



Ohio Revised Code Section 5703.77 Credit account balances.

Effective: February 7, 2022

Legislation: House Bill 228

(A) As used in this section:

(1) "Taxpayer" means a person subject to or previously subject to a tax or fee, a person that remits a tax or fee, or a person required to or previously required to withhold or collect and remit a tax or fee on behalf of another person.

(2) "Tax or fee" means a tax or fee administered by the tax commissioner.

(3) "Credit account balance" means the amount of a tax or fee that a taxpayer remits to the state in excess of the amount required to be remitted, after accounting for factors applicable to the taxpayer such as accelerated payments, estimated payments, tax credits, and tax credit balances that may be carried forward.

(4) "Tax debt" means an unpaid tax or fee or any unpaid penalty, interest, or additional charge on such a tax or fee due the state.

(B) As soon as practicable, but not later than sixty days before the expiration of the period of time during which a taxpayer may file a refund application for a tax or fee, the tax commissioner shall review the taxpayer's accounts for the tax or fee and notify the taxpayer of any credit account balance for which the commissioner is required to issue a refund if the taxpayer were to file a refund application for that balance, regardless of whether the taxpayer files a refund application or amended return with respect to that tax or fee. The notice shall be made using contact information for the taxpayer on file with the commissioner.

(C) Notwithstanding sections 128.47, 718.91, 3734.905, 4307.05, 5726.30, 5727.28, 5727.42, 5727.91, 5728.061, 5735.122, 5736.08, 5739.07, 5739.104, 5741.10, 5743.05, 5743.53, 5747.11, 5749.08, 5751.08, 5753.06, and any other section of the Revised Code governing refunds of taxes or fees, the commissioner may apply the amount of any credit account balance for which the



commissioner is required to issue a refund if the taxpayer were to file a refund application for that balance as a credit against the taxpayer's liability for the tax or fee in the taxpayer's next reporting period for that tax or fee or issue a refund of that credit account balance to the taxpayer, subject to division (D) of this section.

(D) Before issuing a refund to a taxpayer under division (C) of this section, the tax commissioner shall withhold from that refund the amount of any of the taxpayer's tax debt certified to the attorney general under section 131.02 of the Revised Code and the amount of the taxpayer's liability, if any, for a tax or fee. The commissioner shall apply any amount withheld first in satisfaction of the amount of the taxpayer's certified tax debt and then in satisfaction of the taxpayer's liability. If the credit account balance originates from the tax administered under sections 718.80 to 718.95 of the Revised Code, it may be applied only against the taxpayer's certified tax debt or tax liability due under those sections.

(E) The tax commissioner may adopt rules to administer this section.