

As Reported by the Senate Ways and Means Committee

133rd General Assembly

Regular Session

2019-2020

Sub. S. B. No. 37

Senator Schuring

Cosponsors: Senators Hackett, Manning, Wilson

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 the Revised Code;	19 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</u> production 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	43 44 45

section the authority to claim all or a part of the tax credit 46
authorized by that certificate. 47

(3) "~~Motion picture Production~~ company" means an 48
individual, corporation, partnership, limited liability company, 49
or other form of business association producing a motion picture 50
or Broadway theatrical production. 51

(4) "~~Eligible production expenditures~~" means expenditures 52
made after June 30, 2009, for goods or services purchased and 53
consumed in this state by a ~~motion picture production~~ company 54
directly for the production of a tax credit-eligible production 55
or for postproduction activities, or for advertising and 56
promotion of the production. 57

"~~Eligible production expenditures~~" includes, but is not 58
limited to, expenditures for cast and crew wages, 59
accommodations, costs of set construction and operations, 60
editing and related services, photography, sound 61
synchronization, lighting, wardrobe, makeup and accessories, 62
film processing, transfer, sound mixing, special and visual 63
effects, music, location fees, and the purchase or rental of 64
facilities and equipment. 65

(5) "Motion picture" means entertainment content created 66
in whole or in part within this state for distribution or 67
exhibition to the general public, including, but not limited to, 68
feature-length films; documentaries; long-form, specials, 69
miniseries, series, and interstitial television programming; 70
interactive web sites; sound recordings; videos; music videos; 71
interactive television; interactive games; video games; 72
commercials; any format of digital media; and any trailer, 73
pilot, video teaser, or demo created primarily to stimulate the 74
sale, marketing, promotion, or exploitation of future investment 75

in either a product or a motion picture by any means and media 76
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 <u>In the case of a motion picture, the</u> 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 <u>In the case of a motion picture, the</u> 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 <u>or Broadway theatrical production</u> ,	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) <u>Estimated amount of state and local taxes to be</u>	151
<u>generated in this state from the production</u> ;	152
(15) <u>Estimated economic impact of the production in this</u>	153
<u>state</u> ;	154
(16) <u>Any other information considered necessary by the</u>	155
director.	156
Within ninety days after certification of a motion picture	157
<u>or Broadway theatrical production</u> 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 unless 167
the director finds that the production company shows good cause 168
for the delay, meaning that the production was delayed due to 169
unforeseeable circumstances beyond the production company's 170
control or due to action or inaction by a government agency. 171
Upon rescission, the director shall notify the applicant that 172
the certification has been rescinded. Nothing in this section 173
prohibits an applicant whose tax credit-eligible production 174
certification has been rescinded from submitting a subsequent 175
application for certification. 176

(C) (1) A ~~motion picture production~~ company whose motion 177
picture or Broadway theatrical production has been certified as 178
a tax credit-eligible production may apply to the director of 179
development services on or after July 1, 2009, for a refundable 180
credit against the tax imposed by section 5726.02, 5733.06, 181
5747.02, or 5751.02 of the Revised Code. The director in 182
consultation with the tax commissioner shall prescribe the form 183
and manner of the application and the information or 184
documentation required to be submitted with the application. 185

The credit is determined as follows: 186

(a) If the total budgeted eligible ~~production~~ expenditures 187
stated in the application submitted under division (B) of this 188
section or the actual eligible ~~production~~ expenditures as 189
finally determined under division (D) of this section, whichever 190
is least, is less than or equal to three hundred thousand 191

dollars, no credit is allowed; 192

(b) If the total budgeted eligible ~~production~~-expenditures 193
stated in the application submitted under division (B) of this 194
section or the actual eligible ~~production~~-expenditures as 195
finally determined under division (D) of this section, whichever 196
is least, is greater than three hundred thousand dollars, the 197
credit equals thirty per cent of the least of such budgeted or 198
actual eligible expenditure amounts. 199

(2) Except as provided in division (C) (4) of this section, 200
if the director of development services approves a ~~motion~~- 201
~~picture~~-production company's application for a credit, the 202
director shall issue a tax credit certificate to the company. 203
The director in consultation with the tax commissioner shall 204
prescribe the form and manner of issuing certificates. The 205
director shall assign a unique identifying number to each tax 206
credit certificate and shall record the certificate in a 207
register devised and maintained by the director for that 208
purpose. The certificate shall state the amount of the eligible 209
~~production~~-expenditures on which the credit is based and the 210
amount of the credit. Upon the issuance of a certificate, the 211
director shall certify to the tax commissioner the name of the 212
applicant, the amount of eligible ~~production~~-expenditures shown 213
on the certificate, the amount of the credit, and any other 214
information required by the rules adopted to administer this 215
section. 216

(3) The amount of eligible ~~production~~-expenditures for 217
which a tax credit may be claimed is subject to inspection and 218
examination by the tax commissioner or employees of the 219
commissioner under section 5703.19 of the Revised Code and any 220
other applicable law. Once the eligible ~~production~~-expenditures 221

are finally determined under section 5703.19 of the Revised Code 222
and division (D) of this section, the credit amount is not 223
subject to adjustment unless the director determines an error 224
was committed in the computation of the credit amount. 225

(4) No tax credit certificate may be issued before the 226
completion of the tax credit-eligible production. Not more than 227
forty million dollars of tax credit may be allowed per fiscal 228
year ~~beginning July 1, 2016,~~ provided that, for any fiscal year 229
in which the amount of tax credits allowed under this section is 230
less than that maximum annual amount, the amount not allowed for 231
that fiscal year shall be added to the maximum annual amount 232
that may be allowed for the following fiscal year. 233

(5) ~~In approving~~ The director shall review and approve 234
applications for tax credits under this section in two rounds 235
each fiscal year. The first round of credits shall be awarded 236
not later than the last day of July of the fiscal year, and the 237
second round of credits shall be awarded not later than the last 238
day of the ensuing January. The amount of credits awarded in the 239
first round of applications each fiscal year shall not exceed 240
twenty million dollars plus any credit allotment that was not 241
awarded in the preceding fiscal year and carried over under 242
division (C)(4) of this section. For each round, the director 243
shall rank applications on the basis of the extent of positive 244
economic impact each tax credit-eligible production is likely to 245
have in this state and the effect on developing a permanent 246
workforce in motion picture or theatrical production industries 247
in the state. For the purpose of such ranking, the director 248
shall give priority to tax-credit eligible productions that are 249
television series or miniseries due to the long-term commitment 250
typically associated with such productions. The economic impact 251
ranking shall be based on the production company's total 252

expenditures in this state directly associated with the tax 253
credit-eligible production. The effect on developing a permanent 254
workforce in the motion picture or theatrical production 255
industries shall be evaluated first by the number of new jobs 256
created and second by amount of payroll added with respect to 257
employees in this state. 258

The director shall approve productions in the order of 259
their ranking, from those with the greatest positive economic 260
impact and workforce development effect to those with the least 261
positive economic impact and workforce development effect. 262

(D) A ~~motion picture~~ production company whose motion 263
picture or Broadway theatrical production has been certified as 264
a tax credit-eligible production shall engage, at the company's 265
expense, an independent certified public accountant to examine 266
the company's production, postproduction, and advertising and 267
promotion expenditures to identify the expenditures that qualify 268
as eligible ~~production~~ expenditures. The certified public 269
accountant shall issue a report to the company and to the 270
director of development services certifying the company's 271
eligible ~~production~~ expenditures and any other information 272
required by the director. Upon receiving and examining the 273
report, the director may disallow any expenditure the director 274
determines is not an eligible ~~production~~ expenditure. If the 275
director disallows an expenditure, the director shall issue a 276
written notice to the ~~motion picture~~ production company stating 277
that the expenditure is disallowed and the reason for the 278
disallowance. Upon examination of the report and disallowance of 279
any expenditures, the director shall determine finally the 280
lesser of the total budgeted eligible ~~production~~ expenditures 281
stated in the application submitted under division (B) of this 282
section or the actual eligible ~~production~~ expenditures for the 283

purpose of computing the amount of the credit. 284

(E) No credit shall be allowed under section 5726.55, 285
5733.59, 5747.66, or 5751.54 of the Revised Code unless the 286
director has reviewed the report and made the determination 287
prescribed by division (D) of this section. 288

(F) This state reserves the right to refuse the use of 289
this state's name in the credits of any tax credit-eligible 290
motion picture production or program of any Broadway theatrical 291
production. 292

(G) (1) The director of development services in 293
consultation with the tax commissioner shall adopt rules for the 294
administration of this section, including rules setting forth 295
and governing the criteria for determining whether a motion 296
picture or Broadway theatrical production is a tax credit- 297
eligible production; activities that constitute the production 298
or postproduction of a motion picture or Broadway theatrical 299
production; reporting sufficient evidence of reviewable 300
progress; expenditures that qualify as eligible ~~production~~- 301
expenditures; a schedule and deadlines for applications to be 302
submitted and reviewed; a competitive process for approving 303
credits based on likely economic impact in this state and 304
development of a permanent workforce in motion picture or 305
theatrical production industries in this state; consideration of 306
geographic distribution of credits; and implementation of the 307
program described in division (I) of this section. The rules 308
shall be adopted under Chapter 119. of the Revised Code. 309

(2) To cover the administrative costs of the program, the 310
director shall require each applicant to pay an application fee 311
equal to the lesser of ten thousand dollars or one per cent of 312
the estimated value of the tax credit as stated in the 313

application. The fees collected shall be credited to the tax 314
incentives operating fund created in section 122.174 of the 315
Revised Code. All grants, gifts, fees, and contributions made to 316
the director for marketing and promotion of the motion picture 317
industry within this state shall also be credited to the fund. 318

(H) (1) After the director of development services makes 319
the determination required under division (D) of this section, a 320
~~motion picture production~~ company to which a tax credit 321
certificate is issued may transfer the authority to claim all or 322
a portion of the amount of the tax credit ~~the motion picture~~ 323
~~company is authorized to claim pursuant to that certificate~~ 324
~~under section 5726.55, 5733.59, 5747.66, or 5751.54 of the~~ 325
~~Revised Code~~ to one or more other persons. Within thirty days 326
after a transfer under this division, the ~~motion picture~~ 327
production company shall submit the following information to the 328
director, on a form prescribed by the director: 329

(a) Information necessary for the director to identify the 330
certificate that is the basis for the transfer; 331

(b) The portion or amount of the tax credit transferred to 332
each transferee; 333

(c) The portion or amount of the tax credit that the 334
~~motion picture production~~ company retains the authority to 335
claim; 336

(d) The tax identification number of each transferee; 337

(e) The date of the transfer; 338

(f) Any other information required by the director; 339

(g) Any information required by the tax commissioner. 340

The director shall deliver a copy of any submission 341

received under division (H) (1) of this section to the tax 342
commissioner. 343

(2) A transferee may not claim a credit under section 344
5726.55, 5733.59, 5747.66, or 5751.54 of the Revised Code unless 345
and until the transferring ~~motion picture production~~ company 346
complies with division (H) (1) of this section. A transferee may 347
claim the transferred amount of any credit or portion of a 348
credit for the same taxable year or tax period for which the 349
transferring ~~motion picture production~~ company was authorized to 350
claim the credit or portion of a credit pursuant to the 351
certificate. A ~~motion picture production~~ company shall make no 352
transfer under division (H) (1) of this section after the last 353
day of the tax period or taxable year for which the ~~motion~~ 354
~~picture production~~ company is required to claim the credit 355
pursuant to the certificate. 356

A ~~motion picture production~~ company may make not more than 357
one transfer under division (H) (1) of this section for each tax 358
credit certificate, but pursuant to that transaction, may 359
allocate the authority to claim a portion of the credit to more 360
than one transferee. A ~~motion picture production~~ company may not 361
authorize more than one transferee to claim the same portion of 362
a credit. 363

(I) The director of development services shall establish a 364
program for the training of Ohio residents who are or wish to be 365
employed in the film or multimedia industry. Under the program, 366
the director shall: 367

(1) Certify individuals as film and multimedia trainees. 368
In order to receive such a certification, an individual must be 369
an Ohio resident, have participated in relevant on-the-job 370
training or have completed a relevant training course approved 371

by the director, and have met any other requirements established 372
by the director. 373

(2) Accept applications from ~~motion picture production~~ 374
companies that intend to hire and provide on-the-job training to 375
one or more certified film and multimedia trainees who will be 376
employed in the company's tax credit-eligible production. 377

(3) Upon completion of a tax-credit eligible production, 378
and upon the receipt of any salary information and other 379
documentation required by the director, authorize a 380
reimbursement payment to each ~~motion picture production~~ company 381
whose application was approved under division (I) (2) of this 382
section. The payment shall equal fifty per cent of the salaries 383
paid to film and multimedia trainees employed in the production. 384

Sec. 5726.98. (A) To provide a uniform procedure for 385
calculating the amount of tax due under section 5726.02 of the 386
Revised Code, a taxpayer shall claim any credits to which the 387
taxpayer is entitled under this chapter in the following order: 388

(1) The nonrefundable job retention credit under division 389
(B) of section 5726.50 of the Revised Code; 390

(2) The nonrefundable credit for purchases of qualified 391
low-income community investments under section 5726.54 of the 392
Revised Code; 393

(3) The nonrefundable credit for qualified research 394
expenses under section 5726.56 of the Revised Code; 395

(4) The nonrefundable credit for qualifying dealer in 396
intangibles taxes under section 5726.57 of the Revised Code; 397

(5) The refundable credit for rehabilitating an historic 398
building under section 5726.52 of the Revised Code; 399

(6) The refundable job retention or job creation credit 400
under division (A) of section 5726.50 of the Revised Code; 401

(7) The refundable credit under section 5726.53 of the 402
Revised Code for losses on loans made under the Ohio venture 403
capital program under sections 150.01 to 150.10 of the Revised 404
Code; 405

(8) The refundable motion picture and Broadway theatrical 406
production credit under section 5726.55 of the Revised Code. 407

(B) For any credit except the refundable credits 408
enumerated in this section, the amount of the credit for a 409
taxable year shall not exceed the tax due after allowing for any 410
other credit that precedes it in the order required under this 411
section. Any excess amount of a particular credit may be carried 412
forward if authorized under the section creating that credit. 413
Nothing in this chapter shall be construed to allow a taxpayer 414
to claim, directly or indirectly, a credit more than once for a 415
taxable year. 416

Sec. 5733.98. (A) To provide a uniform procedure for 417
calculating the amount of tax imposed by section 5733.06 of the 418
Revised Code that is due under this chapter, a taxpayer shall 419
claim any credits to which it is entitled in the following 420
order, except as otherwise provided in section 5733.058 of the 421
Revised Code: 422

(1) For tax year 2005, the credit for taxes paid by a 423
qualifying pass-through entity allowed under section 5733.0611 424
of the Revised Code; 425

(2) The credit allowed for financial institutions under 426
section 5733.45 of the Revised Code; 427

(3) The credit for qualifying affiliated groups under 428

section 5733.068 of the Revised Code;	429
(4) The subsidiary corporation credit under section	430
5733.067 of the Revised Code;	431
(5) The credit for recycling and litter prevention	432
donations under section 5733.064 of the Revised Code;	433
(6) The credit for employers that enter into agreements	434
with child day-care centers under section 5733.36 of the Revised	435
Code;	436
(7) The credit for employers that reimburse employee child	437
care expenses under section 5733.38 of the Revised Code;	438
(8) The credit for purchases of lights and reflectors	439
under section 5733.44 of the Revised Code;	440
(9) The nonrefundable job retention credit under division	441
(B) of section 5733.0610 of the Revised Code;	442
(10) The second credit for purchases of new manufacturing	443
machinery and equipment under section 5733.33 of the Revised	444
Code;	445
(11) The job training credit under section 5733.42 of the	446
Revised Code;	447
(12) The credit for qualified research expenses under	448
section 5733.351 of the Revised Code;	449
(13) The enterprise zone credit under section 5709.66 of	450
the Revised Code;	451
(14) The credit for the eligible costs associated with a	452
voluntary action under section 5733.34 of the Revised Code;	453
(15) The credit for employers that establish on-site child	454
day-care centers under section 5733.37 of the Revised Code;	455

(16) The ethanol plant investment credit under section	456
5733.46 of the Revised Code;	457
(17) The credit for purchases of qualifying grape	458
production property under section 5733.32 of the Revised Code;	459
(18) The export sales credit under section 5733.069 of the	460
Revised Code;	461
(19) The enterprise zone credits under section 5709.65 of	462
the Revised Code;	463
(20) The credit for using Ohio coal under section 5733.39	464
of the Revised Code;	465
(21) The credit for purchases of qualified low-income	466
community investments under section 5733.58 of the Revised Code;	467
(22) The credit for small telephone companies under	468
section 5733.57 of the Revised Code;	469
(23) The credit for eligible nonrecurring 9-1-1 charges	470
under section 5733.55 of the Revised Code;	471
(24) For tax year 2005, the credit for providing programs	472
to aid the communicatively impaired under division (A) of	473
section 5733.56 of the Revised Code;	474
(25) The research and development credit under section	475
5733.352 of the Revised Code;	476
(26) For tax years 2006 and subsequent tax years, the	477
credit for taxes paid by a qualifying pass-through entity	478
allowed under section 5733.0611 of the Revised Code;	479
(27) The refundable credit for rehabilitating a historic	480
building under section 5733.47 of the Revised Code;	481
(28) The refundable jobs creation credit or job retention	482

credit under division (A) of section 5733.0610 of the Revised Code; 483
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(29) The refundable credit for tax withheld under division (B) (2) of section 5747.062 of the Revised Code; 485
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(30) The refundable credit under section 5733.49 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code; 487
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(31) For tax years 2006, 2007, and 2008, the refundable credit allowable under division (B) of section 5733.56 of the Revised Code; 491
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(32) The refundable motion picture and Broadway theatrical production credit under section 5733.59 of the Revised Code. 494
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(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a tax year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. 496
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Sec. 5747.98. (A) To provide a uniform procedure for calculating a taxpayer's aggregate tax liability under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order: 502
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(1) Either the retirement income credit under division (B) of section 5747.055 of the Revised Code or the lump sum retirement income credits under divisions (C), (D), and (E) of that section; 506
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(2) Either the senior citizen credit under division (F) of 510

section 5747.055 of the Revised Code or the lump sum	511
distribution credit under division (G) of that section;	512
(3) The dependent care credit under section 5747.054 of	513
the Revised Code;	514
(4) The credit for displaced workers who pay for job	515
training under section 5747.27 of the Revised Code;	516
(5) The campaign contribution credit under section 5747.29	517
of the Revised Code;	518
(6) The twenty-dollar personal exemption credit under	519
section 5747.022 of the Revised Code;	520
(7) The joint filing credit under division (G) of section	521
5747.05 of the Revised Code;	522
(8) The earned income credit under section 5747.71 of the	523
Revised Code;	524
(9) The credit for adoption of a minor child under section	525
5747.37 of the Revised Code;	526
(10) The nonrefundable job retention credit under division	527
(B) of section 5747.058 of the Revised Code;	528
(11) The enterprise zone credit under section 5709.66 of	529
the Revised Code;	530
(12) The ethanol plant investment credit under section	531
5747.75 of the Revised Code;	532
(13) The credit for purchases of qualifying grape	533
production property under section 5747.28 of the Revised Code;	534
(14) The small business investment credit under section	535
5747.81 of the Revised Code;	536

(15) The enterprise zone credits under section 5709.65 of the Revised Code;	537 538
(16) The research and development credit under section 5747.331 of the Revised Code;	539 540
(17) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	541 542
(18) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	543 544
(19) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	545 546
(20) The refundable motion picture <u>and Broadway theatrical</u> production credit under section 5747.66 of the Revised Code;	547 548
(21) The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	549 550 551
(22) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	552 553
(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;	554 555 556
(24) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;	557 558 559 560
(25) The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	561 562
(26) The refundable credit for financial institution taxes	563

paid by a pass-through entity granted under section 5747.65 of 564
the Revised Code. 565

(B) For any credit, except the refundable credits 566
enumerated in this section and the credit granted under division 567
(H) of section 5747.08 of the Revised Code, the amount of the 568
credit for a taxable year shall not exceed the taxpayer's 569
aggregate amount of tax due under section 5747.02 of the Revised 570
Code, after allowing for any other credit that precedes it in 571
the order required under this section. Any excess amount of a 572
particular credit may be carried forward if authorized under the 573
section creating that credit. Nothing in this chapter shall be 574
construed to allow a taxpayer to claim, directly or indirectly, 575
a credit more than once for a taxable year. 576

Sec. 5751.98. (A) To provide a uniform procedure for 577
calculating the amount of tax due under this chapter, a taxpayer 578
shall claim any credits to which it is entitled in the following 579
order: 580

(1) The nonrefundable jobs retention credit under division 581
(B) of section 5751.50 of the Revised Code; 582

(2) The nonrefundable credit for qualified research 583
expenses under division (B) of section 5751.51 of the Revised 584
Code; 585

(3) The nonrefundable credit for a borrower's qualified 586
research and development loan payments under division (B) of 587
section 5751.52 of the Revised Code; 588

(4) The nonrefundable credit for calendar years 2010 to 589
2029 for unused net operating losses under division (B) of 590
section 5751.53 of the Revised Code; 591

(5) The refundable motion picture and Broadway theatrical 592

production credit under section 5751.54 of the Revised Code; 593

(6) The refundable jobs creation credit or job retention 594
credit under division (A) of section 5751.50 of the Revised 595
Code; 596

(7) The refundable credit for calendar year 2030 for 597
unused net operating losses under division (C) of section 598
5751.53 of the Revised Code. 599

(B) For any credit except the refundable credits 600
enumerated in this section, the amount of the credit for a tax 601
period shall not exceed the tax due after allowing for any other 602
credit that precedes it in the order required under this 603
section. Any excess amount of a particular credit may be carried 604
forward if authorized under the section creating the credit. 605

Section 2. That existing sections 107.036, 122.85, 606
5726.98, 5733.98, 5747.98, and 5751.98 of the Revised Code are 607
hereby repealed. 608

Section 3. (A) The amendment of division (B) of section 609
122.85 of the Revised Code, requiring the Director of 610
Development Services to rescind certification of any tax credit- 611
eligible production that does not begin production within ninety 612
days, applies to motion picture and Broadway theatrical 613
productions that are certified on or after the effective date of 614
this section. 615

(B) The amendment by this act of division (C) (5) of 616
section 122.85 of the Revised Code concerning the times during 617
which tax credits are awarded and requiring the Director to rank 618
applications based on the economic and workforce development 619
impact of the productions applies to fiscal years beginning on 620
or after the effective date of this section. 621

(C) The Director of Development Services in consultation 622
with the Tax Commissioner shall adopt rules for the 623
administration of section 122.85 of the Revised Code, as amended 624
by this act, pursuant to division (G)(1) of that section on or 625
before the first day of the first fiscal year that begins on or 626
after the effective date of this section, or as soon thereafter 627
as otherwise permitted by law. 628

(D) All other amendments by this act of sections 107.036, 629
122.85, 5726.98, 5733.98, 5747.98, and 5751.98 of the Revised 630
Code apply on and after the effective date of this section. 631

Section 4. The Director of Development Services shall 632
rescind certification of a motion picture that was certified as 633
a tax credit-eligible production under section 122.85 of the 634
Revised Code before the effective date of this act if the 635
production of that motion picture has not begun on or before the 636
effective date of this section or within one year of the date 637
the production was certified, whichever is later. 638