

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

S. B. No. 37

Senator Schuring

A BILL

To amend sections 107.036, 122.85, 5726.98, 1
5733.98, 5747.98, and 5751.98 of the Revised 2
Code to extend eligibility for and make other 3
changes to the motion picture tax credit. 4

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

Section 1. That sections 107.036, 122.85, 5726.98, 5
5733.98, 5747.98, and 5751.98 of the Revised Code be amended to 6
read as follows: 7

Sec. 107.036. (A) For each business incentive tax credit, 8
the main operating appropriations act shall contain a detailed 9
estimate of the total amount of credits that may be authorized 10
in each year, an estimate of the amount of credits expected to 11
be claimed in each year, and an estimate of the amount of 12
credits expected to remain outstanding at the end of the 13
biennium. The governor shall include such estimates in the state 14
budget submitted to the general assembly pursuant to section 15
107.03 of the Revised Code. 16

(B) As used in this section, "business incentive tax 17
credit" means all of the following: 18

(1) The job creation tax credit under section 122.17 of 19

the Revised Code;	20
(2) The job retention tax credit under section 122.171 of the Revised Code;	21 22
(3) The historic preservation tax credit under section 149.311 of the Revised Code;	23 24
(4) The motion picture <u>and Broadway theatrical production</u> tax credit under section 122.85 of the Revised Code;	25 26
(5) The new markets tax credit under section 5725.33 of the Revised Code;	27 28
(6) The research and development credit under section 166.21 of the Revised Code;	29 30
(7) The small business investment credit under section 122.86 of the Revised Code;	31 32
(8) The rural growth investment credit under section 122.152 of the Revised Code.	33 34
Sec. 122.85. (A) As used in this section and in sections 5726.55, 5733.59, 5747.66, and 5751.54 of the Revised Code:	35 36
(1) "Tax credit-eligible production" means a motion picture <u>or Broadway theatrical production</u> certified by the director of development services under division (B) of this section as qualifying the motion picture production company for a tax credit under section 5726.55, 5733.59, 5747.66, or 5751.54 of the Revised Code.	37 38 39 40 41 42
(2) "Certificate owner" means a motion picture production company to which a tax credit certificate is issued or a person to which the company has transferred under division (H) of this section the authority to claim all or a part of the tax credit	43 44 45 46

authorized by that certificate.

(3) "~~Motion picture Production~~ company" means an individual, corporation, partnership, limited liability company, or other form of business association producing a motion picture or Broadway theatrical production.

(4) "Eligible ~~production~~ expenditures" means expenditures made after June 30, 2009, for goods or services purchased and consumed in this state by a ~~motion picture production~~ company directly for the production of a tax credit-eligible production or for postproduction activities, or for advertising and promotion of the production.

"Eligible ~~production~~ expenditures" includes, but is not limited to, expenditures for cast and crew wages, accommodations, costs of set construction and operations, editing and related services, photography, sound synchronization, lighting, wardrobe, makeup and accessories, film processing, transfer, sound mixing, special and visual effects, music, location fees, and the purchase or rental of facilities and equipment.

(5) "Motion picture" means entertainment content created in whole or in part within this state for distribution or exhibition to the general public, including, but not limited to, feature-length films; documentaries; long-form, specials, miniseries, series, and interstitial television programming; interactive web sites; sound recordings; videos; music videos; interactive television; interactive games; video games; commercials; any format of digital media; and any trailer, pilot, video teaser, or demo created primarily to stimulate the sale, marketing, promotion, or exploitation of future investment in either a product or a motion picture by any means and media

in any digital media format, film, or videotape, provided the 77
motion picture qualifies as a motion picture. "Motion picture" 78
does not include any television program created primarily as 79
news, weather, or financial market reports, a production 80
featuring current events or sporting events, an awards show or 81
other gala event, a production whose sole purpose is 82
fundraising, a long-form production that primarily markets a 83
product or service or in-house corporate advertising or other 84
similar productions, a production for purposes of political 85
advocacy, or any production for which records are required to be 86
maintained under 18 U.S.C. 2257 with respect to sexually 87
explicit content. 88

(6) "Broadway theatrical production" means a prebroadway 89
production, long run production, or tour launch that is 90
directed, managed, and performed by a professional cast and crew 91
and that is directly associated with New York city's Broadway 92
theater district. 93

(7) "Prebroadway production" means a live stage production 94
that is scheduled for presentation in New York city's Broadway 95
theater district after the original or adaptive version is 96
performed in a qualified production facility. 97

(8) "Long run production" means a live stage production 98
that is scheduled to be performed at a qualified production 99
facility for more than five weeks, with an average of at least 100
six performances per week. 101

(9) "Tour launch" means a live stage production for which 102
the activities comprising the technical period are conducted at 103
a qualified production facility before a tour of the original or 104
adaptive version of the production begins. 105

(10) "Qualified production facility" means a facility 106
located in this state that is used in the development or 107
presentation to the public of theater productions. 108

(B) For the purpose of encouraging and developing ~~a strong~~ 109
film ~~industry and theater industries~~ in this state, the director 110
of development services may certify a motion picture or Broadway 111
theatrical production produced by a ~~motion picture production~~ 112
company as a tax credit-eligible production. In the case of a 113
television series, the director may certify the production of 114
each episode of the series as a separate tax credit-eligible 115
production. A ~~motion picture production~~ company shall apply for 116
certification of a motion picture or Broadway theatrical 117
production as a tax credit-eligible production on a form and in 118
the manner prescribed by the director. Each application shall 119
include the following information: 120

(1) The name and telephone number of the ~~motion picture~~ 121
production company; 122

(2) The name and telephone number of the company's contact 123
person; 124

(3) A list of the first preproduction date through the 125
last production ~~date and postproduction dates~~ in Ohio and, in 126
the case of a Broadway theatrical production, a list of each 127
scheduled performance in a qualified production facility; 128

(4) The Ohio production office or qualified production 129
facility address and telephone number; 130

(5) The total production budget ~~of the motion picture;~~ 131

(6) The total budgeted eligible ~~production~~ expenditures 132
and the percentage that amount is of the total production budget 133
of the motion picture or Broadway theatrical production; 134

- (7) ~~The~~ In the case of a motion picture, the total 135
percentage of the ~~motion picture production~~ being shot in Ohio; 136
- (8) The level of employment of cast and crew who reside in 137
Ohio; 138
- (9) A synopsis of the script; 139
- (10) ~~The~~ In the case of a motion picture, the shooting 140
script; 141
- (11) A creative elements list that includes the names of 142
the principal cast and crew and the producer and director; 143
- (12) Documentation of financial ability to undertake and 144
complete the motion picture or Broadway theatrical production, 145
including documentation that shows that the company has secured 146
funding equal to at least fifty per cent of the total production 147
~~budget of the motion picture~~; 148
- (13) Estimated value of the tax credit based upon total 149
budgeted eligible ~~production~~ expenditures; 150
- (14) Estimated amount of state and local taxes to be 151
generated in this state from the production; 152
- (15) Estimated economic impact of the production in this 153
state; 154
- (16) Any other information considered necessary by the 155
director. 156
- Within ninety days after certification of a motion picture 157
or Broadway theatrical production as a tax credit-eligible 158
production, and any time thereafter upon the request of the 159
director of development services, the ~~motion picture production~~ 160
company shall present to the director sufficient evidence of 161

reviewable progress. If the ~~motion picture production~~ company 162
fails to present sufficient evidence, the director may rescind 163
the certification. If the production of a motion picture or 164
broadway theatrical production does not begin within ninety days 165
after the date it is certified as a tax credit-eligible 166
production, the director shall rescind the certification. Upon 167
rescission, the director shall notify the applicant that the 168
certification has been rescinded. Nothing in this section 169
prohibits an applicant whose tax credit-eligible production 170
certification has been rescinded from submitting a subsequent 171
application for certification. 172

(C) (1) A ~~motion picture production~~ company whose motion 173
picture or Broadway theatrical production has been certified as 174
a tax credit-eligible production may apply to the director of 175
development services on or after July 1, 2009, for a refundable 176
credit against the tax imposed by section 5726.02, 5733.06, 177
5747.02, or 5751.02 of the Revised Code. The director in 178
consultation with the tax commissioner shall prescribe the form 179
and manner of the application and the information or 180
documentation required to be submitted with the application. 181

The credit is determined as follows: 182

(a) If the total budgeted eligible ~~production~~ expenditures 183
stated in the application submitted under division (B) of this 184
section or the actual eligible ~~production~~ expenditures as 185
finally determined under division (D) of this section, whichever 186
is least, is less than or equal to three hundred thousand 187
dollars, no credit is allowed; 188

(b) ~~If~~ Subject to division (C) (1) (c) of this section, if 189
the total budgeted eligible ~~production~~ expenditures stated in 190
the application submitted under division (B) of this section or 191

the actual eligible ~~production~~ expenditures as finally 192
determined under division (D) of this section, whichever is 193
least, is greater than three hundred thousand dollars, the 194
credit equals thirty per cent of the least of such budgeted or 195
actual eligible expenditure amounts; 196

(c) The director may reduce the credit amount computed 197
under division (C)(1)(b) of this section if the director 198
determines, based on the information provided in the certified 199
public accountant's report submitted pursuant to division (D) of 200
this section or other information available to the director, 201
that the tax credit-eligible production failed to generate the 202
state and local tax collections or failed to have the economic 203
impact that was estimated in the application submitted under 204
division (B) of this section. If the director elects to reduce 205
the amount of a credit, the amount of such reduction shall not 206
exceed the following amounts, as applicable: 207

(i) In the case of a tax credit-eligible production that 208
only failed to generate the estimated state and local tax 209
collections, the quantity obtained by multiplying the credit 210
amount computed under division (C)(1)(b) of this section by a 211
fraction, the numerator of which is the amount by which the 212
estimated state and local tax collections exceed the actual 213
state and local tax collections, and the denominator of which is 214
the estimated state and local tax collections; 215

(ii) In the case of a tax credit-eligible production that 216
only failed to generate the estimated economic impact, the 217
quantity obtained by multiplying the credit amount computed 218
under division (C)(1)(b) of this section by a fraction, the 219
numerator of which is the amount by which the estimated economic 220
impact exceeds the actual economic impact, and the denominator 221

of which is the estimated economic impact; 222

(iii) In the case of a tax credit-eligible production that 223
failed to generate both the estimated state and local tax 224
collections and the estimated economic impact, the average of 225
the quantities described in divisions (C) (1) (c) (i) and (ii) of 226
this section. 227

(2) Except as provided in division (C) (4) of this section, 228
if the director of development services approves a ~~motion~~ 229
~~picture production~~ company's application for a credit, the 230
director shall issue a tax credit certificate to the company. 231
The director in consultation with the tax commissioner shall 232
prescribe the form and manner of issuing certificates. The 233
director shall assign a unique identifying number to each tax 234
credit certificate and shall record the certificate in a 235
register devised and maintained by the director for that 236
purpose. The certificate shall state the amount of the eligible 237
~~production~~ expenditures on which the credit is based and the 238
amount of the credit as adjusted under division (C) (1) (c) of 239
this section. Upon the issuance of a certificate, the director 240
shall certify to the tax commissioner the name of the applicant, 241
the amount of eligible ~~production~~ expenditures shown on the 242
certificate, the amount of the credit, and any other information 243
required by the rules adopted to administer this section. 244

(3) The amount of eligible ~~production~~ expenditures for 245
which a tax credit may be claimed is subject to inspection and 246
examination by the tax commissioner or employees of the 247
commissioner under section 5703.19 of the Revised Code and any 248
other applicable law. Once the eligible ~~production~~ expenditures 249
are finally determined under section 5703.19 of the Revised Code 250
and division (D) of this section and the credit amount is 251

reduced under division (C) (1) (c) of this section, if applicable, 252
the credit amount is not subject to further adjustment unless 253
the director determines an error was committed in the 254
computation of the credit amount or the amount by which the 255
credit was reduced. 256

(4) No tax credit certificate may be issued before the 257
completion of the tax credit-eligible production. Not more than 258
forty million dollars of tax credit may be allowed per fiscal 259
year ~~beginning July 1, 2016,~~ provided that, for any fiscal year 260
in which the amount of tax credits allowed under this section is 261
less than that maximum annual amount, the amount not allowed for 262
that fiscal year shall be added to the maximum annual amount 263
that may be allowed for the following fiscal year. 264

(5) ~~In approving~~ The director shall review and approve 265
applications for tax credits under this section in two rounds 266
each fiscal year. The first round of credits shall be awarded 267
not later than the last day of July of the fiscal year, and the 268
second round of credits shall be awarded not later than the last 269
day of the ensuing January. The amount of credits awarded in the 270
first round of applications each fiscal year shall not exceed 271
twenty million dollars plus any credit allotment that was not 272
awarded in the preceding fiscal year and carried over under 273
division (C) (4) of this section. For each round, the director 274
shall rank applications on the basis of the extent of positive 275
economic impact each tax credit-eligible production is likely to 276
have in this state and the effect on developing a permanent 277
workforce in motion picture or theatrical production industries 278
in the state. For the purpose of such ranking, the director 279
shall give priority to tax-credit eligible productions that are 280
television series or miniseries due to the long-term commitment 281
typically associated with such productions. The economic impact 282

ranking shall be based on the production company's total 283
expenditures in this state directly associated with the tax 284
credit-eligible production. The effect on developing a permanent 285
workforce in the motion picture or theatrical production 286
industries shall be evaluated first by the number of new jobs 287
created and second by amount of payroll added with respect to 288
employees in this state. 289

The director shall approve productions in the order of 290
their ranking, from those with the greatest positive economic 291
impact and workforce development effect to those with the least 292
positive economic impact and workforce development effect. 293

(D) A ~~motion picture~~ production company whose motion 294
picture or Broadway theatrical production has been certified as 295
a tax credit-eligible production shall engage, at the company's 296
expense, an independent certified public accountant to examine 297
the company's production, postproduction, and advertising and 298
promotion expenditures to identify the expenditures that qualify 299
as eligible ~~production~~ expenditures. The certified public 300
accountant shall also determine the economic impact of the 301
production on this state and the amount of state and local taxes 302
generated in this state by the production. The certified public 303
accountant shall issue a report to the company and to the 304
director of development services certifying the company's 305
eligible ~~production~~ expenditures, the economic impact of the 306
production, the amount of state and local taxes generated by the 307
production, and any other information required by the director. 308
Upon receiving and examining the report, the director may 309
disallow any expenditure the director determines is not an 310
eligible ~~production~~ expenditure. If the director disallows an 311
expenditure, the director shall issue a written notice to the 312
~~motion picture~~ production company stating that the expenditure 313

is disallowed and the reason for the disallowance. Upon 314
examination of the report and disallowance of any expenditures, 315
the director shall determine finally the lesser of the total 316
budgeted eligible ~~production~~ expenditures stated in the 317
application submitted under division (B) of this section or the 318
actual eligible ~~production~~ expenditures for the purpose of 319
computing the amount of the credit. 320

(E) No credit shall be allowed under section 5726.55, 321
5733.59, 5747.66, or 5751.54 of the Revised Code unless the 322
director has reviewed the report and made the determination 323
prescribed by division (D) of this section. 324

(F) This state reserves the right to refuse the use of 325
this state's name in the credits of any tax credit-eligible 326
motion picture production or program of any Broadway theatrical 327
production. 328

(G) (1) The director of development services in 329
consultation with the tax commissioner shall adopt rules for the 330
administration of this section, including rules setting forth 331
and governing the criteria for determining whether a motion 332
picture or Broadway theatrical production is a tax credit- 333
eligible production; activities that constitute the production 334
or postproduction of a motion picture or Broadway theatrical 335
production; reporting sufficient evidence of reviewable 336
progress; expenditures that qualify as eligible ~~production~~ 337
expenditures; a schedule and deadlines for applications to be 338
submitted and reviewed; a competitive process for approving 339
credits based on likely economic impact in this state and 340
development of a permanent workforce in motion picture or 341
theatrical production industries in this state; consideration of 342
geographic distribution of credits; and implementation of the 343

program described in division (I) of this section. The rules 344
shall be adopted under Chapter 119. of the Revised Code. 345

(2) To cover the administrative costs of the program, the 346
director shall require each applicant to pay an application fee 347
equal to the lesser of ten thousand dollars or one per cent of 348
the estimated value of the tax credit as stated in the 349
application. The fees collected shall be credited to the tax 350
incentives operating fund created in section 122.174 of the 351
Revised Code. All grants, gifts, fees, and contributions made to 352
the director for marketing and promotion of the motion picture 353
industry within this state shall also be credited to the fund. 354

(H) (1) After the director of development services makes 355
the determination required under division (D) of this section, a 356
~~motion picture production~~ company to which a tax credit 357
certificate is issued may transfer the authority to claim all or 358
a portion of the amount of the tax credit ~~the motion picture~~ 359
~~company is authorized to claim pursuant to that certificate~~ 360
~~under section 5726.55, 5733.59, 5747.66, or 5751.54 of the~~ 361
~~Revised Code~~ to one or more other persons. Within thirty days 362
after a transfer under this division, the ~~motion picture~~ 363
~~production~~ company shall submit the following information to the 364
director, on a form prescribed by the director: 365

(a) Information necessary for the director to identify the 366
certificate that is the basis for the transfer; 367

(b) The portion or amount of the tax credit transferred to 368
each transferee; 369

(c) The portion or amount of the tax credit that the 370
~~motion picture production~~ company retains the authority to 371
claim; 372

- (d) The tax identification number of each transferee; 373
- (e) The date of the transfer; 374
- (f) Any other information required by the director; 375
- (g) Any information required by the tax commissioner. 376

The director shall deliver a copy of any submission 377
received under division (H) (1) of this section to the tax 378
commissioner. 379

(2) A transferee may not claim a credit under section 380
5726.55, 5733.59, 5747.66, or 5751.54 of the Revised Code unless 381
and until the transferring ~~motion picture production~~ company 382
complies with division (H) (1) of this section. A transferee may 383
claim the transferred amount of any credit or portion of a 384
credit for the same taxable year or tax period for which the 385
transferring ~~motion picture production~~ company was authorized to 386
claim the credit or portion of a credit pursuant to the 387
certificate. A ~~motion picture production~~ company shall make no 388
transfer under division (H) (1) of this section after the last 389
day of the tax period or taxable year for which the ~~motion~~ 390
~~picture production~~ company is required to claim the credit 391
pursuant to the certificate. 392

A ~~motion picture production~~ company may make not more than 393
one transfer under division (H) (1) of this section for each tax 394
credit certificate, but pursuant to that transaction, may 395
allocate the authority to claim a portion of the credit to more 396
than one transferee. A ~~motion picture production~~ company may not 397
authorize more than one transferee to claim the same portion of 398
a credit. 399

(I) The director of development services shall establish a 400
program for the training of Ohio residents who are or wish to be 401

employed in the film or multimedia industry. Under the program, 402
the director shall: 403

(1) Certify individuals as film and multimedia trainees. 404
In order to receive such a certification, an individual must be 405
an Ohio resident, have participated in relevant on-the-job 406
training or have completed a relevant training course approved 407
by the director, and have met any other requirements established 408
by the director. 409

(2) Accept applications from ~~motion picture~~ production 410
companies that intend to hire and provide on-the-job training to 411
one or more certified film and multimedia trainees who will be 412
employed in the company's tax credit-eligible production. 413

(3) Upon completion of a tax-credit eligible production, 414
and upon the receipt of any salary information and other 415
documentation required by the director, authorize a 416
reimbursement payment to each ~~motion picture~~ production company 417
whose application was approved under division (I) (2) of this 418
section. The payment shall equal fifty per cent of the salaries 419
paid to film and multimedia trainees employed in the production. 420

Sec. 5726.98. (A) To provide a uniform procedure for 421
calculating the amount of tax due under section 5726.02 of the 422
Revised Code, a taxpayer shall claim any credits to which the 423
taxpayer is entitled under this chapter in the following order: 424

(1) The nonrefundable job retention credit under division 425
(B) of section 5726.50 of the Revised Code; 426

(2) The nonrefundable credit for purchases of qualified 427
low-income community investments under section 5726.54 of the 428
Revised Code; 429

(3) The nonrefundable credit for qualified research 430

expenses under section 5726.56 of the Revised Code; 431

(4) The nonrefundable credit for qualifying dealer in 432
intangibles taxes under section 5726.57 of the Revised Code; 433

(5) The refundable credit for rehabilitating an historic 434
building under section 5726.52 of the Revised Code; 435

(6) The refundable job retention or job creation credit 436
under division (A) of section 5726.50 of the Revised Code; 437

(7) The refundable credit under section 5726.53 of the 438
Revised Code for losses on loans made under the Ohio venture 439
capital program under sections 150.01 to 150.10 of the Revised 440
Code; 441

(8) The refundable motion picture and Broadway theatrical 442
production credit under section 5726.55 of the Revised Code. 443

(B) For any credit except the refundable credits 444
enumerated in this section, the amount of the credit for a 445
taxable year shall not exceed the tax due after allowing for any 446
other credit that precedes it in the order required under this 447
section. Any excess amount of a particular credit may be carried 448
forward if authorized under the section creating that credit. 449
Nothing in this chapter shall be construed to allow a taxpayer 450
to claim, directly or indirectly, a credit more than once for a 451
taxable year. 452

Sec. 5733.98. (A) To provide a uniform procedure for 453
calculating the amount of tax imposed by section 5733.06 of the 454
Revised Code that is due under this chapter, a taxpayer shall 455
claim any credits to which it is entitled in the following 456
order, except as otherwise provided in section 5733.058 of the 457
Revised Code: 458

(1) For tax year 2005, the credit for taxes paid by a	459
qualifying pass-through entity allowed under section 5733.0611	460
of the Revised Code;	461
(2) The credit allowed for financial institutions under	462
section 5733.45 of the Revised Code;	463
(3) The credit for qualifying affiliated groups under	464
section 5733.068 of the Revised Code;	465
(4) The subsidiary corporation credit under section	466
5733.067 of the Revised Code;	467
(5) The credit for recycling and litter prevention	468
donations under section 5733.064 of the Revised Code;	469
(6) The credit for employers that enter into agreements	470
with child day-care centers under section 5733.36 of the Revised	471
Code;	472
(7) The credit for employers that reimburse employee child	473
care expenses under section 5733.38 of the Revised Code;	474
(8) The credit for purchases of lights and reflectors	475
under section 5733.44 of the Revised Code;	476
(9) The nonrefundable job retention credit under division	477
(B) of section 5733.0610 of the Revised Code;	478
(10) The second credit for purchases of new manufacturing	479
machinery and equipment under section 5733.33 of the Revised	480
Code;	481
(11) The job training credit under section 5733.42 of the	482
Revised Code;	483
(12) The credit for qualified research expenses under	484
section 5733.351 of the Revised Code;	485

(13) The enterprise zone credit under section 5709.66 of the Revised Code;	486 487
(14) The credit for the eligible costs associated with a voluntary action under section 5733.34 of the Revised Code;	488 489
(15) The credit for employers that establish on-site child day-care centers under section 5733.37 of the Revised Code;	490 491
(16) The ethanol plant investment credit under section 5733.46 of the Revised Code;	492 493
(17) The credit for purchases of qualifying grape production property under section 5733.32 of the Revised Code;	494 495
(18) The export sales credit under section 5733.069 of the Revised Code;	496 497
(19) The enterprise zone credits under section 5709.65 of the Revised Code;	498 499
(20) The credit for using Ohio coal under section 5733.39 of the Revised Code;	500 501
(21) The credit for purchases of qualified low-income community investments under section 5733.58 of the Revised Code;	502 503
(22) The credit for small telephone companies under section 5733.57 of the Revised Code;	504 505
(23) The credit for eligible nonrecurring 9-1-1 charges under section 5733.55 of the Revised Code;	506 507
(24) For tax year 2005, the credit for providing programs to aid the communicatively impaired under division (A) of section 5733.56 of the Revised Code;	508 509 510
(25) The research and development credit under section 5733.352 of the Revised Code;	511 512

(26) For tax years 2006 and subsequent tax years, the	513
credit for taxes paid by a qualifying pass-through entity	514
allowed under section 5733.0611 of the Revised Code;	515
(27) The refundable credit for rehabilitating a historic	516
building under section 5733.47 of the Revised Code;	517
(28) The refundable jobs creation credit or job retention	518
credit under division (A) of section 5733.0610 of the Revised	519
Code;	520
(29) The refundable credit for tax withheld under division	521
(B) (2) of section 5747.062 of the Revised Code;	522
(30) The refundable credit under section 5733.49 of the	523
Revised Code for losses on loans made to the Ohio venture	524
capital program under sections 150.01 to 150.10 of the Revised	525
Code;	526
(31) For tax years 2006, 2007, and 2008, the refundable	527
credit allowable under division (B) of section 5733.56 of the	528
Revised Code;	529
(32) The refundable motion picture <u>and Broadway theatrical</u>	530
production credit under section 5733.59 of the Revised Code.	531
(B) For any credit except the refundable credits	532
enumerated in this section, the amount of the credit for a tax	533
year shall not exceed the tax due after allowing for any other	534
credit that precedes it in the order required under this	535
section. Any excess amount of a particular credit may be carried	536
forward if authorized under the section creating that credit.	537
Sec. 5747.98. (A) To provide a uniform procedure for	538
calculating a taxpayer's aggregate tax liability under section	539
5747.02 of the Revised Code, a taxpayer shall claim any credits	540

to which the taxpayer is entitled in the following order: 541

(1) Either the retirement income credit under division (B) 542
of section 5747.055 of the Revised Code or the lump sum 543
retirement income credits under divisions (C), (D), and (E) of 544
that section; 545

(2) Either the senior citizen credit under division (F) of 546
section 5747.055 of the Revised Code or the lump sum 547
distribution credit under division (G) of that section; 548

(3) The dependent care credit under section 5747.054 of 549
the Revised Code; 550

(4) The credit for displaced workers who pay for job 551
training under section 5747.27 of the Revised Code; 552

(5) The campaign contribution credit under section 5747.29 553
of the Revised Code; 554

(6) The twenty-dollar personal exemption credit under 555
section 5747.022 of the Revised Code; 556

(7) The joint filing credit under division (G) of section 557
5747.05 of the Revised Code; 558

(8) The earned income credit under section 5747.71 of the 559
Revised Code; 560

(9) The credit for adoption of a minor child under section 561
5747.37 of the Revised Code; 562

(10) The nonrefundable job retention credit under division 563
(B) of section 5747.058 of the Revised Code; 564

(11) The enterprise zone credit under section 5709.66 of 565
the Revised Code; 566

(12) The ethanol plant investment credit under section 567

5747.75 of the Revised Code;	568
(13) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	569 570
(14) The small business investment credit under section 5747.81 of the Revised Code;	571 572
(15) The enterprise zone credits under section 5709.65 of the Revised Code;	573 574
(16) The research and development credit under section 5747.331 of the Revised Code;	575 576
(17) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	577 578
(18) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	579 580
(19) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	581 582
(20) The refundable motion picture <u>and Broadway theatrical</u> production credit under section 5747.66 of the Revised Code;	583 584
(21) The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	585 586 587
(22) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	588 589
(23) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	590 591 592
(24) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture	593 594

capital program under sections 150.01 to 150.10 of the Revised 595
Code; 596

(25) The refundable credit for rehabilitating a historic 597
building under section 5747.76 of the Revised Code; 598

(26) The refundable credit for financial institution taxes 599
paid by a pass-through entity granted under section 5747.65 of 600
the Revised Code. 601

(B) For any credit, except the refundable credits 602
enumerated in this section and the credit granted under division 603
(H) of section 5747.08 of the Revised Code, the amount of the 604
credit for a taxable year shall not exceed the taxpayer's 605
aggregate amount of tax due under section 5747.02 of the Revised 606
Code, after allowing for any other credit that precedes it in 607
the order required under this section. Any excess amount of a 608
particular credit may be carried forward if authorized under the 609
section creating that credit. Nothing in this chapter shall be 610
construed to allow a taxpayer to claim, directly or indirectly, 611
a credit more than once for a taxable year. 612

Sec. 5751.98. (A) To provide a uniform procedure for 613
calculating the amount of tax due under this chapter, a taxpayer 614
shall claim any credits to which it is entitled in the following 615
order: 616

(1) The nonrefundable jobs retention credit under division 617
(B) of section 5751.50 of the Revised Code; 618

(2) The nonrefundable credit for qualified research 619
expenses under division (B) of section 5751.51 of the Revised 620
Code; 621

(3) The nonrefundable credit for a borrower's qualified 622
research and development loan payments under division (B) of 623

section 5751.52 of the Revised Code; 624

(4) The nonrefundable credit for calendar years 2010 to 625
2029 for unused net operating losses under division (B) of 626
section 5751.53 of the Revised Code; 627

(5) The refundable motion picture and Broadway theatrical 628
production credit under section 5751.54 of the Revised Code; 629

(6) The refundable jobs creation credit or job retention 630
credit under division (A) of section 5751.50 of the Revised 631
Code; 632

(7) The refundable credit for calendar year 2030 for 633
unused net operating losses under division (C) of section 634
5751.53 of the Revised Code. 635

(B) For any credit except the refundable credits 636
enumerated in this section, the amount of the credit for a tax 637
period shall not exceed the tax due after allowing for any other 638
credit that precedes it in the order required under this 639
section. Any excess amount of a particular credit may be carried 640
forward if authorized under the section creating the credit. 641

Section 2. That existing sections 107.036, 122.85, 642
5726.98, 5733.98, 5747.98, and 5751.98 of the Revised Code are 643
hereby repealed. 644

Section 3. (A) The following amendments by this act apply 645
to motion pictures and Broadway theatrical productions that are 646
certified on or after the effective date of this section: 647

(1) The amendment of division (B) of section 122.85 of the 648
Revised Code requiring the Director of Development Services to 649
rescind certification of any tax credit-eligible production that 650
does not begin production within ninety days; 651

(2) The amendment of division (D) of section 122.85 of the Revised Code requiring a certified public accountant to determine the economic impact and the amount of state and local taxes generated by the tax credit-eligible production;

(3) The amendment of divisions (C)(1) to (3) of section 122.85 of the Revised Code requiring the Director to adjust the amount of the credit awarded to a production company for a tax credit-eligible production that fails to generate the state and local tax collections or fails to have the economic impact that were estimated in the tax credit application.

(B) The amendment by this act of division (C)(5) of section 122.85 of the Revised Code concerning the times during which tax credits are awarded and requiring the Director to rank applications based on the economic and workforce development impact of the productions applies to fiscal years beginning on or after the effective date of this section.

(C) The Director of Development Services in consultation with the Tax Commissioner shall adopt rules for the administration of section 122.85 of the Revised Code, as amended by this act, pursuant to division (G)(1) of that section on or before the first day of the first fiscal year that begins on or after the effective date of this section, or as soon thereafter as otherwise permitted by law.

(D) All other amendments by this act of sections 107.036, 122.85, 5726.98, 5733.98, 5747.98, and 5751.98 of the Revised Code apply on and after the effective date of this section.