

**As Passed by the House**

**134th General Assembly**

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**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 Representatives Troy, Carruthers, Click, Fraizer, Ghanbari, Grendell, Hall, Hicks-Hudson, Hillyer, Johnson, Jones, Kick, Koehler, Loychik, Merrin, Miller, A., Miller, J., Oelslager, Patton, Pavliga, Richardson, Roemer, Seitz, Sheehy, Smith, K., Sobecki, Stephens, Stoltzfus, Sykes, West, Young, T.**

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**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)–~~ 112  
~~of this section~~ 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	224
historic building;	225
(b) Expenditures attributable to work done to facilities	226
related to the building, such as parking lots, sidewalks, and	227
landscaping;	228
(c) New building construction costs.	229
(3) "Owner" of an historic building means a person holding	230
the fee simple interest in the building. "Owner" does not	231
include the state or a state agency, or any political	232
subdivision as defined in section 9.23 of the Revised Code.	233
(4) "Qualified lessee" means a person subject to a lease	234
agreement for an historic building and eligible for the federal	235
rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee"	236
does not include the state or a state agency or political	237
subdivision as defined in section 9.23 of the Revised Code.	238
(5) "Certificate owner" means the owner or qualified	239
lessee of an historic building to which a rehabilitation tax	240
credit certificate was issued under this section.	241
(6) "Registered historic district" means an historic	242
district listed in the national register of historic places	243
under 16 U.S.C. 470a, an historic district designated by a local	244
government certified under 16 U.S.C. 470a(c), or a local	245
historic district certified under 36 C.F.R. 67.8 and 67.9.	246
(7) "Rehabilitation" means the process of repairing or	247

altering an historic building or buildings, making possible an 248  
efficient use while preserving those portions and features of 249  
the building and its site and environment that are significant 250  
to its historic, architectural, and cultural values. 251

(8) "Rehabilitation period" means one of the following: 252

(a) If the rehabilitation initially was not planned to be 253  
completed in stages, a period chosen by the owner or qualified 254  
lessee not to exceed twenty-four months during which 255  
rehabilitation occurs; 256

(b) If the rehabilitation initially was planned to be 257  
completed in stages, a period chosen by the owner or qualified 258  
lessee not to exceed sixty months during which rehabilitation 259  
occurs. Each stage shall be reviewed as a phase of a 260  
rehabilitation as determined under 26 C.F.R. 1.48-12 or a 261  
successor to that section. 262

(9) "State historic preservation officer" or "officer" 263  
means the state historic preservation officer appointed by the 264  
governor under 16 U.S.C. 470a. 265

(10) "Catalytic project" means the rehabilitation of an 266  
historic building, the rehabilitation of which will foster 267  
economic development within two thousand five hundred feet of 268  
the historic building. 269

(B) The owner or qualified lessee of an historic building 270  
may apply to the director of development for a rehabilitation 271  
tax credit certificate for qualified rehabilitation expenditures 272  
paid or incurred by such owner or qualified lessee after April 273  
4, 2007, for rehabilitation of an historic building. If the 274  
owner of an historic building enters a pass-through agreement 275  
with a qualified lessee for the purposes of the federal 276

rehabilitation tax credit under 26 U.S.C. 47, the qualified 277  
rehabilitation expenditures paid or incurred by the owner after 278  
April 4, 2007, may be attributed to the qualified lessee. 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 309  
this section. 310

(C) The director shall review the applications with the 311  
assistance of the state historic preservation officer and 312  
determine whether all of the following criteria are met: 313

(1) That the building that is the subject of the 314  
application is an historic building and the applicant is the 315  
owner or qualified lessee of the building; 316

(2) That the rehabilitation will satisfy standards 317  
prescribed by the United States secretary of the interior under 318  
16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a 319  
successor to that section; 320

(3) That receiving a rehabilitation tax credit certificate 321  
under this section is a major factor in: 322

(a) The applicant's decision to rehabilitate the historic 323  
building; or 324

(b) To increase the level of investment in such 325  
rehabilitation. 326

An applicant shall demonstrate to the satisfaction of the 327  
state historic preservation officer and director that the 328  
rehabilitation will satisfy the standards described in division 329  
(C) (2) of this section before the applicant begins the physical 330  
rehabilitation of the historic building. 331

(D) (1) If the director determines that an application 332

meets the criteria in divisions (C) (1), (2), and (3) of this 333  
section, the director shall conduct a cost-benefit analysis for 334  
the historic building that is the subject of the application to 335  
determine whether rehabilitation of the historic building will 336  
result in a net revenue gain in state and local taxes once the 337  
building is used. The director shall consider the results of the 338  
cost-benefit analysis in determining whether to approve the 339  
application. The director shall also consider the potential 340  
economic impact and the regional distributive balance of the 341  
credits throughout the state. The director may approve an 342  
application only after completion of the cost-benefit analysis. 343

(2) A rehabilitation tax credit certificate shall not be 344  
issued for an amount greater than the estimated amount furnished 345  
by the applicant on the application for such certificate and 346  
approved by the director. The director shall not approve more 347  
than a total of one hundred twenty million dollars of 348  
rehabilitation tax credits for each of fiscal years 2023 and 349  
2024, and sixty million dollars of rehabilitation tax credits 350  
per for each fiscal year thereafter but the director may 351  
reallocate unused tax credits from a prior fiscal year for new 352  
applicants and such reallocated credits shall not apply toward 353  
the dollar limit of this division. 354

(3) For rehabilitations with a rehabilitation period not 355  
exceeding twenty-four months as provided in division (A) (8) (a) 356  
of this section, a rehabilitation tax credit certificate shall 357  
not be issued before the rehabilitation of the historic building 358  
is completed. 359

(4) For rehabilitations with a rehabilitation period not 360  
exceeding sixty months as provided in division (A) (8) (b) of this 361  
section, a rehabilitation tax credit certificate shall not be 362

issued before a stage of rehabilitation is completed. After all 363  
stages of rehabilitation are completed, if the director cannot 364  
determine that the criteria in division (C) of this section are 365  
satisfied for all stages of rehabilitations, the director shall 366  
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 a rehabilitation tax credit certificate to, the owner of a catalytic project, provided the application otherwise meets the criteria described in divisions (C) and (D) of this section. The director may not approve more than one application for a rehabilitation tax credit certificate under division (D) (6) of this section during each state fiscal biennium. The director shall not approve an application for a rehabilitation tax credit certificate under division (D) (6) of this section during the state fiscal biennium beginning July 1, 2017, or during any state fiscal biennium thereafter. The director shall consider the following criteria in determining whether to approve an application for a certificate under division (D) (6) of this section:

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

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

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

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

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

(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 487  
office pursuant to this section. 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