



*Synopsis of Senate Committee Amendments**

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Legislative Service Commission

Sub. H.B. 127

125th General Assembly

(S. Ways and Means and Economic Development)

In addition to municipal corporations and townships, permits counties to acquire tax-delinquent real estate before the foreclosure proceeding begins.

Extinguishes the tax debt only if all other taxing districts waive all of their claims to delinquent taxes on the real estate.

Changes how municipal corporations may tax an S corporation shareholder's distributive share of net profits of the S corporation.

Rounds the homestead exemption tax reduction amounts to the nearest \$10, if existing law's \$100 rounding does not result in an increase in the dollar amounts by which taxable or assessable value is reduced.

Permits prepayment of real property or manufactured or mobile home taxes by credit card, provides that discounts credited to prepaying taxpayers must be commensurate with the expenses incurred by the county treasurer to process prepayments, and allows the treasurer to keep a single record for all parcels or homes owned by a taxpayer.

Revises the requirements for redeeming delinquent land after a foreclosure proceeding has been instituted, but before a confirmation of sale has been entered in the proceeding.

Revises the land reutilization program.

Extends until 2015 the new manufacturing machinery and equipment tax credit against corporation franchise tax or income tax liability.

Eliminates sales of excluded assets, such as intangible or intellectual property, from the sales factor and establishes situs provisions for certain transactions to be used

* This synopsis does not address amendments that may have been adopted on the Senate floor.

in determining whether receipts were received in Ohio, for purposes of determining tax liability under the corporation franchise tax law.

Clarifies that the sales tax does not apply to public transit buses that seat 10 or fewer persons, and permits persons operating such buses with that seating capacity to apply for motor fuel tax refunds.

Requires that interest earned on the School District Income Tax Fund be credited to that Fund.

Revises the enterprise zone city and population eligibility criteria to reflect the federal census of 2000.

Limits the Tax Commissioner's authority to enforce certain components of enterprise zone agreements.

Revises the information that is required to be in an enterprise zone agreement.

Authorizes tax incentive review councils to request information from owners of property exempted under urban renewal and community urban redevelopment projects, community reinvestment programs, enterprise zone agreements, or tax increment financing ordinances or resolutions.

Revises the method for computing the property, payroll, and sales factors used in calculating a trust's modified Ohio taxable income.

Permits subdivisions to specify that revenue from a property tax levied for various police purposes may also be used to pay for police department buildings.

Delays from January 1, 2004, to that date in 2005, the new sales tax law that establishes criteria for determining whether to source certain sales, leases, or rentals to Ohio.

Changes the recipient entities of earmarks under the General Revenue Fund (GRF) appropriation item, Air Force Institute of Technology, that were made in the budget bill (Am. Sub. H.B. 95 of the 125th General Assembly).

Makes an appropriation of up to \$5 million over FY 2004-2005 from unspent and unobligated cash balances, if any, in the GRF to the Department of Development, to support economic development projects for which appropriations otherwise would not be available.

Makes technical and code revision changes to the bill.