



Ohio Revised Code

Section 5726.57 Nonrefundable credit for qualifying dealers in intangibles.

Effective: March 27, 2013

Legislation: House Bill 510 - 129th General Assembly

(A) As used in this section, "qualifying dealer in intangibles" means a dealer in intangibles that is a member of a qualifying controlled group of which a financial institution is also a member on the first day of the financial institution's tax year.

(B) For tax year 2014 there is hereby allowed to each financial institution a nonrefundable credit against the tax imposed by section 5726.02 of the Revised Code. The amount of the credit shall be computed in accordance with division (C) of this section. The credit shall be claimed in the order prescribed by section 5726.98 of the Revised Code. The credit shall not exceed the amount of tax otherwise due under section 5726.02 of the Revised Code after deducting any other credits that precede the credit claimed under this section in that order.

(C) Subject to division (D) of this section, the amount of the credit equals the lesser of the amount described in division (C)(1) of this section or in division (C)(2) of this section.

(1) The amount of tax that a qualifying dealer in intangibles paid under Chapter 5707. of the Revised Code during the calendar year immediately preceding the financial institution's tax year. Such amount shall be reduced, but not below zero, by any refunds of such tax received by the qualifying dealer in intangibles under Chapter 5703. of the Revised Code during that calendar year.

(2) The product of the amounts described in divisions (C)(2)(a) to (c) of this section.

(a) The cost of the financial institution's direct investment in the capital stock of the qualifying dealer in intangibles calculated on the last day of the financial institution's taxable year immediately preceding the tax year;

(b) The ratio described in section 5725.15 of the Revised Code for the calendar year immediately preceding the financial institution's tax year;



(c) The tax rate imposed under division (D) of section 5707.03 of the Revised Code for the calendar year immediately preceding the financial institution's tax year.

(D)(1) The principles and concepts described in section 5733.057 of the Revised Code shall apply in determining whether a dealer in intangibles is a member of a qualifying controlled group of which the financial institution also is a member and to ascertain the cost of the financial institution's direct investment in the capital stock of the qualifying dealer in intangibles.

(2) Notwithstanding section 5703.56 of the Revised Code to the contrary, a financial institution claiming the credit provided by this section has the burden to establish by a preponderance of the evidence that the doctrines enumerated in that section would not apply to deny to the financial institution all or a part of the credit otherwise provided by this section.