



Stephen Estelle

Bill Analysis
Legislative Service Commission

S.B. 368
127th General Assembly
(As Introduced)

Sen. Schaffer

BILL SUMMARY

- Authorizes a residential landlord holding a judgment against a tenant to sue the state to recover the tenant's income tax refund if the tenant does not have sufficient real or personal property to satisfy the judgment.
- Entitles the landlord to the tenant's tax refunds for up to four years before the landlord must re-sue the state.
- Grants exclusive jurisdiction to the Franklin County Court of Common Pleas to hear the suit.

CONTENT AND OPERATION

Action to recover income tax refund

(R.C. 2333.01 and 5747.124)

Under current law, only the state may intercept an individual's state income tax refund for purposes of satisfying a debt. In general, the state may apply an individual's income tax refund against any past due debt the individual owes to the state. (R.C. 5747.12.) The state may also apply an individual's income tax refund to satisfy past-due child support the individual owes and to recoup overpayments of public assistance and child support. (R.C. 5747.121, 5747.122, and 5747.123.)

The bill authorizes, under certain circumstances, a residential landlord holding a money judgment against a current or former tenant for breach of the residential rental agreement to sue the state to recover the tenant's income tax refund. The landlord may sue the state only if the tenant does not own sufficient nonexempt, unencumbered property subject to execution to satisfy the judgment. The bill requires the landlord to bring the action in the Franklin County Court of Common Pleas, to which the bill grants exclusive jurisdiction, and it subordinates the landlord's rights to those of the state.

The bill requires the court order directing the Tax Commissioner to pay all or part of a tenant's refund to the landlord to remain effective until the earlier of the date the judgment is satisfied or four years after the date of the order. If an order has been issued, is still effective, and the judgment is satisfied, within three days after the judgment is satisfied, the landlord must file a satisfaction of judgment with the Clerk of Court and serve a time-stamped copy of the satisfaction upon the Tax Commissioner by certified mail.

HISTORY

ACTION	DATE
Introduced	10-30-08

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