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Bill Analysis
Legislative Service Commission

H.B. 507

127th General Assembly
(As Introduced)

Reps. Sayre, R. Hagan, Goyal, Yuko, Ujvagi, B. Williams, Dodd, Celeste, Luckie, Book, Brown, Brady, Fende, DeGeeter, Okey

BILL SUMMARY

- Authorizes a refundable credit against the Ohio personal income tax for 75% of amounts paid to obtain or renew an educator's license for the first time.
- Authorizes a refundable credit against the Ohio personal income tax for 75% of the out-of-pocket cost of a criminal records check incurred by a taxpayer who applies for employment with a board of education.
- Allows an applicant of a multi-year license fee to pay in equal annual installments or one-time payment.

CONTENT AND OPERATION

Educator licensing tax credits

Tax credit for educator licensing fees

(R.C. 5747.08, 5747.71(A), and 5747.98)

The bill authorizes a refundable credit against the Ohio income tax for paying the fee charged for an educator license under R.C. 3319.22 through 3319.31. The credit is available only for the first such license an individual obtains or the first renewal. If a license is issued or renewed under the same or different section of the Revised Code, it is still considered a renewed license for the purpose of the credit. The credit equals 75% of the licensing fee paid by the taxpayer. The credit may be applied to fees paid in a taxable year ending in or after 2008.

Tax credit for educator criminal background check

(R.C. 5747.08, 5747.71(B), and 5747.98)

The bill authorizes a refundable tax credit to taxpayers who pay for the cost of a criminal records check when applying for employment with a school board. Current law requires applicants for jobs with school boards, educational service centers, and chartered nonpublic schools to undergo a criminal background check, and permits the employer to charge the applicant for the background check fee. (R.C. 3319.39.)

The credit equals 75% of the records check fee. The credit may be applied to fees paid during a taxable year ending in or after 2008.

Payment of educator licensing fees

(R.C. 3319.51)

The bill allows an applicant for a multiple-year educator license to pay the licensing fee with a one-time payment or in equal annual installments over the period for which the license is issued. Currently, fees are payable only as a one-time payment. In February 2008, the State Board of Education increased the fee for a five-year license from \$60 to \$200, although an educator's first five-year license is only \$100 when advancing from a two-year provisional to a five-year professional teaching license. Educators having a teaching certificate with multiple licenses pay an additional, but lesser, fee for each license. Proceeds from the fees are used to cover the costs of educator licensing.

HISTORY

ACTION	DATE
Introduced	03-18-08

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