

As Reported by the House Ways and Means Committee

134th General Assembly

Regular Session

2021-2022

Sub. S. B. No. 225

Senator Schuring

Cosponsors: Senators Lang, Romanchuk, Brenner, Manning, Blessing, Reineke, Gavarone, Rulli, Huffman, S., Antonio, Craig, Peterson, Schaffer, Hottinger, Yuko, Cirino, Hoagland, Antani, Hackett, Kunze, Wilson, Fedor, Dolan, Sykes, Huffman, M., Johnson, Maharath, McColley, O'Brien, Thomas, Williams Representative Troy

A BILL

To amend sections 122.84, 149.311, and 5701.11 of 1
the Revised Code and to amend Section 803.210 of 2
H.B. 110 of the 134th General Assembly to modify 3
the historic rehabilitation and the opportunity 4
zone investment tax credits, to adjust the 5
applicability of certain recently enacted 6
provisions related to tax increment financing 7
and downtown redevelopment districts, and to 8
authorize the City of Canton to distribute 9
moneys in the Hartford-Houtz Poor Fund to the 10
Canton Ex-Newsboys Association or any other 11
charitable organization. 12

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

Section 1. That sections 122.84, 149.311, and 5701.11 of 13
the Revised Code be amended to read as follows: 14

Sec. 122.84. (A) As used in this section: 15

(1) "Ohio qualified opportunity fund" means a qualified 16

opportunity fund that holds one hundred per cent of its invested 17
assets in qualified opportunity zone property situated in an 18
Ohio opportunity zone. 19

In the case of qualified opportunity zone property that is 20
qualified opportunity zone stock or qualified opportunity zone 21
partnership interest, the stock or interest is situated in an 22
Ohio opportunity zone only if, during all of the qualified 23
opportunity fund's holding period for such stock or interest, 24
all of the use of the corporation's or partnership's tangible 25
property was in an Ohio opportunity zone. In the case of 26
qualified opportunity zone property that is qualified 27
opportunity zone business property, the property is situated in 28
an Ohio opportunity zone only if, during all of the fund's 29
holding period for such property, all of the use of the property 30
was in an Ohio opportunity zone. 31

All terms used in division (A) of this section have the 32
same meaning as in 26 U.S.C. 1400Z-2, except that "all" shall be 33
substituted for "substantially all" wherever "substantially all" 34
appears in the definition of those terms or in the definition of 35
terms used in those terms. 36

(2) "Ohio opportunity zone" means a qualified opportunity 37
zone designated in this state under 26 U.S.C. 1400Z-1 before, 38
on, or after the effective date of the enactment of this section 39
by H.B. 166 of the 133rd general assembly. 40

(3) "Taxpayer" and "taxable year" have the same meanings 41
as in section 5747.01 of the Revised Code. 42

(4) "Qualifying taxable year" means a one of the 43
following, as applicable: 44

(a) For a taxpayer, the taxpayer's taxable year that 45

includes the first day of a calendar year during which ~~an the~~ 46
Ohio qualified opportunity fund in which the ~~taxpayer credit~~ 47
eligible investment was made invests ~~makes an investment~~ in a 48
project located in an Ohio opportunity zone; 49

(b) For a person that is not a taxpayer but is subject to 50
federal income taxation, the person's federal taxable year that 51
includes the first day of a calendar year during which an Ohio 52
qualified opportunity fund in which the credit eligible 53
investment was made invests in a project located in an Ohio 54
opportunity zone; 55

(c) For any other person, the calendar year during which 56
an Ohio qualified opportunity fund in which the credit eligible 57
investment was made invests in a project located in an Ohio 58
opportunity zone. 59

(5) "Business day" means a day of the week excluding 60
Saturday, Sunday, and a legal holiday as defined under section 61
1.14 of the Revised Code. 62

(6) "Investment period" means the six-month period from 63
the first day of January to the thirtieth day of June, or from 64
the first day of July to the thirty-first day of December. 65

(B) A ~~taxpayer person~~ that invests in one or more Ohio 66
qualified opportunity funds may apply to the director of 67
development for a nonrefundable credit against the tax levied 68
under section 5747.02 of the Revised Code. The application shall 69
be made on forms prescribed by the director. The director shall 70
accept and review applications submitted under this section 71
during two annual periods, the first of which begins on ~~or after~~ 72
the ~~first tenth~~ day of January and ~~on or before~~ ends after the 73
first day of February ~~of each year,~~ and the second of which 74

begins on the tenth day of July and ends after the first day of 75
August. If any of those dates fall on a day that is not a 76
business day, then the application period begins on or ends 77
after the next business day, as applicable. The credit shall 78
equal ten per cent of the amount of the ~~taxpayer's~~ person's 79
investment in the fund that the fund invested during the 80
immediately preceding calendar year investment period in 81
projects located in Ohio opportunity zones. 82

The ~~taxpayer~~ person shall include the following 83
information with the ~~taxpayer's~~ person's application: 84

(1) The amount of the ~~taxpayer's~~ person's investment in 85
Ohio qualified opportunity funds during the ~~taxpayer's~~ person's 86
qualifying taxable year, arranged according to the amount 87
invested in each such fund if the ~~taxpayer~~ person invested in 88
more than one such fund; 89

(2) A statement from an employee or officer of each Ohio 90
qualified opportunity fund identified by the ~~taxpayer~~ person 91
under division (B)(1) of this section certifying the amount of 92
the ~~taxpayer's~~ person's investment in the fund and the amount of 93
that investment the fund invested in projects located in Ohio 94
opportunity zones during the immediately preceding calendar 95
year investment period. The statement shall describe each project 96
funded by the investment and state each project's location and 97
the portion of the ~~taxpayer's~~ person's investment invested in 98
each such project. Unless the fund demonstrates otherwise to the 99
director's satisfaction, the amount of a ~~taxpayer's~~ person's 100
investment that the fund invested in a project located in an 101
Ohio opportunity zone equals the same proportion of the amount 102
of the fund's investment in the project as the ~~taxpayer's~~ 103
person's investment in the fund bears to the total investment by 104

all investors in that fund on the date the fund makes the 105
investment in the project. 106

The director shall review and process applications in the 107
order in which applications are received. 108

(C) (1) Subject to division (C) (2) of this section, if the 109
director determines that the applicant qualifies for a credit 110
under this section, the director shall issue, within sixty days 111
after the receipt of a complete application under division (B) ~~of this section~~ 112
last day on which an application may be submitted 113
for that application period, a tax credit certificate to the 114
~~taxpayer person~~ identified with a unique number and listing the 115
amount of credit the director determines ~~the taxpayer is~~ 116
eligible to ~~claim~~ be claimed or transferred. 117

(2) The total amount of tax credits issued by the director 118
shall not ~~issue certificates in a total amount that would cause~~ 119
~~the tax credits claimed in exceed:~~ 120

(a) Seventy-five million dollars for the fiscal biennium 121
beginning July 1, 2021, and ending June 30, 2023; 122

(b) Fifty million dollars any for fiscal year 2024; 123

(c) Twenty-five million dollars for each fiscal biennium 124
~~to exceed fifty million dollars year thereafter. The~~ 125

The director shall not issue certificates to a single 126
applicant in any fiscal biennium in an amount that exceeds two 127
million dollars. 128

The director may not issue a certificate under this 129
section on the basis of any investment for which a small 130
business investment certificate has been issued under section 131
122.86 of the Revised Code. 132

(3) The credit may be claimed by a taxpayer for the 133
taxpayer's qualifying taxable year or the next ensuing taxable 134
year. The taxpayer shall claim the credit in the order 135
prescribed by section 5747.98 of the Revised Code. Any unused 136
amount may be carried forward for the following five taxable 137
years. If the certificate is issued to a pass-through entity for 138
an investment by the entity, any taxpayer that is a direct or 139
indirect investor in the pass-through entity on the last day of 140
the entity's qualifying taxable year may claim the taxpayer's 141
proportionate or distributive share of the credit against the 142
taxpayer's aggregate amount of tax levied under that section. A 143
person that is not a taxpayer shall not claim the credit but if 144
the person is the applicant to which the certificate was 145
initially issued, the person may transfer the right to claim the 146
credit under division (E) of this section. 147

(D) A taxpayer claiming a credit under this section shall 148
submit a copy of the certificate with the taxpayer's return or 149
report. 150

(E) A taxpayer-person that holds an-a wholly or partially 151
unclaimed certificate issued under this section may transfer the 152
right to claim all or part of the remaining credit to any other 153
person. To effectuate the transfer, the transferor must notify 154
the tax commissioner, in writing, that the ~~taxpayer~~ transferor 155
is transferring the right to claim ~~the~~ all or part of the 156
remaining credit stated on the certificate. The ~~taxpayer~~ 157
transferor shall identify in that notification the certificate's 158
number ~~and,~~ the name and the tax identification number of the 159
transferee, the amount of remaining credit transferred to the 160
transferee, and, if applicable, the amount of remaining credit 161
retained by the transferor. Pursuant to division ~~The transferee~~ 162
may claim the amount of credit received under this division 163

pursuant to and in the manner required under divisions (C) (3) 164
and (D) of this section, ~~the transferee may claim the credit~~ 165
stated on the certificate, subject to the limitations of this 166
section. ~~A transferee~~ Transferring a credit under this division 167
does not extend the taxable years in which the credit may be 168
claimed or number of years for which the unclaimed credit amount 169
may be carried forward under division (C) (3) of this section. 170

Any person to which a credit has been transferred under 171
this division may ~~not~~ transfer the right to claim ~~the~~ all or 172
part of the transferred credit amount to any other person, in 173
the same manner prescribed by this division for the initial 174
transfer, including that any such transfer be reported by the 175
transferor to the tax commissioner as described in this 176
division. 177

(F) On or before the first day of August each year, the 178
director of development shall submit a report to the governor, 179
the president and minority leader of the senate, and the speaker 180
and minority leader of the house of representatives on the tax 181
credit program authorized under this section. The report shall 182
include the following information: 183

(1) The number of projects funded by investments for which 184
a tax credit application was submitted under this section during 185
the preceding year, the Ohio opportunity zone in which each such 186
project is located, the number of projects funded by investments 187
for which certificates were allocated during the preceding year, 188
a description of each such project, and the composition of an 189
Ohio qualified opportunity fund's investments in each project 190
funded by investments for which a tax credit application was 191
submitted under this section; 192

(2) The number of ~~taxpayers~~ persons that invested in an 193

Ohio qualified opportunity fund and applied for a tax credit 194
based on the fund's investment in a project during the preceding 195
year, the name of the fund in which each such investment was 196
made, the number of ~~taxpayers~~ persons allocated a credit for 197
such investments under this section, and the dollar amount of 198
those credits; 199

(3) A map that shows the location of each Ohio opportunity 200
zone and that indicates which zones include existing or pending 201
projects that are, or will be, funded by tax credit-eligible 202
investments. 203

Sec. 149.311. (A) As used in this section: 204

(1) "Historic building" means a building, including its 205
structural components, that is located in this state and that is 206
either individually listed on the national register of historic 207
places under 16 U.S.C. 470a, located in a registered historic 208
district, and certified by the state historic preservation 209
officer as being of historic significance to the district, or is 210
individually listed as an historic landmark designated by a 211
local government certified under 16 U.S.C. 470a(c). 212

(2) "Qualified rehabilitation expenditures" means 213
expenditures paid or incurred during the rehabilitation period, 214
and before and after that period as determined under 26 U.S.C. 215
47, by an owner or qualified lessee of an historic building to 216
rehabilitate the building. "Qualified rehabilitation 217
expenditures" includes architectural or engineering fees paid or 218
incurred in connection with the rehabilitation, and expenses 219
incurred in the preparation of nomination forms for listing on 220
the national register of historic places. "Qualified 221
rehabilitation expenditures" does not include any of the 222
following: 223

(a) The cost of acquiring, expanding, or enlarging an historic building;	224 225
(b) Expenditures attributable to work done to facilities related to the building, such as parking lots, sidewalks, and landscaping;	226 227 228
(c) New building construction costs.	229
(3) "Owner" of an historic building means a person holding the fee simple interest in the building. "Owner" does not include the state or a state agency, or any political subdivision as defined in section 9.23 of the Revised Code.	230 231 232 233
(4) "Qualified lessee" means a person subject to a lease agreement for an historic building and eligible for the federal rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee" does not include the state or a state agency or political subdivision as defined in section 9.23 of the Revised Code.	234 235 236 237 238
(5) "Certificate owner" means the owner or qualified lessee of an historic building to which a rehabilitation tax credit certificate was issued under this section.	239 240 241
(6) "Registered historic district" means an historic district listed in the national register of historic places under 16 U.S.C. 470a, an historic district designated by a local government certified under 16 U.S.C. 470a(c), or a local historic district certified under 36 C.F.R. 67.8 and 67.9.	242 243 244 245 246
(7) "Rehabilitation" means the process of repairing or altering an historic building or buildings, making possible an efficient use while preserving those portions and features of the building and its site and environment that are significant to its historic, architectural, and cultural values.	247 248 249 250 251

(8) "Rehabilitation period" means one of the following:	252
(a) If the rehabilitation initially was not planned to be completed in stages, a period chosen by the owner or qualified lessee not to exceed twenty-four months during which rehabilitation occurs;	253 254 255 256
(b) If the rehabilitation initially was planned to be completed in stages, a period chosen by the owner or qualified lessee not to exceed sixty months during which rehabilitation occurs. Each stage shall be reviewed as a phase of a rehabilitation as determined under 26 C.F.R. 1.48-12 or a successor to that section.	257 258 259 260 261 262
(9) "State historic preservation officer" or "officer" means the state historic preservation officer appointed by the governor under 16 U.S.C. 470a.	263 264 265
(10) "Catalytic project" means the rehabilitation of an historic building, the rehabilitation of which will foster economic development within two thousand five hundred feet of the historic building.	266 267 268 269
(B) The owner or qualified lessee of an historic building may apply to the director of development for a rehabilitation tax credit certificate for qualified rehabilitation expenditures paid or incurred by such owner or qualified lessee after April 4, 2007, for rehabilitation of an historic building. If the owner of an historic building enters a pass-through agreement with a qualified lessee for the purposes of the federal rehabilitation tax credit under 26 U.S.C. 47, the qualified rehabilitation expenditures paid or incurred by the owner after April 4, 2007, may be attributed to the qualified lessee.	270 271 272 273 274 275 276 277 278 279
The form and manner of filing such applications shall be	280

prescribed by rule of the director. Each application shall state 281
the amount of qualified rehabilitation expenditures the 282
applicant estimates will be paid or incurred and shall indicate 283
whether the historic building was used as a theater before, and 284
is intended to be used as a theater after, the rehabilitation. 285
The director may require applicants to furnish documentation of 286
such estimates. 287

The director, after consultation with the tax commissioner 288
and in accordance with Chapter 119. of the Revised Code, shall 289
adopt rules that establish all of the following: 290

(1) Forms and procedures by which applicants may apply for 291
rehabilitation tax credit certificates; 292

(2) Criteria for reviewing, evaluating, and approving 293
applications for certificates within the limitations under 294
division (D) of this section, criteria for assuring that the 295
certificates issued encompass a mixture of high and low 296
qualified rehabilitation expenditures, and criteria for issuing 297
certificates under division (C) (3) (b) of this section; 298

(3) Eligibility requirements for obtaining a certificate 299
under this section; 300

(4) The form of rehabilitation tax credit certificates; 301

(5) Reporting requirements and monitoring procedures; 302

(6) Procedures and criteria for conducting cost-benefit 303
analyses of historic buildings that are the subjects of 304
applications filed under this section. The purpose of a cost- 305
benefit analysis shall be to determine whether rehabilitation of 306
the historic building will result in a net revenue gain in state 307
and local taxes once the building is used. 308

(7) Any other rules necessary to implement and administer this section.	309 310
(C) The director shall review the applications with the assistance of the state historic preservation officer and determine whether all of the following criteria are met:	311 312 313
(1) That the building that is the subject of the application is an historic building and the applicant is the owner or qualified lessee of the building;	314 315 316
(2) That the rehabilitation will satisfy standards prescribed by the United States secretary of the interior under 16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a successor to that section;	317 318 319 320
(3) That receiving a rehabilitation tax credit certificate under this section is a major factor in:	321 322
(a) The applicant's decision to rehabilitate the historic building; or	323 324
(b) To increase the level of investment in such rehabilitation.	325 326
An applicant shall demonstrate to the satisfaction of the state historic preservation officer and director that the rehabilitation will satisfy the standards described in division (C) (2) of this section before the applicant begins the physical rehabilitation of the historic building.	327 328 329 330 331
(D) (1) If the director determines that an application meets the criteria in divisions (C) (1), (2), and (3) of this section, the director shall conduct a cost-benefit analysis for the historic building that is the subject of the application to determine whether rehabilitation of the historic building will	332 333 334 335 336

result in a net revenue gain in state and local taxes once the building is used. The director shall consider the results of the cost-benefit analysis in determining whether to approve the application. The director shall also consider the potential economic impact and the regional distributive balance of the credits throughout the state. The director may approve an application only after completion of the cost-benefit analysis.

(2) A rehabilitation tax credit certificate shall not be issued for an amount greater than the estimated amount furnished by the applicant on the application for such certificate and approved by the director. The director shall not approve more than a total of one hundred twenty million dollars of rehabilitation tax credits for each of fiscal years 2023 and 2024, and sixty million dollars of rehabilitation tax credits ~~per for each fiscal year thereafter~~ but the director may reallocate unused tax credits from a prior fiscal year for new applicants and such reallocated credits shall not apply toward the dollar limit of this division.

(3) For rehabilitations with a rehabilitation period not exceeding twenty-four months as provided in division (A) (8) (a) of this section, a rehabilitation tax credit certificate shall not be issued before the rehabilitation of the historic building is completed.

(4) For rehabilitations with a rehabilitation period not exceeding sixty months as provided in division (A) (8) (b) of this section, a rehabilitation tax credit certificate shall not be issued before a stage of rehabilitation is completed. After all stages of rehabilitation are completed, if the director cannot determine that the criteria in division (C) of this section are satisfied for all stages of rehabilitations, the director shall

certify this finding to the tax commissioner, and any 367
rehabilitation tax credits received by the applicant shall be 368
repaid by the applicant and may be collected by assessment as 369
unpaid tax by the commissioner. 370

(5) The director shall require the applicant to provide a 371
third-party cost certification by a certified public accountant 372
of the actual costs attributed to the rehabilitation of the 373
historic building when qualified rehabilitation expenditures 374
exceed two hundred thousand dollars. 375

If an applicant whose application is approved for receipt 376
of a rehabilitation tax credit certificate fails to provide to 377
the director sufficient evidence of reviewable progress, 378
including a viable financial plan, copies of final construction 379
drawings, and evidence that the applicant has obtained all 380
historic approvals within twelve months after the date the 381
applicant received notification of approval, and if the 382
applicant fails to provide evidence to the director that the 383
applicant has secured and closed on financing for the 384
rehabilitation within eighteen months after receiving 385
notification of approval, the director may rescind the approval 386
of the application. The director shall notify the applicant if 387
the approval has been rescinded. Credits that would have been 388
available to an applicant whose approval was rescinded shall be 389
available for other qualified applicants. Nothing in this 390
division prohibits an applicant whose approval has been 391
rescinded from submitting a new application for a rehabilitation 392
tax credit certificate. 393

(6) The director may approve the application of, and issue 394
a rehabilitation tax credit certificate to, the owner of a 395
catalytic project, provided the application otherwise meets the 396

criteria described in divisions (C) and (D) of this section. The 397
director may not approve more than one application for a 398
rehabilitation tax credit certificate under division (D) (6) of 399
this section during each state fiscal biennium. The director 400
shall not approve an application for a rehabilitation tax credit 401
certificate under division (D) (6) of this section during the 402
state fiscal biennium beginning July 1, 2017, or during any 403
state fiscal biennium thereafter. The director shall consider 404
the following criteria in determining whether to approve an 405
application for a certificate under division (D) (6) of this 406
section: 407

(a) Whether the historic building is a catalytic project; 408

(b) The effect issuance of the certificate would have on 409
the availability of credits for other applicants that qualify 410
for a credit certificate within the credit dollar limit 411
described in division (D) (2) of this section; 412

(c) The number of jobs, if any, the catalytic project will 413
create. 414

(7) (a) The owner or qualified lessee of a historic 415
building may apply for a rehabilitation tax credit certificate 416
under both divisions (B) and (D) (6) of this section. In such a 417
case, the director shall consider each application at the time 418
the application is submitted. 419

(b) The director shall not issue more than one certificate 420
under this section with respect to the same qualified 421
rehabilitation expenditures. 422

(8) The director shall give consideration for tax credits 423
awarded under this section to rehabilitations of historic 424
buildings used as a theater before, and intended to be used as a 425

theater after, the rehabilitation. In determining whether to 426
approve an application for such a rehabilitation, the director 427
shall consider the extent to which the rehabilitation will 428
increase attendance at the theater and increase the theater's 429
gross revenue. 430

(E) Issuance of a certificate represents a finding by the 431
director of the matters described in divisions (C) (1), (2), and 432
(3) of this section only; issuance of a certificate does not 433
represent a verification or certification by the director of the 434
amount of qualified rehabilitation expenditures for which a tax 435
credit may be claimed under section 5725.151, 5725.34, 5726.52, 436
5729.17, 5733.47, or 5747.76 of the Revised Code. The amount of 437
qualified rehabilitation expenditures for which a tax credit may 438
be claimed is subject to inspection and examination by the tax 439
commissioner or employees of the commissioner under section 440
5703.19 of the Revised Code and any other applicable law. Upon 441
the issuance of a certificate, the director shall certify to the 442
tax commissioner, in the form and manner requested by the tax 443
commissioner, the name of the applicant, the amount of qualified 444
rehabilitation expenditures shown on the certificate, and any 445
other information required by the rules adopted under this 446
section. 447

(F) (1) On or before the first day of August each year, the 448
director and tax commissioner jointly shall submit to the 449
president of the senate and the speaker of the house of 450
representatives a report on the tax credit program established 451
under this section and sections 5725.151, 5725.34, 5726.52, 452
5729.17, 5733.47, and 5747.76 of the Revised Code. The report 453
shall present an overview of the program and shall include 454
information on the number of rehabilitation tax credit 455
certificates issued under this section during the preceding 456

fiscal year, an update on the status of each historic building 457
for which an application was approved under this section, the 458
dollar amount of the tax credits granted under sections 459
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the 460
Revised Code, and any other information the director and 461
commissioner consider relevant to the topics addressed in the 462
report. 463

(2) On or before December 1, 2015, the director and tax 464
commissioner jointly shall submit to the president of the senate 465
and the speaker of the house of representatives a comprehensive 466
report that includes the information required by division (F) (1) 467
of this section and a detailed analysis of the effectiveness of 468
issuing tax credits for rehabilitating historic buildings. The 469
report shall be prepared with the assistance of an economic 470
research organization jointly chosen by the director and 471
commissioner. 472

(G) There is hereby created in the state treasury the 473
historic rehabilitation tax credit operating fund. The director 474
is authorized to charge reasonable application and other fees in 475
connection with the administration of tax credits authorized by 476
this section and sections 5725.151, 5725.34, 5726.52, 5729.17, 477
5733.47, and 5747.76 of the Revised Code. Any such fees 478
collected shall be credited to the fund and used to pay 479
reasonable costs incurred by the department of development in 480
administering this section and sections 5725.151, 5725.34, 481
5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. 482

The Ohio historic preservation office is authorized to 483
charge reasonable fees in connection with its review and 484
approval of applications under this section. Any such fees 485
collected shall be credited to the fund and used to pay 486

administrative costs incurred by the Ohio historic preservation office pursuant to this section. 487
488

(H) Notwithstanding sections 5725.151, 5725.34, 5726.52, 489
5729.17, 5733.47, and 5747.76 of the Revised Code, the 490
certificate owner of a tax credit certificate issued under 491
division (D)(6) of this section may claim a tax credit equal to 492
twenty-five per cent of the dollar amount indicated on the 493
certificate for a total credit of not more than twenty-five 494
million dollars. The credit claimed by such a certificate owner 495
for any calendar year, tax year, or taxable year under section 496
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 497
Revised Code shall not exceed five million dollars. If the 498
certificate owner is eligible for more than five million dollars 499
in total credits, the certificate owner may carry forward the 500
balance of the credit in excess of the amount claimed for that 501
year for not more than five ensuing calendar years, tax years, 502
or taxable years. If the credit claimed in any calendar year, 503
tax year, or taxable year exceeds the tax otherwise due, the 504
excess shall be refunded to the taxpayer. 505

(I) Notwithstanding sections 5725.151, 5725.34, 5726.52, 506
5729.17, 5733.47, and 5747.76 of the Revised Code, the following 507
apply to a tax credit approved under this section after the 508
effective date of this amendment and before July 1, 2024: 509

(1) The certificate holder may claim a tax credit equal to 510
thirty-five per cent of the dollar amount indicated on the tax 511
credit certificate if any county, township, or municipal 512
corporation within which the project is located has a population 513
of less than three hundred thousand according to the 2020 514
decennial census. The tax credit equals twenty-five per cent of 515
the dollar amount indicated on the certificate if the project is 516

not located within such a county, township, or municipal 517
corporation. 518

(2) The total tax credit claimed under section 5725.151, 519
5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the Revised 520
Code for any one project shall not exceed ten million dollars 521
for any calendar year, tax year, or taxable year. 522

(3) If the credit claimed in any calendar year, tax year, 523
or taxable year exceeds the tax otherwise due, the excess shall 524
be refunded to the taxpayer, subject to division (I)(2) of this 525
section. 526

(J) The director of development, in consultation with the 527
director of budget and management, shall develop and adopt a 528
system of tracking any information necessary to anticipate the 529
impact of credits issued under this section on tax revenues for 530
current and future fiscal years. Such information may include 531
the number of applications approved, the estimated 532
rehabilitation expenditures and rehabilitation period associated 533
with such applications, the number and amount of tax credit 534
certificates issued, and any other information the director of 535
budget and management requires for the purposes of this 536
division. 537

(K) For purposes of this section and Chapter 122:19-1 of 538
the Ohio Administrative Code, a tax credit certificate issued 539
under this section is effective on the date that all historic 540
buildings rehabilitated by the project are "placed in service," 541
as that term is used in section 47 of the Internal Revenue Code. 542

Sec. 5701.11. The effective date to which this section 543
refers is the effective date of this section as amended by S.B. 544
18 of the 134th general assembly, March 31, 2021. 545

(A) (1) Except as provided under division (A) (2) or (B) of 546
this section, any reference in Title LVII or section 149.311, 547
3123.90, 3770.073, or 3772.37 of the Revised Code to the 548
Internal Revenue Code, to the Internal Revenue Code "as 549
amended," to other laws of the United States, or to other laws 550
of the United States, "as amended," means the Internal Revenue 551
Code or other laws of the United States as they exist on ~~the~~ 552
~~effective date~~ March 31, 2021. 553

(2) This section does not apply to any reference in Title 554
LVII of the Revised Code to the Internal Revenue Code as of a 555
date certain specifying the day, month, and year, or to other 556
laws of the United States as of a date certain specifying the 557
day, month, and year. 558

(B) (1) For purposes of applying section 5733.04, 5745.01, 559
or 5747.01 of the Revised Code to a taxpayer's taxable year 560
ending after March 27, 2020, and before ~~the effective date~~ March 561
31, 2021, a taxpayer may irrevocably elect to incorporate the 562
provisions of the Internal Revenue Code or other laws of the 563
United States that are in effect for federal income tax purposes 564
for that taxable year if those provisions differ from the 565
provisions that, under division (A) of this section, would 566
otherwise apply. The filing by the taxpayer for that taxable 567
year of a report or return that incorporates the provisions of 568
the Internal Revenue Code or other laws of the United States 569
applicable for federal income tax purposes for that taxable 570
year, and that does not include any adjustments to reverse the 571
effects of any differences between those provisions and the 572
provisions that would otherwise apply, constitutes the making of 573
an irrevocable election under this division for that taxable 574
year. 575

(2) Elections under prior versions of division (B) (1) of 576
this section remain in effect for the taxable years to which 577
they apply. 578

Section 2. That existing sections 122.84, 149.311, and 579
5701.11 of the Revised Code are hereby repealed. 580

Section 3. As used in this section, "historic building," 581
"owner," "rehabilitation," and "qualified lessee" have the same 582
meanings as in section 149.311 of the Revised Code, as amended 583
by this act. 584

The owner or qualified lessee of a historic building that 585
was approved for a tax credit under section 149.311 of the 586
Revised Code after June 30, 2020, and before the effective date 587
of the amendment of that section by this act, may reapply for a 588
tax credit under that section, as amended by this act. The form 589
of the new application, the manner in which it is submitted to 590
the Director of Development, and the criteria and procedures 591
used by the Director in reviewing, evaluating, and, if 592
applicable, approving it shall be the same that apply to any 593
other tax credit application submitted under section 149.311 of 594
the Revised Code, as amended by this act. If the application is 595
approved in fiscal year 2023 or 2024, and construction of the 596
project has not yet commenced at the time of approval, the 597
credit amount shall be computed as described in division (I) of 598
section 149.311 of the Revised Code, as amended by this act. 599

The enhanced credit authorized by this section and by 600
division (I) of section 149.311 of the Revised Code, as amended 601
by this act, replaces the standard credit computed under section 602
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 603
Revised Code. No person may claim both the enhanced credit and 604
the standard credit for the same rehabilitation project or, if 605

the project is planned to be completed in stages, the same phase 606
of a rehabilitation project. 607

For the purpose of this section, construction of a 608
rehabilitation project commences when physical work on the 609
project begins, including actual construction or deconstruction 610
in preparation for construction. Construction of a project does 611
not commence merely because preliminary activities such as 612
planning, designing, securing financing, exploring, researching, 613
or developing plans and specifications have begun. Stabilizing a 614
building to prevent deterioration, environmental abatement, and 615
work necessary to qualify a building for the National Register 616
of Historic Places do not constitute commencement of 617
construction. 618

Section 4. Notwithstanding any provision of S.B. 51 of the 619
63rd General Assembly and any amendments thereto to the 620
contrary, the City of Canton, Ohio, shall not be required to 621
appoint a board of trustees to take charge of property 622
bequeathed to the city under that law. The City of Canton may 623
distribute all moneys, and all proceeds from such moneys, 624
bequeathed to the city under that law and all amendments thereto 625
to the Canton Ex-Newsboys Association or any other charitable 626
organization. 627

Section 5. That Section 803.210 of H.B. 110 of the 134th 628
General Assembly be amended to read as follows: 629

Sec. 803.210. The amendment by ~~this act~~ H.B. 110 of the 630
134th General Assembly of sections ~~section~~ 5709.40 and 5709.41 631
of the Revised Code applies to any ~~proceedings~~ projects 632
commenced or completed, or ordinances adopted, on, before, or 633
~~after the amendment's effective date~~ September 30, 2021, and, so 634
~~far as the amendment supports the actions taken, also applies to~~ 635

~~proceedings that, on that effective date, are pending or in-~~ 636
~~process, notwithstanding the applicable law previously in-~~ 637
~~effect. Any proceedings pending or in progress on that effective-~~ 638
~~date shall be deemed to have been taken in conformity with that-~~ 639
~~amendment~~provided that, with respect to projects commenced or 640
completed, or ordinances adopted, before September 30, 2021, the 641
legislative authority of the municipal corporation adopts an 642
ordinance after September 30, 2021, to confirm the applicability 643
of the amendment to the project or ordinance. The amendment by 644
that act of section 5709.41 of the Revised Code applies to 645
ordinances adopted after September 30, 2021, and also to 646
ordinances adopted on or before that date if, and to the extent 647
that, the ordinance either specifies the tax year in which the 648
exemption commences, provides that the exemption commences in 649
the tax year in which the value of an improvement exceeds a 650
specified amount or in which the construction of one or more 651
improvements is completed, or allows for the exemption to 652
commence in different tax years on a parcel-by-parcel basis. 653

Section 6. That existing Section 803.210 of H.B. 110 of 654
the 134th General Assembly is hereby repealed. 655