



**Am. S.B. 20**

127th General Assembly  
(As Reported by H. Ways & Means)

**Sens. Clancy and Gardner, Stivers, Faber, Mumper, Padgett, Schuring, Schaffer, Kearney, D. Miller, Roberts, Coughlin, Cates, Austria, Buehrer, Cafaro, Carey, Fedor, Goodman, Grendell, Harris, Mason, R. Miller, Morano, Niehaus, Schuler, Smith, Spada, J. Wilson, Jacobson**

**Reps. Gibbs, Bupp, Blessing, Brinkman, J. Hagan, Latta, Patton, Widener, Wolpert, Bolon, Chandler, Healy, Letson, Miller, Yates**

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**BILL SUMMARY**

- Increases from \$500 to \$1,500 the income tax credit for adoption of a minor child.
- Authorizes taxpayers to claim credit over three or fewer consecutive years.

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**CONTENT AND OPERATION**

**Increase of the adoption income tax credit**

(R.C. 5747.37)

Continuing law authorizes a nonrefundable tax credit against the state personal income tax for a taxpayer who adopts a minor child. To qualify for the credit, the adoption has to occur pursuant to Ohio's adoption law (R.C. Chapter 3107.) or the laws of another state or nation if the adoption under those laws is recognizable under the Ohio adoption law. The tax credit does not apply to the adoption of a minor child by a stepparent. Under current law, the credit equals \$500 for each minor child legally adopted during a taxable year.

The bill increases the amount of the tax credit to \$1,500 for each minor child legally adopted by a taxpayer. The credit for each child may be claimed over a period of three or fewer consecutive taxable years, beginning with the taxable year in which the child was legally adopted. The amount that may be claimed for

a taxable year equals \$1,500 less any amount claimed in preceding years for the same adoption.

**Application of the credit**

(Section 3)

The increased tax credit applies to adoptions of minor children under final decrees or orders of adoption duly issued, or interlocutory orders of adoption that become final, during taxable years beginning on or after January 1, 2007. In Ohio, an interlocutory order of adoption becomes final on a date specified in the order, which must be between six and twelve months after it is issued by a court, pending further observation and investigation by the court of the adoptive parents and home setting during that time.

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**HISTORY**

ACTION	DATE
Introduced	02-20-07
Reported, S. Ways & Means & Economic Development	03-21-07
Passed Senate (32-0)	03-21-07
Reported, H. Ways & Means	05-10-07

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