



Ohio Administrative Code

Rule 122:22-1-02 Allocation of new markets tax credit authority.

Effective: December 24, 2016

(A) To comply with the limitation set forth in division (C) of section 5725.33 of the Revised Code, the aggregate amount of credit allocations made by the director to all state allocatees each fiscal year shall not exceed ten million dollars.

(B) The director shall make credit allocations to qualified CDE's through a competitive process. The director shall establish and announce by public notice application periods during which qualified CDE's may submit applications for credit allocations. Qualified CDE's may request credit allocations by completing an application in the form published by the director for the relevant application period. Applications must be signed by an authorized representative of the applicant and submitted so as to be received by the director not later than the closing time for the application period as announced by the director. Applications will be evaluated based on scoring criteria published by the director in the program guidelines in advance of the relevant application period. The director may review applications for completeness and request that applicants provide information to complete any identified omissions. Except for responses to specific requests for information as part of the completeness review, an applicant may not amend its application. If the application period has not closed, an applicant may withdraw its application and submit a new application. The director shall set forth in the program guidelines the schedule of events for each application period.

(C) Each award of a credit allocation by the director to a qualified CDE will be made subject to the execution and delivery of an allocation agreement in form and substance acceptable to the director. If an applicant selected to receive a credit allocation fails to execute and deliver an allocation agreement within thirty days after receipt of the allocation agreement from the director, the award will be deemed to have been rejected by the applicant. If an applicant declines an award of a credit allocation for any reason or is deemed to have rejected the award as described in the preceding sentence, the director may award the credit allocation to another applicant.

(D) In order for a state allocatee to transfer its allocation authority to a subsidiary, the state allocatee must demonstrate, at a minimum, that it exercises and will maintain a controlling influence over the



investment decisions of the subsidiary.

(E) On or after the allocation date, the state allocatee may designate qualified equity investments as to which new markets tax credits may be claimed with respect to equity investments made on or after that date. A state allocatee may not designate equity investments as qualified equity investments in an amount that would cause aggregate new markets tax credit claims in excess of the state allocatee's credit allocation for the period in which the qualified equity investments are made. A state allocatee may not designate any equity investment that it issues as a qualified equity investment if such investment is issued by the state allocatee more than twelve months after the allocation date unless such expiration is extended by the director in writing as provided in the following sentence. The director may extend the period of time during which an investment may be made upon the written request of a state allocatee made at least thirty days, but not more than sixty days, before the scheduled expiration date if the state allocatee demonstrates that an investment commitment has been made but will not be closed prior to the scheduled expiration of the credit allocation award.