount included in federal adjusted 105  
gross income solely because the amount represents a 106  
reimbursement or refund of expenses that in any year the 107  
taxpayer had deducted as an itemized deduction pursuant to 108  
section 63 of the Internal Revenue Code and applicable United 109  
States department of the treasury regulations. The deduction 110  
otherwise allowed under division (A) (11) (a) of this section 111  
shall be reduced to the extent the reimbursement is attributable 112  
to an amount the taxpayer deducted under this section in any 113  
taxable year. 114

(b) Add any amount not otherwise included in Ohio adjusted 115  
gross income for any taxable year to the extent that the amount 116  
is attributable to the recovery during the taxable year of any 117  
amount deducted or excluded in computing federal or Ohio 118  
adjusted gross income in any taxable year. 119

(12) Deduct any portion of the deduction described in 120  
section 1341(a) (2) of the Internal Revenue Code, for repaying 121  
previously reported income received under a claim of right, that 122  
meets both of the following requirements: 123

(a) It is allowable for repayment of an item that was 124  
included in the taxpayer's adjusted gross income for a prior 125  
taxable year and did not qualify for a credit under division (A) 126  
or (B) of section 5747.05 of the Revised Code for that year; 127

(b) It does not otherwise reduce the taxpayer's adjusted 128  
gross income for the current or any other taxable year. 129

(13) Deduct an amount equal to the deposits made to, and 130  
net investment earnings of, a medical savings account during the 131  
taxable year, in accordance with section 3924.66 of the Revised 132  
Code. The deduction allowed by division (A) (13) of this section 133

does not apply to medical savings account deposits and earnings 134  
otherwise deducted or excluded for the current or any other 135  
taxable year from the taxpayer's federal adjusted gross income. 136

(14) (a) Add an amount equal to the funds withdrawn from a 137  
medical savings account during the taxable year, and the net 138  
investment earnings on those funds, when the funds withdrawn 139  
were used for any purpose other than to reimburse an account 140  
holder for, or to pay, eligible medical expenses, in accordance 141  
with section 3924.66 of the Revised Code; 142

(b) Add the amounts distributed from a medical savings 143  
account under division (A) (2) of section 3924.68 of the Revised 144  
Code during the taxable year. 145

(15) Add any amount claimed as a credit under section 146  
5747.059 of the Revised Code to the extent that such amount 147  
satisfies either of the following: 148

(a) The amount was deducted or excluded from the 149  
computation of the taxpayer's federal adjusted gross income as 150  
required to be reported for the taxpayer's taxable year under 151  
the Internal Revenue Code; 152

(b) The amount resulted in a reduction of the taxpayer's 153  
federal adjusted gross income as required to be reported for any 154  
of the taxpayer's taxable years under the Internal Revenue Code. 155

(16) Deduct the amount contributed by the taxpayer to an 156  
individual development account program established by a county 157  
department of job and family services pursuant to sections 158  
329.11 to 329.14 of the Revised Code for the purpose of matching 159  
funds deposited by program participants. On request of the tax 160  
commissioner, the taxpayer shall provide any information that, 161  
in the tax commissioner's opinion, is necessary to establish the 162

amount deducted under division (A) (16) of this section. 163

(17) (a) (i) Subject to divisions (A) (17) (a) (iii), (iv), and 164  
(v) of this section, add five-sixths of the amount of 165  
depreciation expense allowed by subsection (k) of section 168 of 166  
the Internal Revenue Code, including the taxpayer's 167  
proportionate or distributive share of the amount of 168  
depreciation expense allowed by that subsection to a pass- 169  
through entity in which the taxpayer has a direct or indirect 170  
ownership interest. 171

(ii) Subject to divisions (A) (17) (a) (iii), (iv), and (v) 172  
of this section, add five-sixths of the amount of qualifying 173  
section 179 depreciation expense, including the taxpayer's 174  
proportionate or distributive share of the amount of qualifying 175  
section 179 depreciation expense allowed to any pass-through 176  
entity in which the taxpayer has a direct or indirect ownership 177  
interest. 178

(iii) Subject to division (A) (17) (a) (v) of this section, 179  
for taxable years beginning in 2012 or thereafter, if the 180  
increase in income taxes withheld by the taxpayer is equal to or 181  
greater than ten per cent of income taxes withheld by the 182  
taxpayer during the taxpayer's immediately preceding taxable 183  
year, "two-thirds" shall be substituted for "five-sixths" for 184  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 185

(iv) Subject to division (A) (17) (a) (v) of this section, 186  
for taxable years beginning in 2012 or thereafter, a taxpayer is 187  
not required to add an amount under division (A) (17) of this 188  
section if the increase in income taxes withheld by the taxpayer 189  
and by any pass-through entity in which the taxpayer has a 190  
direct or indirect ownership interest is equal to or greater 191  
than the sum of (I) the amount of qualifying section 179 192

depreciation expense and (II) the amount of depreciation expense 193  
allowed to the taxpayer by subsection (k) of section 168 of the 194  
Internal Revenue Code, and including the taxpayer's 195  
proportionate or distributive shares of such amounts allowed to 196  
any such pass-through entities. 197

(v) If a taxpayer directly or indirectly incurs a net 198  
operating loss for the taxable year for federal income tax 199  
purposes, to the extent such loss resulted from depreciation 200  
expense allowed by subsection (k) of section 168 of the Internal 201  
Revenue Code and by qualifying section 179 depreciation expense, 202  
"the entire" shall be substituted for "five-sixths of the" for 203  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 204

The tax commissioner, under procedures established by the 205  
commissioner, may waive the add-backs related to a pass-through 206  
entity if the taxpayer owns, directly or indirectly, less than 207  
five per cent of the pass-through entity. 208

(b) Nothing in division (A) (17) of this section shall be 209  
construed to adjust or modify the adjusted basis of any asset. 210

(c) To the extent the add-back required under division (A) 211  
(17) (a) of this section is attributable to property generating 212  
nonbusiness income or loss allocated under section 5747.20 of 213  
the Revised Code, the add-back shall be situated to the same 214  
location as the nonbusiness income or loss generated by the 215  
property for the purpose of determining the credit under 216  
division (A) of section 5747.05 of the Revised Code. Otherwise, 217  
the add-back shall be apportioned, subject to one or more of the 218  
four alternative methods of apportionment enumerated in section 219  
5747.21 of the Revised Code. 220

(d) For the purposes of division (A) (17) (a) (v) of this 221



section, net operating loss carryback and carryforward shall not 222  
include the allowance of any net operating loss deduction 223  
carryback or carryforward to the taxable year to the extent such 224  
loss resulted from depreciation allowed by section 168(k) of the 225  
Internal Revenue Code and by the qualifying section 179 226  
depreciation expense amount. 227

(e) For the purposes of divisions (A) (17) and (18) of this 228  
section: 229

(i) "Income taxes withheld" means the total amount 230  
withheld and remitted under sections 5747.06 and 5747.07 of the 231  
Revised Code by an employer during the employer's taxable year. 232

(ii) "Increase in income taxes withheld" means the amount 233  
by which the amount of income taxes withheld by an employer 234  
during the employer's current taxable year exceeds the amount of 235  
income taxes withheld by that employer during the employer's 236  
immediately preceding taxable year. 237

(iii) "Qualifying section 179 depreciation expense" means 238  
the difference between (I) the amount of depreciation expense 239  
directly or indirectly allowed to a taxpayer under section 179 240  
of the Internal Revised Code, and (II) the amount of 241  
depreciation expense directly or indirectly allowed to the 242  
taxpayer under section 179 of the Internal Revenue Code as that 243  
section existed on December 31, 2002. 244

(18) (a) If the taxpayer was required to add an amount 245  
under division (A) (17) (a) of this section for a taxable year, 246  
deduct one of the following: 247

(i) One-fifth of the amount so added for each of the five 248  
succeeding taxable years if the amount so added was five-sixths 249  
of qualifying section 179 depreciation expense or depreciation 250

expense allowed by subsection (k) of section 168 of the Internal Revenue Code; 251  
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(ii) One-half of the amount so added for each of the two succeeding taxable years if the amount so added was two-thirds of such depreciation expense; 253  
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(iii) One-sixth of the amount so added for each of the six succeeding taxable years if the entire amount of such depreciation expense was so added. 256  
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(b) If the amount deducted under division (A) (18) (a) of this section is attributable to an add-back allocated under division (A) (17) (c) of this section, the amount deducted shall be sitused to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code. 259  
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(c) No deduction is available under division (A) (18) (a) of this section with regard to any depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount to the extent that such depreciation results in or increases a federal net operating loss carryback or carryforward. If no such deduction is available for a taxable year, the taxpayer may carry forward the amount not deducted in such taxable year to the next taxable year and add that amount to any deduction otherwise available under division (A) (18) (a) of this section for that next taxable year. The carryforward of amounts not so deducted shall continue until the entire addition required by division (A) (17) (a) of this section has been deducted. 267  
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(19) Deduct, to the extent not otherwise deducted or 280  
excluded in computing federal or Ohio adjusted gross income for 281  
the taxable year, the amount the taxpayer received during the 282  
taxable year as reimbursement for life insurance premiums under 283  
section 5919.31 of the Revised Code. 284

(20) Deduct, to the extent not otherwise deducted or 285  
excluded in computing federal or Ohio adjusted gross income for 286  
the taxable year, the amount the taxpayer received during the 287  
taxable year as a death benefit paid by the adjutant general 288  
under section 5919.33 of the Revised Code. 289

(21) Deduct, to the extent included in federal adjusted 290  
gross income and not otherwise allowable as a deduction or 291  
exclusion in computing federal or Ohio adjusted gross income for 292  
the taxable year, military pay and allowances received by the 293  
taxpayer during the taxable year for active duty service in the 294  
United States army, air force, navy, marine corps, or coast 295  
guard or reserve components thereof or the national guard. The 296  
deduction may not be claimed for military pay and allowances 297  
received by the taxpayer while the taxpayer is stationed in this 298  
state. 299

(22) Deduct, to the extent not otherwise allowable as a 300  
deduction or exclusion in computing federal or Ohio adjusted 301  
gross income for the taxable year and not otherwise compensated 302  
for by any other source, the amount of qualified organ donation 303  
expenses incurred by the taxpayer during the taxable year, not 304  
to exceed ten thousand dollars. A taxpayer may deduct qualified 305  
organ donation expenses only once for all taxable years 306  
beginning with taxable years beginning in 2007. 307

For the purposes of division (A) (22) of this section: 308

(a) "Human organ" means all or any portion of a human 309  
liver, pancreas, kidney, intestine, or lung, and any portion of 310  
human bone marrow. 311

(b) "Qualified organ donation expenses" means travel 312  
expenses, lodging expenses, and wages and salary forgone by a 313  
taxpayer in connection with the taxpayer's donation, while 314  
living, of one or more of the taxpayer's human organs to another 315  
human being. 316

(23) Deduct, to the extent not otherwise deducted or 317  
excluded in computing federal or Ohio adjusted gross income for 318  
the taxable year, amounts received by the taxpayer as retired 319  
personnel pay for service in the uniformed services or reserve 320  
components thereof, or the national guard, or received by the 321  
surviving spouse or former spouse of such a taxpayer under the 322  
survivor benefit plan on account of such a taxpayer's death. If 323  
the taxpayer receives income on account of retirement paid under 324  
the federal civil service retirement system or federal employees 325  
retirement system, or under any successor retirement program 326  
enacted by the congress of the United States that is established 327  
and maintained for retired employees of the United States 328  
government, and such retirement income is based, in whole or in 329  
part, on credit for the taxpayer's uniformed service, the 330  
deduction allowed under this division shall include only that 331  
portion of such retirement income that is attributable to the 332  
taxpayer's uniformed service, to the extent that portion of such 333  
retirement income is otherwise included in federal adjusted 334  
gross income and is not otherwise deducted under this section. 335  
Any amount deducted under division (A) (23) of this section is 336  
not included in a taxpayer's adjusted gross income for the 337  
purposes of section 5747.055 of the Revised Code. No amount may 338  
be deducted under division (A) (23) of this section on the basis 339

of which a credit was claimed under section 5747.055 of the Revised Code.

(24) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received during the taxable year from the military injury relief fund created in section 5902.05 of the Revised Code.

(25) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer received as a veterans bonus during the taxable year from the Ohio department of veterans services as authorized by Section 2r of Article VIII, Ohio Constitution.

(26) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, any income derived from a transfer agreement or from the enterprise transferred under that agreement under section 4313.02 of the Revised Code.

(27) Deduct, to the extent not otherwise deducted or excluded in computing federal or Ohio adjusted gross income for the taxable year, Ohio college opportunity or federal Pell grant amounts received by the taxpayer or the taxpayer's spouse or dependent pursuant to section 3333.122 of the Revised Code or 20 U.S.C. 1070a, et seq., and used to pay room or board furnished by the educational institution for which the grant was awarded at the institution's facilities, including meal plans administered by the institution. For the purposes of this division, receipt of a grant includes the distribution of a grant directly to an educational institution and the crediting of the grant to the enrollee's account with the institution.

(28) Deduct from the portion of an individual's federal	370
adjusted gross income that is business income, to the extent not	371
otherwise deducted or excluded in computing federal adjusted	372
gross income for the taxable year, one hundred twenty-five	373
thousand dollars for each spouse if spouses file separate	374
returns under section 5747.08 of the Revised Code or two hundred	375
fifty thousand dollars for all other individuals.	376
(29) Deduct, as provided under section 5747.78 of the	377
Revised Code, contributions to ABLE savings accounts made in	378
accordance with sections 113.50 to 113.56 of the Revised Code.	379
(30) (a) Deduct, to the extent not otherwise deducted or	380
excluded in computing federal or Ohio adjusted gross income	381
during the taxable year, all of the following:	382
(i) Compensation paid to a qualifying employee described	383
in division (A) (14) (a) of section 5703.94 of the Revised Code to	384
the extent such compensation is for disaster work conducted in	385
this state during a disaster response period pursuant to a	386
qualifying solicitation received by the employee's employer;	387
(ii) Compensation paid to a qualifying employee described	388
in division (A) (14) (b) of section 5703.94 of the Revised Code to	389
the extent such compensation is for disaster work conducted in	390
this state by the employee during the disaster response period	391
on critical infrastructure owned or used by the employee's	392
employer;	393
(iii) Income received by an out-of-state disaster business	394
for disaster work conducted in this state during a disaster	395
response period, or, if the out-of-state disaster business is a	396
pass-through entity, a taxpayer's distributive share of the	397
pass-through entity's income from the business conducting	398

disaster work in this state during a disaster response period, 399  
if, in either case, the disaster work is conducted pursuant to a 400  
qualifying solicitation received by the business. 401

(b) All terms used in division (A) (30) of this section 402  
have the same meanings as in section 5703.94 of the Revised 403  
Code. 404

(31) For a taxpayer who is a qualifying Ohio educator, 405  
deduct, to the extent not otherwise deducted or excluded in 406  
computing federal or Ohio adjusted gross income for the taxable 407  
year, the lesser of two hundred fifty dollars or the amount of 408  
expenses described in subsections (a) (2) (D) (i) and (ii) of 409  
section 62 of the Internal Revenue Code paid or incurred by the 410  
taxpayer during the taxpayer's taxable year in excess of the 411  
amount the taxpayer is authorized to deduct for that taxable 412  
year under subsection (a) (2) (D) of that section. 413

(32) Deduct, to the extent not otherwise deducted or 414  
excluded in computing federal or Ohio adjusted gross income for 415  
the taxable year, amounts received by the taxpayer as a 416  
disability severance payment, computed under 10 U.S.C. 1212, 417  
following discharge or release under honorable conditions from 418  
the armed forces, as defined by 10 U.S.C. 101. 419

(33) Deduct, to the extent not otherwise deducted or 420  
excluded in computing federal adjusted gross income or Ohio 421  
adjusted gross income, amounts not subject to tax due to an 422  
agreement entered into under division (A) (2) of section 5747.05 423  
of the Revised Code. 424

(34) Deduct amounts as provided under section 5747.79 of 425  
the Revised Code related to the taxpayer's qualifying capital 426  
gains and deductible payroll. 427

To the extent a qualifying capital gain described under 428  
division (A) (34) of this section is business income, the 429  
taxpayer shall deduct those gains under this division before 430  
deducting any such gains under division (A) (28) of this section. 431

(35) (a) For taxable years beginning in or after 2026, 432  
deduct, to the extent not otherwise deducted or excluded in 433  
computing federal or Ohio adjusted gross income for the taxable 434  
year: 435

(i) One hundred per cent of the capital gain received by 436  
the taxpayer in the taxable year from a qualifying interest in 437  
an Ohio venture capital operating company attributable to the 438  
company's investments in Ohio businesses during the period for 439  
which the company was an Ohio venture operating company; and 440

(ii) Fifty per cent of the capital gain received by the 441  
taxpayer in the taxable year from a qualifying interest in an 442  
Ohio venture capital operating company attributable to the 443  
company's investments in all other businesses during the period 444  
for which the company was an Ohio venture operating company. 445

(b) Add amounts previously deducted by the taxpayer under 446  
division (A) (35) (a) of this section if the director of 447  
development certifies to the tax commissioner that the 448  
requirements for the deduction were not met. 449

(c) All terms used in division (A) (35) of this section 450  
have the same meanings as in section 122.851 of the Revised 451  
Code. 452

(d) To the extent a capital gain described in division (A) 453  
(35) (a) of this section is business income, the taxpayer shall 454  
apply that division before applying division (A) (28) of this 455  
section. 456



(36) Add, to the extent not otherwise included in 457  
computing federal or Ohio adjusted gross income for any taxable 458  
year, the taxpayer's proportionate share of the amount of the 459  
tax levied under section 5747.38 of the Revised Code and paid by 460  
an electing pass-through entity for the taxable year. 461

(37) Deduct, to the extent not otherwise deducted or 462  
excluded in computing federal or Ohio adjusted gross income for 463  
the taxable year, amounts delivered to a qualifying institution 464  
pursuant to section 3333.128 of the Revised Code for the benefit 465  
of the taxpayer or the taxpayer's spouse or dependent. 466

(38) Deduct, to the extent not otherwise deducted or 467  
excluded in computing federal or Ohio adjusted gross income for 468  
the taxable year, amounts received under the Ohio adoption grant 469  
program pursuant to section 5101.191 of the Revised Code. 470

(39) Deduct, to the extent included in federal adjusted 471  
gross income, income attributable to loan repayments on behalf 472  
of the taxpayer under the rural practice incentive program under 473  
section 3333.135 of the Revised Code. 474

(40) Deduct, to the extent not otherwise deducted or 475  
excluded in computing federal adjusted gross income or Ohio 476  
adjusted gross income, refund amounts received from the thriving 477  
families tax credit authorized under section 5747.36 of the 478  
Revised Code. 479

(B) "Business income" means income, including gain or 480  
loss, arising from transactions, activities, and sources in the 481  
regular course of a trade or business and includes income, gain, 482  
or loss from real property, tangible property, and intangible 483  
property if the acquisition, rental, management, and disposition 484  
of the property constitute integral parts of the regular course 485

of a trade or business operation. "Business income" includes 486  
income, including gain or loss, from a partial or complete 487  
liquidation of a business, including, but not limited to, gain 488  
or loss from the sale or other disposition of goodwill or the 489  
sale of an equity or ownership interest in a business. 490

As used in this division, the "sale of an equity or 491  
ownership interest in a business" means sales to which either or 492  
both of the following apply: 493

(1) The sale is treated for federal income tax purposes as 494  
the sale of assets. 495

(2) The seller materially participated, as described in 26 496  
C.F.R. 1.469-5T, in the activities of the business during the 497  
taxable year in which the sale occurs or during any of the five 498  
preceding taxable years. 499

(C) "Nonbusiness income" means all income other than 500  
business income and may include, but is not limited to, 501  
compensation, rents and royalties from real or tangible personal 502  
property, capital gains, interest, dividends and distributions, 503  
patent or copyright royalties, or lottery winnings, prizes, and 504  
awards. 505

(D) "Compensation" means any form of remuneration paid to 506  
an employee for personal services. 507

(E) "Fiduciary" means a guardian, trustee, executor, 508  
administrator, receiver, conservator, or any other person acting 509  
in any fiduciary capacity for any individual, trust, or estate. 510

(F) "Fiscal year" means an accounting period of twelve 511  
months ending on the last day of any month other than December. 512

(G) "Individual" means any natural person. 513

(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.	514 515
(I) "Resident" means any of the following:	516
(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;	517 518
(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I) (2) of this section.	519 520 521 522
(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.	523 524 525
For the purposes of division (I) (3) of this section:	526
(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I) (3) (d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:	527 528 529 530 531 532
(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I) (3) (e) (i) or (ii) of this section;	533 534 535 536
(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least one of the trust's qualifying beneficiaries is domiciled in this state for the purposes of this chapter during all or some	537 538 539 540 541

portion of the trust's current taxable year; 542

(iii) A person who was domiciled in this state for the 543  
purposes of this chapter when the trust document or instrument 544  
or part of the trust document or instrument became irrevocable, 545  
but only if at least one of the trust's qualifying beneficiaries 546  
is a resident domiciled in this state for the purposes of this 547  
chapter during all or some portion of the trust's current 548  
taxable year. If a trust document or instrument became 549  
irrevocable upon the death of a person who at the time of death 550  
was domiciled in this state for purposes of this chapter, that 551  
person is a person described in division (I) (3) (a) (iii) of this 552  
section. 553

(b) A trust is irrevocable to the extent that the 554  
transferor is not considered to be the owner of the net assets 555  
of the trust under sections 671 to 678 of the Internal Revenue 556  
Code. 557

(c) With respect to a trust other than a charitable lead 558  
trust, "qualifying beneficiary" has the same meaning as 559  
"potential current beneficiary" as defined in section 1361(e) (2) 560  
of the Internal Revenue Code, and with respect to a charitable 561  
lead trust "qualifying beneficiary" is any current, future, or 562  
contingent beneficiary, but with respect to any trust 563  
"qualifying beneficiary" excludes a person or a governmental 564  
entity or instrumentality to any of which a contribution would 565  
qualify for the charitable deduction under section 170 of the 566  
Internal Revenue Code. 567

(d) For the purposes of division (I) (3) (a) of this 568  
section, the extent to which a trust consists directly or 569  
indirectly, in whole or in part, of assets, net of any related 570  
liabilities, that were transferred directly or indirectly, in 571

whole or part, to the trust by any of the sources enumerated in 572  
that division shall be ascertained by multiplying the fair 573  
market value of the trust's assets, net of related liabilities, 574  
by the qualifying ratio, which shall be computed as follows: 575

(i) The first time the trust receives assets, the 576  
numerator of the qualifying ratio is the fair market value of 577  
those assets at that time, net of any related liabilities, from 578  
sources enumerated in division (I) (3) (a) of this section. The 579  
denominator of the qualifying ratio is the fair market value of 580  
all the trust's assets at that time, net of any related 581  
liabilities. 582

(ii) Each subsequent time the trust receives assets, a 583  
revised qualifying ratio shall be computed. The numerator of the 584  
revised qualifying ratio is the sum of (1) the fair market value 585  
of the trust's assets immediately prior to the subsequent 586  
transfer, net of any related liabilities, multiplied by the 587  
qualifying ratio last computed without regard to the subsequent 588  
transfer, and (2) the fair market value of the subsequently 589  
transferred assets at the time transferred, net of any related 590  
liabilities, from sources enumerated in division (I) (3) (a) of 591  
this section. The denominator of the revised qualifying ratio is 592  
the fair market value of all the trust's assets immediately 593  
after the subsequent transfer, net of any related liabilities. 594

(iii) Whether a transfer to the trust is by or from any of 595  
the sources enumerated in division (I) (3) (a) of this section 596  
shall be ascertained without regard to the domicile of the 597  
trust's beneficiaries. 598

(e) For the purposes of division (I) (3) (a) (i) of this 599  
section: 600

(i) A trust is described in division (I) (3) (e) (i) of this section if the trust is a testamentary trust and the testator of that testamentary trust was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(ii) A trust is described in division (I) (3) (e) (ii) of this section if the transfer is a qualifying transfer described in any of divisions (I) (3) (f) (i) to (vi) of this section, the trust is an irrevocable inter vivos trust, and at least one of the trust's qualifying beneficiaries is domiciled in this state for purposes of this chapter during all or some portion of the trust's current taxable year.

(f) For the purposes of division (I) (3) (e) (ii) of this section, a "qualifying transfer" is a transfer of assets, net of any related liabilities, directly or indirectly to a trust, if the transfer is described in any of the following:

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual relationship existing directly or indirectly between the transferor and either the decedent or the estate of the decedent at any time prior to the date of the decedent's death, and the decedent was domiciled in this state at the time of death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(iv) The transfer is made to a trust on account of a contractual relationship existing directly or indirectly between the transferor and another person who at the time of the decedent's death was domiciled in this state for purposes of this chapter.

(v) The transfer is made to a trust on account of the will of a testator who was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(vi) The transfer is made to a trust created by or caused to be created by a court, and the trust was directly or indirectly created in connection with or as a result of the death of an individual who, for purposes of the taxes levied under Chapter 5731. of the Revised Code, was domiciled in this state at the time of the individual's death.

(g) The tax commissioner may adopt rules to ascertain the part of a trust residing in this state.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in

section 5733.04 of the Revised Code. 659

(L) "Return" means the notifications and reports required 660  
to be filed pursuant to this chapter for the purpose of 661  
reporting the tax due and includes declarations of estimated tax 662  
when so required. 663

(M) "Taxable year" means the calendar year or the 664  
taxpayer's fiscal year ending during the calendar year, or 665  
fractional part thereof, upon which the adjusted gross income is 666  
calculated pursuant to this chapter. 667

(N) "Taxpayer" means any person subject to the tax imposed 668  
by section 5747.02 of the Revised Code or any pass-through 669  
entity that makes the election under division (D) of section 670  
5747.08 of the Revised Code. 671

(O) "Dependents" means one of the following: 672

(1) For taxable years beginning on or after January 1, 673  
2018, and before January 1, 2026, dependents as defined in the 674  
Internal Revenue Code; 675

(2) For all other taxable years, dependents as defined in 676  
the Internal Revenue Code and as claimed in the taxpayer's 677  
federal income tax return for the taxable year or which the 678  
taxpayer would have been permitted to claim had the taxpayer 679  
filed a federal income tax return. 680

(P) "Principal county of employment" means, in the case of 681  
a nonresident, the county within the state in which a taxpayer 682  
performs services for an employer or, if those services are 683  
performed in more than one county, the county in which the major 684  
portion of the services are performed. 685

(Q) As used in sections 5747.50 to 5747.55 of the Revised 686



Code:	687
(1) "Subdivision" means any county, municipal corporation, park district, or township.	688 689
(2) "Essential local government purposes" includes all functions that any subdivision is required by general law to exercise, including like functions that are exercised under a charter adopted pursuant to the Ohio Constitution.	690 691 692 693
(R) "Overpayment" means any amount already paid that exceeds the figure determined to be the correct amount of the tax.	694 695 696
(S) "Taxable income" or "Ohio taxable income" applies only to estates and trusts, and means federal taxable income, as defined and used in the Internal Revenue Code, adjusted as follows:	697 698 699 700
(1) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S) (1) (a) or (b) of this section:	701 702 703 704 705 706 707 708
(a) The net amount is not attributable to the S portion of an electing small business trust and has not been distributed to beneficiaries for the taxable year;	709 710 711
(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year.	712 713
(2) Add interest or dividends, net of ordinary, necessary,	714

and reasonable expenses not deducted in computing federal 715  
taxable income, on obligations of any authority, commission, 716  
instrumentality, territory, or possession of the United States 717  
to the extent that the interest or dividends are exempt from 718  
federal income taxes but not from state income taxes, but only 719  
to the extent that such net amount is not otherwise includible 720  
in Ohio taxable income and is described in either division (S) 721  
(1) (a) or (b) of this section; 722

(3) Add the amount of personal exemption allowed to the 723  
estate pursuant to section 642(b) of the Internal Revenue Code; 724

(4) Deduct interest or dividends, net of related expenses 725  
deducted in computing federal taxable income, on obligations of 726  
the United States and its territories and possessions or of any 727  
authority, commission, or instrumentality of the United States 728  
to the extent that the interest or dividends are exempt from 729  
state taxes under the laws of the United States, but only to the 730  
extent that such amount is included in federal taxable income 731  
and is described in either division (S) (1) (a) or (b) of this 732  
section; 733

(5) Deduct the amount of wages and salaries, if any, not 734  
otherwise allowable as a deduction but that would have been 735  
allowable as a deduction in computing federal taxable income for 736  
the taxable year, had the work opportunity tax credit allowed 737  
under sections 38, 51, and 52 of the Internal Revenue Code not 738  
been in effect, but only to the extent such amount relates 739  
either to income included in federal taxable income for the 740  
taxable year or to income of the S portion of an electing small 741  
business trust for the taxable year; 742

(6) Deduct any interest or interest equivalent, net of 743  
related expenses deducted in computing federal taxable income, 744

on public obligations and purchase obligations, but only to the 745  
extent that such net amount relates either to income included in 746  
federal taxable income for the taxable year or to income of the 747  
S portion of an electing small business trust for the taxable 748  
year; 749

(7) Add any loss or deduct any gain resulting from sale, 750  
exchange, or other disposition of public obligations to the 751  
extent that such loss has been deducted or such gain has been 752  
included in computing either federal taxable income or income of 753  
the S portion of an electing small business trust for the 754  
taxable year; 755

(8) Except in the case of the final return of an estate, 756  
add any amount deducted by the taxpayer on both its Ohio estate 757  
tax return pursuant to section 5731.14 of the Revised Code, and 758  
on its federal income tax return in determining federal taxable 759  
income; 760

(9) (a) Deduct any amount included in federal taxable 761  
income solely because the amount represents a reimbursement or 762  
refund of expenses that in a previous year the decedent had 763  
deducted as an itemized deduction pursuant to section 63 of the 764  
Internal Revenue Code and applicable treasury regulations. The 765  
deduction otherwise allowed under division (S) (9) (a) of this 766  
section shall be reduced to the extent the reimbursement is 767  
attributable to an amount the taxpayer or decedent deducted 768  
under this section in any taxable year. 769

(b) Add any amount not otherwise included in Ohio taxable 770  
income for any taxable year to the extent that the amount is 771  
attributable to the recovery during the taxable year of any 772  
amount deducted or excluded in computing federal or Ohio taxable 773  
income in any taxable year, but only to the extent such amount 774

has not been distributed to beneficiaries for the taxable year. 775

(10) Deduct any portion of the deduction described in 776  
section 1341(a)(2) of the Internal Revenue Code, for repaying 777  
previously reported income received under a claim of right, that 778  
meets both of the following requirements: 779

(a) It is allowable for repayment of an item that was 780  
included in the taxpayer's taxable income or the decedent's 781  
adjusted gross income for a prior taxable year and did not 782  
qualify for a credit under division (A) or (B) of section 783  
5747.05 of the Revised Code for that year. 784

(b) It does not otherwise reduce the taxpayer's taxable 785  
income or the decedent's adjusted gross income for the current 786  
or any other taxable year. 787

(11) Add any amount claimed as a credit under section 788  
5747.059 of the Revised Code to the extent that the amount 789  
satisfies either of the following: 790

(a) The amount was deducted or excluded from the 791  
computation of the taxpayer's federal taxable income as required 792  
to be reported for the taxpayer's taxable year under the 793  
Internal Revenue Code; 794

(b) The amount resulted in a reduction in the taxpayer's 795  
federal taxable income as required to be reported for any of the 796  
taxpayer's taxable years under the Internal Revenue Code. 797

(12) Deduct any amount, net of related expenses deducted 798  
in computing federal taxable income, that a trust is required to 799  
report as farm income on its federal income tax return, but only 800  
if the assets of the trust include at least ten acres of land 801  
satisfying the definition of "land devoted exclusively to 802  
agricultural use" under section 5713.30 of the Revised Code, 803

regardless of whether the land is valued for tax purposes as 804  
such land under sections 5713.30 to 5713.38 of the Revised Code. 805  
If the trust is a pass-through entity investor, section 5747.231 806  
of the Revised Code applies in ascertaining if the trust is 807  
eligible to claim the deduction provided by division (S) (12) of 808  
this section in connection with the pass-through entity's farm 809  
income. 810

Except for farm income attributable to the S portion of an 811  
electing small business trust, the deduction provided by 812  
division (S) (12) of this section is allowed only to the extent 813  
that the trust has not distributed such farm income. 814

(13) Add the net amount of income described in section 815  
641(c) of the Internal Revenue Code to the extent that amount is 816  
not included in federal taxable income. 817

(14) Add or deduct the amount the taxpayer would be 818  
required to add or deduct under division (A) (17) or (18) of this 819  
section if the taxpayer's Ohio taxable income were computed in 820  
the same manner as an individual's Ohio adjusted gross income is 821  
computed under this section. 822

(15) Add, to the extent not otherwise included in 823  
computing taxable income or Ohio taxable income for any taxable 824  
year, the taxpayer's proportionate share of the amount of the 825  
tax levied under section 5747.38 of the Revised Code and paid by 826  
an electing pass-through entity for the taxable year. 827

(T) "School district income" and "school district income 828  
tax" have the same meanings as in section 5748.01 of the Revised 829  
Code. 830

(U) As used in divisions (A) (7), (A) (8), (S) (6), and (S) 831  
(7) of this section, "public obligations," "purchase 832

obligations," and "interest or interest equivalent" have the 833  
same meanings as in section 5709.76 of the Revised Code. 834

(V) "Limited liability company" means any limited 835  
liability company formed under former Chapter 1705. ~~or of the~~ 836  
Revised Code as that chapter existed prior to February 11, 2022, 837  
Chapter 1706. of the Revised Code, ~~or under~~ the laws of any 838  
other state. 839

(W) "Pass-through entity investor" means any person who, 840  
during any portion of a taxable year of a pass-through entity, 841  
is a partner, member, shareholder, or equity investor in that 842  
pass-through entity. 843

(X) "Banking day" has the same meaning as in section 844  
1304.01 of the Revised Code. 845

(Y) "Month" means a calendar month. 846

(Z) "Quarter" means the first three months, the second 847  
three months, the third three months, or the last three months 848  
of the taxpayer's taxable year. 849

(AA) (1) "Modified business income" means the business 850  
income included in a trust's Ohio taxable income after such 851  
taxable income is first reduced by the qualifying trust amount, 852  
if any. 853

(2) "Qualifying trust amount" of a trust means capital 854  
gains and losses from the sale, exchange, or other disposition 855  
of equity or ownership interests in, or debt obligations of, a 856  
qualifying investee to the extent included in the trust's Ohio 857  
taxable income, but only if the following requirements are 858  
satisfied: 859

(a) The book value of the qualifying investee's physical 860

assets in this state and everywhere, as of the last day of the 861  
qualifying investee's fiscal or calendar year ending immediately 862  
prior to the date on which the trust recognizes the gain or 863  
loss, is available to the trust. 864

(b) The requirements of section 5747.011 of the Revised 865  
Code are satisfied for the trust's taxable year in which the 866  
trust recognizes the gain or loss. 867

Any gain or loss that is not a qualifying trust amount is 868  
modified business income, qualifying investment income, or 869  
modified nonbusiness income, as the case may be. 870

(3) "Modified nonbusiness income" means a trust's Ohio 871  
taxable income other than modified business income, other than 872  
the qualifying trust amount, and other than qualifying 873  
investment income, as defined in section 5747.012 of the Revised 874  
Code, to the extent such qualifying investment income is not 875  
otherwise part of modified business income. 876

(4) "Modified Ohio taxable income" applies only to trusts, 877  
and means the sum of the amounts described in divisions (AA) (4) 878  
(a) to (c) of this section: 879

(a) The fraction, calculated under section 5747.013, and 880  
applying section 5747.231 of the Revised Code, multiplied by the 881  
sum of the following amounts: 882

(i) The trust's modified business income; 883

(ii) The trust's qualifying investment income, as defined 884  
in section 5747.012 of the Revised Code, but only to the extent 885  
the qualifying investment income does not otherwise constitute 886  
modified business income and does not otherwise constitute a 887  
qualifying trust amount. 888

(b) The qualifying trust amount multiplied by a fraction, 889  
the numerator of which is the sum of the book value of the 890  
qualifying investee's physical assets in this state on the last 891  
day of the qualifying investee's fiscal or calendar year ending 892  
immediately prior to the day on which the trust recognizes the 893  
qualifying trust amount, and the denominator of which is the sum 894  
of the book value of the qualifying investee's total physical 895  
assets everywhere on the last day of the qualifying investee's 896  
fiscal or calendar year ending immediately prior to the day on 897  
which the trust recognizes the qualifying trust amount. If, for 898  
a taxable year, the trust recognizes a qualifying trust amount 899  
with respect to more than one qualifying investee, the amount 900  
described in division (AA) (4) (b) of this section shall equal the 901  
sum of the products so computed for each such qualifying 902  
investee. 903

(c) (i) With respect to a trust or portion of a trust that 904  
is a resident as ascertained in accordance with division (I) (3) 905  
(d) of this section, its modified nonbusiness income. 906

(ii) With respect to a trust or portion of a trust that is 907  
not a resident as ascertained in accordance with division (I) (3) 908  
(d) of this section, the amount of its modified nonbusiness 909  
income satisfying the descriptions in divisions (B) (2) to (5) of 910  
section 5747.20 of the Revised Code, except as otherwise 911  
provided in division (AA) (4) (c) (ii) of this section. With 912  
respect to a trust or portion of a trust that is not a resident 913  
as ascertained in accordance with division (I) (3) (d) of this 914  
section, the trust's portion of modified nonbusiness income 915  
recognized from the sale, exchange, or other disposition of a 916  
debt interest in or equity interest in a section 5747.212 917  
entity, as defined in section 5747.212 of the Revised Code, 918  
without regard to division (A) of that section, shall not be 919



allocated to this state in accordance with section 5747.20 of 920  
the Revised Code but shall be apportioned to this state in 921  
accordance with division (B) of section 5747.212 of the Revised 922  
Code without regard to division (A) of that section. 923

If the allocation and apportionment of a trust's income 924  
under divisions (AA) (4) (a) and (c) of this section do not fairly 925  
represent the modified Ohio taxable income of the trust in this 926  
state, the alternative methods described in division (C) of 927  
section 5747.21 of the Revised Code may be applied in the manner 928  
and to the same extent provided in that section. 929

(5) (a) Except as set forth in division (AA) (5) (b) of this 930  
section, "qualifying investee" means a person in which a trust 931  
has an equity or ownership interest, or a person or unit of 932  
government the debt obligations of either of which are owned by 933  
a trust. For the purposes of division (AA) (2) (a) of this section 934  
and for the purpose of computing the fraction described in 935  
division (AA) (4) (b) of this section, all of the following apply: 936

(i) If the qualifying investee is a member of a qualifying 937  
controlled group on the last day of the qualifying investee's 938  
fiscal or calendar year ending immediately prior to the date on 939  
which the trust recognizes the gain or loss, then "qualifying 940  
investee" includes all persons in the qualifying controlled 941  
group on such last day. 942

(ii) If the qualifying investee, or if the qualifying 943  
investee and any members of the qualifying controlled group of 944  
which the qualifying investee is a member on the last day of the 945  
qualifying investee's fiscal or calendar year ending immediately 946  
prior to the date on which the trust recognizes the gain or 947  
loss, separately or cumulatively own, directly or indirectly, on 948  
the last day of the qualifying investee's fiscal or calendar 949

year ending immediately prior to the date on which the trust 950  
recognizes the qualifying trust amount, more than fifty per cent 951  
of the equity of a pass-through entity, then the qualifying 952  
investee and the other members are deemed to own the 953  
proportionate share of the pass-through entity's physical assets 954  
which the pass-through entity directly or indirectly owns on the 955  
last day of the pass-through entity's calendar or fiscal year 956  
ending within or with the last day of the qualifying investee's 957  
fiscal or calendar year ending immediately prior to the date on 958  
which the trust recognizes the qualifying trust amount. 959

(iii) For the purposes of division (AA) (5) (a) (iii) of this 960  
section, "upper level pass-through entity" means a pass-through 961  
entity directly or indirectly owning any equity of another pass- 962  
through entity, and "lower level pass-through entity" means that 963  
other pass-through entity. 964

An upper level pass-through entity, whether or not it is 965  
also a qualifying investee, is deemed to own, on the last day of 966  
the upper level pass-through entity's calendar or fiscal year, 967  
the proportionate share of the lower level pass-through entity's 968  
physical assets that the lower level pass-through entity 969  
directly or indirectly owns on the last day of the lower level 970  
pass-through entity's calendar or fiscal year ending within or 971  
with the last day of the upper level pass-through entity's 972  
fiscal or calendar year. If the upper level pass-through entity 973  
directly and indirectly owns less than fifty per cent of the 974  
equity of the lower level pass-through entity on each day of the 975  
upper level pass-through entity's calendar or fiscal year in 976  
which or with which ends the calendar or fiscal year of the 977  
lower level pass-through entity and if, based upon clear and 978  
convincing evidence, complete information about the location and 979  
cost of the physical assets of the lower pass-through entity is 980

not available to the upper level pass-through entity, then 981  
solely for purposes of ascertaining if a gain or loss 982  
constitutes a qualifying trust amount, the upper level pass- 983  
through entity shall be deemed as owning no equity of the lower 984  
level pass-through entity for each day during the upper level 985  
pass-through entity's calendar or fiscal year in which or with 986  
which ends the lower level pass-through entity's calendar or 987  
fiscal year. Nothing in division (AA) (5) (a) (iii) of this section 988  
shall be construed to provide for any deduction or exclusion in 989  
computing any trust's Ohio taxable income. 990

(b) With respect to a trust that is not a resident for the 991  
taxable year and with respect to a part of a trust that is not a 992  
resident for the taxable year, "qualifying investee" for that 993  
taxable year does not include a C corporation if both of the 994  
following apply: 995

(i) During the taxable year the trust or part of the trust 996  
recognizes a gain or loss from the sale, exchange, or other 997  
disposition of equity or ownership interests in, or debt 998  
obligations of, the C corporation. 999

(ii) Such gain or loss constitutes nonbusiness income. 1000

(6) "Available" means information is such that a person is 1001  
able to learn of the information by the due date plus 1002  
extensions, if any, for filing the return for the taxable year 1003  
in which the trust recognizes the gain or loss. 1004

(BB) "Qualifying controlled group" has the same meaning as 1005  
in section 5733.04 of the Revised Code. 1006

(CC) "Related member" has the same meaning as in section 1007  
5733.042 of the Revised Code. 1008

(DD) (1) For the purposes of division (DD) of this section: 1009

(a) "Qualifying person" means any person other than a qualifying corporation.	1010 1011
(b) "Qualifying corporation" means any person classified for federal income tax purposes as an association taxable as a corporation, except either of the following:	1012 1013 1014
(i) A corporation that has made an election under subchapter S, chapter one, subtitle A, of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year;	1015 1016 1017 1018
(ii) A subsidiary that is wholly owned by any corporation that has made an election under subchapter S, chapter one, subtitle A of the Internal Revenue Code for its taxable year ending within, or on the last day of, the investor's taxable year.	1019 1020 1021 1022 1023
(2) For the purposes of this chapter, unless expressly stated otherwise, no qualifying person indirectly owns any asset directly or indirectly owned by any qualifying corporation.	1024 1025 1026
(EE) For purposes of this chapter and Chapter 5751. of the Revised Code:	1027 1028
(1) "Trust" does not include a qualified pre-income tax trust.	1029 1030
(2) A "qualified pre-income tax trust" is any pre-income tax trust that makes a qualifying pre-income tax trust election as described in division (EE) (3) of this section.	1031 1032 1033
(3) A "qualifying pre-income tax trust election" is an election by a pre-income tax trust to subject to the tax imposed by section 5751.02 of the Revised Code the pre-income tax trust and all pass-through entities of which the trust owns or	1034 1035 1036 1037

controls, directly, indirectly, or constructively through 1038  
related interests, five per cent or more of the ownership or 1039  
equity interests. The trustee shall notify the tax commissioner 1040  
in writing of the election on or before April 15, 2006. The 1041  
election, if timely made, shall be effective on and after 1042  
January 1, 2006, and shall apply for all tax periods and tax 1043  
years until revoked by the trustee of the trust. 1044

(4) A "pre-income tax trust" is a trust that satisfies all 1045  
of the following requirements: 1046

(a) The document or instrument creating the trust was 1047  
executed by the grantor before January 1, 1972; 1048

(b) The trust became irrevocable upon the creation of the 1049  
trust; and 1050

(c) The grantor was domiciled in this state at the time 1051  
the trust was created. 1052

(FF) "Uniformed services" has the same meaning as in 10 1053  
U.S.C. 101. 1054

(GG) "Taxable business income" means the amount by which 1055  
an individual's business income that is included in federal 1056  
adjusted gross income exceeds the amount of business income the 1057  
individual is authorized to deduct under division (A) (28) of 1058  
this section for the taxable year. 1059

(HH) "Employer" does not include a franchisor with respect 1060  
to the franchisor's relationship with a franchisee or an 1061  
employee of a franchisee, unless the franchisor agrees to assume 1062  
that role in writing or a court of competent jurisdiction 1063  
determines that the franchisor exercises a type or degree of 1064  
control over the franchisee or the franchisee's employees that 1065  
is not customarily exercised by a franchisor for the purpose of 1066

protecting the franchisor's trademark, brand, or both. For 1067  
purposes of this division, "franchisor" and "franchisee" have 1068  
the same meanings as in 16 C.F.R. 436.1. 1069

(II) "Modified adjusted gross income" means Ohio adjusted 1070  
gross income plus any amount deducted under divisions (A) (28) 1071  
and (34) of this section for the taxable year. 1072

(JJ) "Qualifying Ohio educator" means an individual who, 1073  
for a taxable year, qualifies as an eligible educator, as that 1074  
term is defined in section 62 of the Internal Revenue Code, and 1075  
who holds a certificate, license, or permit described in Chapter 1076  
3319. or section 3301.071 of the Revised Code. 1077

**Sec. 5747.08.** An annual return with respect to the tax 1078  
imposed by section 5747.02 of the Revised Code and each tax 1079  
imposed under Chapter 5748. of the Revised Code shall be made by 1080  
every taxpayer for any taxable year for which the taxpayer is 1081  
liable for the tax imposed by that section or under that 1082  
chapter, unless the total credits allowed under division (E) of 1083  
section 5747.05 and divisions (F) and (G) of section 5747.055 of 1084  
the Revised Code for the year are equal to or exceed the tax 1085  
imposed by section 5747.02 of the Revised Code, in which case no 1086  
return shall be required unless the taxpayer is liable for a tax 1087  
imposed pursuant to Chapter 5748. of the Revised Code. 1088

(A) If an individual is deceased, any return or notice 1089  
required of that individual under this chapter shall be made and 1090  
filed by that decedent's executor, administrator, or other 1091  
person charged with the property of that decedent. 1092

(B) If an individual is unable to make a return or notice 1093  
required by this chapter, the return or notice required of that 1094  
individual shall be made and filed by the individual's duly 1095

authorized agent, guardian, conservator, fiduciary, or other 1096  
person charged with the care of the person or property of that 1097  
individual. 1098

(C) Returns or notices required of an estate or a trust 1099  
shall be made and filed by the fiduciary of the estate or trust. 1100

(D) (1) (a) Except as otherwise provided in division (D) (1) 1101  
(b) of this section, any pass-through entity may file a single 1102  
return on behalf of one or more of the entity's investors other 1103  
than an investor that is a person subject to the tax imposed 1104  
under section 5733.06 of the Revised Code. The single return 1105  
shall set forth the name, address, and social security number or 1106  
other identifying number of each of those pass-through entity 1107  
investors and shall indicate the distributive share of each of 1108  
those pass-through entity investor's income taxable in this 1109  
state in accordance with sections 5747.20 to 5747.231 of the 1110  
Revised Code. Such pass-through entity investors for whom the 1111  
pass-through entity elects to file a single return are not 1112  
entitled to the exemption or credit provided for by sections 1113  
5747.02 and 5747.022 of the Revised Code; shall calculate the 1114  
tax before business credits at the highest rate of tax set forth 1115  
in section 5747.02 of the Revised Code for the taxable year for 1116  
which the return is filed; and are entitled to only their 1117  
distributive share of the business credits as defined in 1118  
division (D) (2) of this section. A single check drawn by the 1119  
pass-through entity shall accompany the return in full payment 1120  
of the tax due, as shown on the single return, for such 1121  
investors, other than investors who are persons subject to the 1122  
tax imposed under section 5733.06 of the Revised Code. 1123

(b) (i) A pass-through entity shall not include in such a 1124  
single return any investor that is a trust to the extent that 1125

any direct or indirect current, future, or contingent 1126  
beneficiary of the trust is a person subject to the tax imposed 1127  
under section 5733.06 of the Revised Code. 1128

(ii) A pass-through entity shall not include in such a 1129  
single return any investor that is itself a pass-through entity 1130  
to the extent that any direct or indirect investor in the second 1131  
pass-through entity is a person subject to the tax imposed under 1132  
section 5733.06 of the Revised Code. 1133

(c) Except as provided by division (L) of this section, 1134  
nothing in division (D) of this section precludes the tax 1135  
commissioner from requiring such investors to file the return 1136  
and make the payment of taxes and related interest, penalty, and 1137  
interest penalty required by this section or section 5747.02, 1138  
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 1139  
of this section precludes such an investor from filing the 1140  
annual return under this section, utilizing the refundable 1141  
credit equal to the investor's proportionate share of the tax 1142  
paid by the pass-through entity on behalf of the investor under 1143  
division (I) of this section, and making the payment of taxes 1144  
imposed under section 5747.02 of the Revised Code. Nothing in 1145  
division (D) of this section shall be construed to provide to 1146  
such an investor or pass-through entity any additional deduction 1147  
or credit, other than the credit provided by division (I) of 1148  
this section, solely on account of the entity's filing a return 1149  
in accordance with this section. Such a pass-through entity also 1150  
shall make the filing and payment of estimated taxes on behalf 1151  
of the pass-through entity investors other than an investor that 1152  
is a person subject to the tax imposed under section 5733.06 of 1153  
the Revised Code. 1154

(2) For the purposes of this section, "business credits" 1155



means the credits listed in section 5747.98 of the Revised Code	1156
excluding the following credits:	1157
(a) The retirement income credit under division (B) of	1158
section 5747.055 of the Revised Code;	1159
(b) The senior citizen credit under division (F) of	1160
section 5747.055 of the Revised Code;	1161
(c) The lump sum distribution credit under division (G) of	1162
section 5747.055 of the Revised Code;	1163
(d) The dependent care credit under section 5747.054 of	1164
the Revised Code;	1165
(e) The lump sum retirement income credit under division	1166
(C) of section 5747.055 of the Revised Code;	1167
(f) The lump sum retirement income credit under division	1168
(D) of section 5747.055 of the Revised Code;	1169
(g) The lump sum retirement income credit under division	1170
(E) of section 5747.055 of the Revised Code;	1171
(h) The credit for displaced workers who pay for job	1172
training under section 5747.27 of the Revised Code;	1173
(i) The twenty-dollar personal exemption credit under	1174
section 5747.022 of the Revised Code;	1175
(j) The joint filing credit under division (E) of section	1176
5747.05 of the Revised Code;	1177
(k) The nonresident credit under division (A) of section	1178
5747.05 of the Revised Code;	1179
(l) The credit for a resident's out-of-state income under	1180
division (B) of section 5747.05 of the Revised Code;	1181

(m) The earned income tax credit under section 5747.71 of the Revised Code;	1182 1183
(n) The lead abatement credit under section 5747.26 of the Revised Code;	1184 1185
(o) The credit for education expenses under section 5747.72 of the Revised Code;	1186 1187
(p) The credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	1188 1189
<u>(q) The thriving families tax credit under section 5747.36 of the Revised Code.</u>	1190 1191
(3) The election provided for under division (D) of this section applies only to the taxable year for which the election is made by the pass-through entity. Unless the tax commissioner provides otherwise, this election, once made, is binding and irrevocable for the taxable year for which the election is made. Nothing in this division shall be construed to provide for any deduction or credit that would not be allowable if a nonresident pass-through entity investor were to file an annual return.	1192 1193 1194 1195 1196 1197 1198 1199
(4) If a pass-through entity makes the election provided for under division (D) of this section, the pass-through entity shall be liable for any additional taxes, interest, interest penalty, or penalties imposed by this chapter if the tax commissioner finds that the single return does not reflect the correct tax due by the pass-through entity investors covered by that return. Nothing in this division shall be construed to limit or alter the liability, if any, imposed on pass-through entity investors for unpaid or underpaid taxes, interest, interest penalty, or penalties as a result of the pass-through entity's making the election provided for under division (D) of	1200 1201 1202 1203 1204 1205 1206 1207 1208 1209 1210

this section. For the purposes of division (D) of this section, 1211  
"correct tax due" means the tax that would have been paid by the 1212  
pass-through entity had the single return been filed in a manner 1213  
reflecting the commissioner's findings. Nothing in division (D) 1214  
of this section shall be construed to make or hold a pass- 1215  
through entity liable for tax attributable to a pass-through 1216  
entity investor's income from a source other than the pass- 1217  
through entity electing to file the single return. 1218

(E) If a husband and wife file a joint federal income tax 1219  
return for a taxable year, they shall file a joint return under 1220  
this section for that taxable year, and their liabilities are 1221  
joint and several, but, if the federal income tax liability of 1222  
either spouse is determined on a separate federal income tax 1223  
return, they shall file separate returns under this section. 1224

If either spouse is not required to file a federal income 1225  
tax return and either or both are required to file a return 1226  
pursuant to this chapter, they may elect to file separate or 1227  
joint returns, and, pursuant to that election, their liabilities 1228  
are separate or joint and several. If a husband and wife file 1229  
separate returns pursuant to this chapter, each must claim the 1230  
taxpayer's own exemption, but not both, as authorized under 1231  
section 5747.02 of the Revised Code on the taxpayer's own 1232  
return. 1233

(F) Each return or notice required to be filed under this 1234  
section shall contain the signature of the taxpayer or the 1235  
taxpayer's duly authorized agent and of the person who prepared 1236  
the return for the taxpayer, and shall include the taxpayer's 1237  
social security number. Each return shall be verified by a 1238  
declaration under the penalties of perjury. The tax commissioner 1239  
shall prescribe the form that the signature and declaration 1240

shall take. 1241

(G) Each return or notice required to be filed under this 1242  
section shall be made and filed as required by section 5747.04 1243  
of the Revised Code, on or before the fifteenth day of April of 1244  
each year, on forms that the tax commissioner shall prescribe, 1245  
together with remittance made payable to the treasurer of state 1246  
in the combined amount of the state and all school district 1247  
income taxes shown to be due on the form. 1248

Upon good cause shown, the commissioner may extend the 1249  
period for filing any notice or return required to be filed 1250  
under this section and may adopt rules relating to extensions. 1251  
If the extension results in an extension of time for the payment 1252  
of any state or school district income tax liability with 1253  
respect to which the return is filed, the taxpayer shall pay at 1254  
the time the tax liability is paid an amount of interest 1255  
computed at the rate per annum prescribed by section 5703.47 of 1256  
the Revised Code on that liability from the time that payment is 1257  
due without extension to the time of actual payment. Except as 1258  
provided in section 5747.132 of the Revised Code, in addition to 1259  
all other interest charges and penalties, all taxes imposed 1260  
under this chapter or Chapter 5748. of the Revised Code and 1261  
remaining unpaid after they become due, except combined amounts 1262  
due of one dollar or less, bear interest at the rate per annum 1263  
prescribed by section 5703.47 of the Revised Code until paid or 1264  
until the day an assessment is issued under section 5747.13 of 1265  
the Revised Code, whichever occurs first. 1266

If the commissioner considers it necessary in order to 1267  
ensure the payment of the tax imposed by section 5747.02 of the 1268  
Revised Code or any tax imposed under Chapter 5748. of the 1269  
Revised Code, the commissioner may require returns and payments 1270

to be made otherwise than as provided in this section. 1271

To the extent that any provision in this division 1272  
conflicts with any provision in section 5747.026 of the Revised 1273  
Code, the provision in that section prevails. 1274

(H) The amounts withheld pursuant to section 5747.06, 1275  
5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of the 1276  
Revised Code shall be allowed to the ultimate recipient of the 1277  
income as credits against payment of the appropriate taxes 1278  
imposed on the ultimate recipient by section 5747.02 and under 1279  
Chapter 5748. of the Revised Code. As used in this division, 1280  
"ultimate recipient" means the person who is required to report 1281  
income from which amounts are withheld pursuant to section 1282  
5747.06, 5747.062, 5747.063, 5747.064, 5747.065, or 5747.071 of 1283  
the Revised Code on the annual return required to be filed under 1284  
this section. 1285

(I) If a pass-through entity elects to file a single 1286  
return under division (D) of this section and if any investor is 1287  
required to file the annual return and make the payment of taxes 1288  
required by this chapter on account of the investor's other 1289  
income that is not included in a single return filed by a pass- 1290  
through entity or any other investor elects to file the annual 1291  
return, the investor is entitled to a refundable credit equal to 1292  
the investor's proportionate share of the tax paid by the pass- 1293  
through entity on behalf of the investor. The investor shall 1294  
claim the credit for the investor's taxable year in which or 1295  
with which ends the taxable year of the pass-through entity. 1296  
Nothing in this chapter shall be construed to allow any credit 1297  
provided in this chapter to be claimed more than once. For the 1298  
purpose of computing any interest, penalty, or interest penalty, 1299  
the investor shall be deemed to have paid the refundable credit 1300

provided by this division on the day that the pass-through 1301  
entity paid the estimated tax or the tax giving rise to the 1302  
credit. 1303

(J) The tax commissioner shall ensure that each return 1304  
required to be filed under this section includes a box that the 1305  
taxpayer may check to authorize a paid tax preparer who prepared 1306  
the return to communicate with the department of taxation about 1307  
matters pertaining to the return. The return or instructions 1308  
accompanying the return shall indicate that by checking the box 1309  
the taxpayer authorizes the department of taxation to contact 1310  
the preparer concerning questions that arise during the 1311  
processing of the return and authorizes the preparer only to 1312  
provide the department with information that is missing from the 1313  
return, to contact the department for information about the 1314  
processing of the return or the status of the taxpayer's refund 1315  
or payments, and to respond to notices about mathematical 1316  
errors, offsets, or return preparation that the taxpayer has 1317  
received from the department and has shown to the preparer. 1318

(K) The tax commissioner shall permit individual taxpayers 1319  
to instruct the department of taxation to cause any refund of 1320  
overpaid taxes to be deposited directly into a checking account, 1321  
savings account, or an individual retirement account or 1322  
individual retirement annuity, or preexisting college savings 1323  
plan or program account offered by the Ohio tuition trust 1324  
authority under Chapter 3334. of the Revised Code, as designated 1325  
by the taxpayer, when the taxpayer files the annual return 1326  
required by this section electronically. 1327

(L) If, for the taxable year, a nonresident or trust that 1328  
is the owner of an electing pass-through entity, as defined in 1329  
section 5747.38 of the Revised Code, does not have Ohio adjusted 1330

gross income or, in the case of a trust, modified Ohio taxable 1331  
income other than from one or more electing pass-through 1332  
entities, the nonresident or trust shall not be required to file 1333  
an annual return under this section. Nothing in this division 1334  
precludes such an owner from filing the annual return under this 1335  
section, utilizing the refundable credit under section 5747.39 1336  
of the Revised Code equal to the owner's proportionate share of 1337  
the tax levied under section 5747.38 of the Revised Code and 1338  
paid by the electing pass-through entity, and making the payment 1339  
of taxes imposed under section 5747.02 of the Revised Code. 1340

(M) The tax commissioner may adopt rules to administer 1341  
this section. 1342

Sec. 5747.36. (A) As used in this section: 1343

(1) "Qualifying child" means an individual who is a 1344  
dependent of the taxpayer and who is less than eighteen years of 1345  
age on the last day of the taxpayer's taxable year. 1346

(2) "Household" means any dwelling unit, including a unit 1347  
in a multiple unit dwelling, a manufactured home, or a mobile 1348  
home. 1349

(3) "Household income" means the sum of the federal 1350  
adjusted gross income of a taxpayer and all other occupants of 1351  
the taxpayer's household other than qualifying children or any 1352  
other individuals eligible to be claimed as a dependent for 1353  
federal income tax purposes for the taxable year. 1354

(B) (1) There is hereby granted a refundable credit, to be 1355  
known as the thriving families tax credit, against the aggregate 1356  
tax liability, under section 5747.02 of the Revised Code, of a 1357  
taxpayer who is an individual with one or more qualifying 1358  
children and who has a household income for the taxable year 1359

that does not exceed eighty-five thousand dollars. Except as 1360  
provided in division (B) (2) of this section, the amount of the 1361  
credit shall equal one thousand dollars for each of the 1362  
taxpayer's qualifying children who is less than six years of age 1363  
on the last day of the taxpayer's taxable year or five hundred 1364  
dollars for each other qualifying child. 1365

(2) The credit amounts described in division (B) (1) of 1366  
this section shall be reduced by one-twentieth of that amount 1367  
for each one thousand dollars of a taxpayer's annual household 1368  
income in excess of sixty-five thousand dollars. 1369

(3) The tax commissioner may request that a taxpayer 1370  
claiming a credit under this section furnish information as is 1371  
necessary to support the claim for the credit under this 1372  
section, and no credit shall be allowed unless the requested 1373  
information is provided. 1374

(C) The taxpayer shall claim the credit in the order 1375  
required under section 5747.98 of the Revised Code. If the 1376  
credit allowed for any taxable year exceeds the aggregate amount 1377  
of tax otherwise due under section 5747.02 of the Revised Code, 1378  
after allowing for any other credits preceding the credit in 1379  
that order, the excess shall be refunded to the taxpayer in 1380  
twelve equal payments to be paid on or before the last day of 1381  
each calendar month beginning after the filing date. 1382

**Sec. 5747.98.** (A) To provide a uniform procedure for 1383  
calculating a taxpayer's aggregate tax liability under section 1384  
5747.02 of the Revised Code, a taxpayer shall claim any credits 1385  
to which the taxpayer is entitled in the following order: 1386

Either the retirement income credit under division (B) of 1387  
section 5747.055 of the Revised Code or the lump sum retirement 1388



income credits under divisions (C), (D), and (E) of that section;	1389 1390
Either the senior citizen credit under division (F) of section 5747.055 of the Revised Code or the lump sum distribution credit under division (G) of that section;	1391 1392 1393
The dependent care credit under section 5747.054 of the Revised Code;	1394 1395
The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	1396 1397
The campaign contribution credit under section 5747.29 of the Revised Code;	1398 1399
The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	1400 1401
The joint filing credit under division (G) of section 5747.05 of the Revised Code;	1402 1403
The earned income credit under section 5747.71 of the Revised Code;	1404 1405
The nonrefundable credit for education expenses under section 5747.72 of the Revised Code;	1406 1407
The nonrefundable credit for donations to scholarship granting organizations under section 5747.73 of the Revised Code;	1408 1409 1410
The nonrefundable credit for tuition paid to a nonchartered nonpublic school under section 5747.75 of the Revised Code;	1411 1412 1413
The nonrefundable vocational job credit under section 5747.057 of the Revised Code;	1414 1415

The nonrefundable job retention credit under division (B)	1416
of section 5747.058 of the Revised Code;	1417
The enterprise zone credit under section 5709.66 of the	1418
Revised Code;	1419
The credit for beginning farmers who participate in a	1420
financial management program under division (B) of section	1421
5747.77 of the Revised Code;	1422
The credit for commercial vehicle operator training	1423
expenses under section 5747.82 of the Revised Code;	1424
The credit for selling or renting agricultural assets to	1425
beginning farmers under division (A) of section 5747.77 of the	1426
Revised Code;	1427
The credit for purchases of qualifying grape production	1428
property under section 5747.28 of the Revised Code;	1429
The small business investment credit under section 5747.81	1430
of the Revised Code;	1431
The nonrefundable lead abatement credit under section	1432
5747.26 of the Revised Code;	1433
The opportunity zone investment credit under section	1434
122.84 of the Revised Code;	1435
The enterprise zone credits under section 5709.65 of the	1436
Revised Code;	1437
The research and development credit under section 5747.331	1438
of the Revised Code;	1439
The credit for rehabilitating a historic building under	1440
section 5747.76 of the Revised Code;	1441
The nonresident credit under division (A) of section	1442

5747.05 of the Revised Code;	1443
The credit for a resident's out-of-state income under	1444
division (B) of section 5747.05 of the Revised Code;	1445
The refundable motion picture and Broadway theatrical	1446
production credit under section 5747.66 of the Revised Code;	1447
The refundable jobs creation credit or job retention	1448
credit under division (A) of section 5747.058 of the Revised	1449
Code;	1450
The refundable credit for taxes paid by a qualifying	1451
entity granted under section 5747.059 of the Revised Code;	1452
The refundable credits for taxes paid by a qualifying	1453
pass-through entity granted under division (I) of section	1454
5747.08 of the Revised Code;	1455
The refundable credit under section 5747.80 of the Revised	1456
Code for losses on loans made to the Ohio venture capital	1457
program under sections 150.01 to 150.10 of the Revised Code;	1458
The refundable credit for rehabilitating a historic	1459
building under section 5747.76 of the Revised Code;	1460
The refundable credit under section 5747.39 of the Revised	1461
Code for taxes levied under section 5747.38 of the Revised Code	1462
paid by an electing pass-through entity;	1463
<u>The refundable thriving families tax credit under section</u>	1464
<u>5747.36 of the Revised Code.</u>	1465
(B) For any credit, except the refundable credits	1466
enumerated in this section and the credit granted under division	1467
(H) of section 5747.08 of the Revised Code, the amount of the	1468
credit for a taxable year shall not exceed the taxpayer's	1469

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.

**Section 2.** That existing sections 5747.01, 5747.08, and 5747.98 of the Revised Code are hereby repealed.

**Section 3.** The amendment or enactment by this act of sections 5747.01 and 5747.36 of the Revised Code applies to taxable years ending on or after the effective date of this section.

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

Section 5747.01 of the Revised Code as amended by H.B. 45, H.B. 110, H.B. 150, H.B. 515, S.B. 33, and S.B. 246 all of the 134th General Assembly.

Section 5747.98 of the Revised Code as amended by H.B. 45, H.B. 66, H.B. 95, S.B. 166, and S.B. 246, all of the 134th General Assembly.