



Bethany Boyd

Bill Analysis
Legislative Service Commission

S.B. 229

125th General Assembly
(As Introduced)

Sens. Padgett, Carey, Armbruster, DiDonato, Fingerhut, Robert Gardner, Hottinger, Mumper, Nein, Schuler, Schuring, Spada, Stivers, Wachtmann

BILL SUMMARY

- Extends the Ohio coal tax credit from January 1, 2005, to January 1, 2012, for electric companies burning Ohio coal.

CONTENT AND OPERATION

Ohio coal tax credit

Extension of the tax credit

(R.C. 5733.39(B))

Electric companies may claim a nonrefundable tax credit against their corporation franchise tax liability for using Ohio coal. The credit is \$3 per ton of Ohio coal burned on or after April 30, 2001, but before January 1, 2005, in a coal-fired electric generating unit during the taxable year, provided that (1) the unit is owned and used by the company claiming the credit or leased and used by it under a sale and leaseback transaction, and (2) a compliance facility, which basically controls emissions of sulfur or nitrogen compounds that result from the combustion of coal or disposes of byproducts, is attached to, incorporated in, or used in conjunction with the unit.

The bill extends the tax credit until January 1, 2012.

Technical change

(R.C. 5733.39(A)(2))

In the coal tax credit law, "Ohio coal" was defined as having the same meaning as a definition in the public utility law regarding environmental compliance plans. That law and the definition was repealed in 2001 by Am. Sub.

S.B. 3 of the 123rd General Assembly. The bill corrects this obsolete reference by repeating the same definition in the coal tax credit law that was previously used in the public utility law.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	04-15-04	p. 1725

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