



Bethany Boyd

*Bill Analysis*  
*Legislative Service Commission*

**S.B. 190**  
126th General Assembly  
(As Introduced)

Sen. Carey

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**BILL SUMMARY**

- Extends the job training tax credit for an additional year, to cover training costs paid or incurred on or before December 31, 2006.
- Declares an emergency.

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**CONTENT AND OPERATION**

**Job training tax credit**

**Overview**

Continuing law provides that taxpayers that are corporations, financial institutions, dealers in intangibles, income tax taxpayers who invest in pass-through entities (sole proprietorships, partnerships, S corporations, or limited liability companies), domestic insurance companies, and foreign insurance companies may apply to the Director of Job and Family Services for a tax credit certificate under which they may claim a nonrefundable tax credit against their tax liability for certain job skill training costs they incur for their employees. The credit equals one-half of the average of the taxpayer's training costs paid or incurred over a three-year period, but the credit amount claimed cannot exceed \$100,000 per year. If the credit amount exceeds the taxpayer's tax liability, the excess may be carried forward for three years following the year in which the credit was first claimed.

**Extension of the credit**

(R.C. 5725.31(B), 5729.07(B), 5733.42(B), (C), and (L), and 5747.39(B))

Under current law, the job training tax credit may be taken for training costs paid or incurred on or before December 31, 2005. The bill extends the tax

credit by one year, for training costs paid or incurred on or before December 31, 2006.

**Job training tax credit program report**

(R.C. 5733.42(G))

Continuing law requires that the Director of Job and Family Services prepare a report about the job training tax credit program on or before September 30 of each year, and submit it to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The bill provides that the report also must be prepared and submitted on or before September 30, 2007.

**Emergency clause**

(Section 3)

The bill takes immediate effect under its emergency clause, which provides that the reason for the emergency is that the job training tax credit is scheduled to expire, but the credit is needed for an additional year to encourage Ohio employers to provide further job skill training programs to employees.

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**HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced	09-29-05	p. 1460

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