



H.B. 25

123rd General Assembly
(As Introduced)

Rep. Grendell

BILL SUMMARY

- Grants a refundable income tax credit for fees paid to have motor vehicles inspected under the emission inspection ("E-Check") program.

CONTENT AND OPERATION

Tax credit for vehicle emission test fees

(secs. 5747.37 and 5747.98)

The bill authorizes an income tax credit to compensate vehicle owners for the cost of paying E-Check fees (explained below). A person subject to the personal income tax can claim a credit against that tax only for the actual cost of inspections or reinspections incurred by the person for vehicles used for personal use.

The credit is refundable, meaning that if the amount of the credit exceeds a taxpayer's end-of-year tax liability, the taxpayer receives a refund for the excess.

Taxpayers claiming the credit have to substantiate their claim by providing the Tax Commissioner with copies of the inspection certificates (issued for vehicles that pass the inspection) and receipts showing the amount paid for inspections, and any other information the Tax Commissioner considers to be necessary to substantiate the cost of inspections.

Vehicle emission inspections

Generally

Owners of motor vehicles registered in certain counties are required under existing law to have their vehicles inspected for compliance with federal emissions

standards. (Sec. 3704.14, not in the bill.) Failure to have a vehicle inspected could result in the denial of registration of the vehicle for use on public roads.

The E-Check program is required in counties that are classified as "moderate," "serious," "severe," or "extreme" nonattainment for ozone, or as "moderate" or "serious" nonattainment for carbon monoxide.¹ Vehicles have to be inspected once every two years.

Inspection fees

The fees charged for vehicle inspections conducted by a licensee or contractor are established by the Director of the Ohio Environmental Protection Agency. Vehicles that do not pass an initial inspection must be reinspected after necessary repairs have been made.

The fees must be established at amounts sufficient to compensate inspectors and to cover the agency's costs of implementing and administering the E-Check program. However, the fee for inspections and reinspections in counties subject to the E-Check program cannot exceed \$25.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-20-99	p. 89

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¹ *These counties include Butler, Clark, Clermont, Cuyahoga, Geauga, Greene, Hamilton, Lake, Lorain, Medina, Montgomery, Portage, Summit, and Warren counties. Additional counties may be added by the Director of the Ohio EPA as is warranted under federal air quality standards.*

