



OHIO LEGISLATIVE SERVICE COMMISSION

Synopsis of House Committee Amendments*

Mackenzie Damon

Sub. S.B. 235

131st General Assembly
(H. Finance)

Taxation

Property tax

With respect to the bill's property tax exemption for the increase in value of property planned for commercial or industrial development, removes a provision that automatically grants the exemption to any qualifying owner who applies for the exemption, and instead requires that local governments approve each exemption and that school boards be notified.

Specifies that, if a parcel is already subject to a TIF, the property owner who wishes to receive the bill's exemption must apply to the local government that approved the TIF.

Allows a local government to exempt the increased value of a parcel for up to six years, instead of allowing the exemption to continue indefinitely with "re-sets" in the property's value every 10 years.

Specifies that, in addition to the exemption terminating if "commercial" or "industrial" operations occur on the property, the exemption must also terminate if "agricultural" operations occur on the property.

Imposes a three-year tax penalty on property subject to the exemption if the title is transferred before any improvements are made or if any commercial, industrial, or agricultural operations occur before an occupancy permit is issued.

Requires property taxes to be current as a condition for the exemption.

In lieu of requiring that a parcel be zoned to allow commercial or industrial development as a condition for the exemption, only requires that a parcel not be zoned to prohibit such development (thereby allowing unzoned parcels to qualify).

* This synopsis does not address amendments that may have been adopted on the House Floor.

Allows the exemption to be granted beginning in tax year 2017, rather than tax year 2016.

Permits a downtown redevelopment district to include property that was previously exempted under the tax increment financing law.

Tax credits

Discontinues the historic rehabilitation tax credit for "catalytic projects" after the FY 2016-2017 biennium.

Requires the Director of Development Services to approve the application of each qualified person who applied for a catalytic project tax credit in the 2016-2017 biennium, but was not awarded one.

Requires the Director to grant a motion picture tax credit for FY 2018 to a company producing a television program during the first six months of 2017.

Sales and use tax

Exempts from sales taxation the sale of music from a jukebox, arcade machine, or similar amusement or entertainment device.

Modifies the sales and use tax exemption for property used in producing oil and natural gas.

Requires purchasers of employment services that claim exemption from sales tax to produce an exemption certificate to the service provider (i.e., an employment agency).

Water pollution control facilities

Specifies that the Department of Natural Resources is an agency qualified to approve water pollution control facilities for the purpose of property tax exemption and sales and use tax exemption for the property incorporated into such facilities.

Small business investment companies

Exempts small business investment companies from the financial institutions tax both prospectively and retrospectively to the first year that tax was levied (2014).

Municipal Income Tax Net Operating Loss Committee

Modifies the information that municipalities must report to the Municipal Income Tax Net Operating Loss Committee, and extends the deadline by which the Committee must complete its work.

Unemployment compensation

Raises, for a two-year period, the taxable wage base used for the payment of unemployment contributions from \$9,000 to \$9,500.

Eliminates the unemployment contribution rate increase for paying principal on federal advances.

Freezes, for a two-year period, the maximum weekly unemployment benefit amounts at the maximum benefit amounts in effect on the bill's effective date.

Climbing facility requirements

Establishes duties for rock climbers, climbing facility operators, and climbing facility employees while climbing or working in a climbing facility.

Requires climbing facility operators to obtain liability insurance to cover the climbing facility and file with the Department of Commerce a certificate of insurance evidencing the coverage.

Creates an express assumption of risk on the part of a climber with respect to an injury sustained while climbing that is a complete defense in a lawsuit brought by a climber against the climbing facility operator for injuries sustained while climbing.

Prohibits a climbing facility owner from engaging in facility operations if the insurance policy is cancelled or lapses.

States the General Assembly's findings with respect to climbing and notes that the bill is in the public interest.

Pawnbroker regulations

Specifies that a pawnbroker must obtain a separate license for each place of business.

Increases the amount of liquid assets or surety bonds a licensed pawnbroker is required to maintain.

Increases the amount of interest and fees a pawnbroker can charge for a loan.

Eliminates a pawnbroker's authority to charge a fee for a lost pledge statement.

Eliminates the requirement that a pawnbroker retain pledged goods for 72 hours after the pledge is made and permits a pledgor to redeem a loan any time after the pledge is made.

Prohibits prepayment of interest and storage charges at the time a pawn loan is originated.

Reduces the continuing education requirements for pawnbrokers from 12 to 8 hours and repeals other current law requirements relating to continuing education.

Grants for major sports events

Provides for the ongoing reappropriation of money set aside to fund grants to local governments hosting major sporting events but remaining unspent at the end of a fiscal year.

Animal control

Applies the law governing animals running at large to all poultry, rather than only to geese as under current law, while retaining the application of that law to horses, mules, cattle, bison, sheep, goats, swine, llamas, and alpacas.

Use of municipal water and sewer funds

Reauthorizes municipal corporations in Stark County to use up to 5% of the money in their water and sewer funds for system extensions under certain circumstances and for a limited period of time.

Hospital board meetings

Authorizes boards of county hospital trustees, boards of hospital commissioners, and boards of governors of municipal hospitals to attend board meetings by means of communications equipment, regardless of the Open Meetings Act's requirement that a board member be present in person.

Requires those boards to adopt rules that designate the communications equipment authorized for use during board meetings, that establish procedures and guidelines for its use, and that ensure verification of the identity of board members attending board meetings using communications equipment.