



Ohio Revised Code

Section 5733.061 Credit allowed for investment in property used in refining or manufacturing.

Effective: June 30, 1997

Legislation: House Bill 215 - 122nd General Assembly

A credit shall be allowed against the tax imposed by section 5733.06 of the Revised Code for each taxable year. The credit shall be claimed in the order required under section 5733.98 of the Revised Code. The credit shall equal the lesser of the amount of tax due under that section after allowing for any other credits that precede the credit under this section in that order or the difference between:

(A) The tangible personal property taxes timely paid in the taxable year that were charged against engines, machinery, tools, and implements owned by the taxpayer, listed for taxation in this state under section 5711.16 of the Revised Code as used or designed to be used in refining or manufacturing, and acquired on or after January 1, 1978; minus

(B) The taxes that would have been charged against such property and paid during such year had it been listed and assessed for taxation at a percentage of its true value for the year it was required to be listed, determined as follows:

- (1) For 1984 through 1988, twenty per cent;
- (2) For 1989, twenty-one per cent;
- (3) For 1990, twenty-two per cent;
- (4) For 1991, twenty-three per cent;
- (5) For 1992, twenty-four per cent;
- (6) For 1993 and thereafter, twenty-five per cent.

The tax commissioner may require a taxpayer to furnish any information necessary to support a



claim for credit under this section, and no credit shall be allowed unless such information is provided.

No credit shall be allowed against any taxes paid on property previously required to be listed for taxation in this state by a person other than the taxpayer.

If the sum of the credits to which the taxpayer would otherwise be entitled under this section in any tax year is greater than the tax due under section 5733.06 of the Revised Code for that year after allowing for any other credits that precede the credit under this section in the order required under section 5733.98 of the Revised Code, such excess shall be allowed as a credit in each of the ensuing three tax years that the taxpayer owns the property, but the amount of any excess credit allowed in any such year shall be deducted from the balance carried forward to the ensuing tax year.

(C) A refundable credit, computed under division (D) of this section, is hereby provided for tax year 1994 if all of the following conditions are met:

(1) In a taxable year ending prior to July 1, 1989, the taxpayer acquired property by transfer from a transferor as defined in division (A) of section 5733.053 of the Revised Code;

(2) Such property acquired from the taxpayer's transferor does not qualify for the credit provided by this section for one or more of the tax years 1989, 1990, 1991, 1992, or 1993 solely because the property previously was required to be listed for taxation in this state by a person other than the taxpayer;

(3) If section 5733.053 of the Revised Code had been in effect by the end of the taxable year in which the transfer occurred, division (E)(1) of section 5733.053 of the Revised Code would have allowed the taxpayer the credit provided by this section for the property acquired from the taxpayer's transferor for one or more of the tax years 1989, 1990, 1991, 1992, or 1993.

(D) The credit provided by division (C) of this section shall equal the difference between the following quantities:

(1) The lesser of the tax imposed or the tax paid for each of the tax years 1989, 1990, 1991, 1992,



and 1993;

(2) The tax that would have been due for each of such years if both of the following apply:

(a) Division (E)(1) of section 5733.053 of the Revised Code had been in effect prior to the end of the taxable year in which the transfer occurred;

(b) Divisions (C) and (D) of section 5733.053 of the Revised Code had been in effect prior to the end of the taxable year in which the transfer occurred.

Division (D)(2)(b) of this section applies only if the amount described in divisions (C) and (D)(1) of section 5733.053 of the Revised Code for the taxable year ending in 1988 was greater than zero.

In no event shall the credit provided by division (C) of this section be less than zero. If the credit is affected by an adjustment to a report for a prior tax year, or by a report or an adjustment to a report for a subsequent tax year, the taxpayer shall file an amended annual corporation report in the manner prescribed by division (D) of section 5733.067 of the Revised Code.