

**As Introduced**

**131st General Assembly  
Regular Session  
2015-2016**

**S. B. No. 267**

**Senators Seitz, Peterson**

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**A BILL**

To amend sections 5735.01, 5735.012, 5747.98, and 1  
5751.98 and to enact sections 122.079, 5735.015, 2  
5735.016, 5747.78, and 5751.55 of the Revised 3  
Code to create the Gaseous Fuel Vehicle 4  
Conversion Program, to allow a credit against 5  
the income or commercial activity tax for the 6  
purchase or conversion of an alternative fuel 7  
vehicle, to apply the motor fuel tax to the 8  
distribution or sale of compressed natural gas, 9  
to authorize a temporary, partial motor fuel tax 10  
exemption for sales of liquid and compressed 11  
natural gas used as motor fuel, and to make an 12  
appropriation. 13

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 5735.01, 5735.012, 5747.98, and 14  
5751.98 be amended and sections 122.079, 5735.015, 5735.016, 15  
5747.78, and 5751.55 of the Revised Code be enacted to read as 16  
follows: 17

**Sec. 122.079.** (A) As used in this section: 18

(1) "Compressed natural gas" means a clear, odorless, and 19

noncorrosive natural gas that is compressed to a pressure of at 20  
least three thousand eight hundred pounds per square inch but 21  
less than four thousand five hundred pounds per square inch. 22

(2) "Gaseous fuel" means compressed natural gas, liquefied 23  
natural gas, or liquid petroleum gas. 24

(3) "Incremental cost" means the excess cost associated 25  
with the purchase of a vehicle originally equipped by the 26  
manufacturer to operate on gaseous fuel as compared to the 27  
purchase of an equivalent vehicle that operates on gasoline or 28  
diesel fuel. 29

(4) "Liquefied natural gas" means natural gas that is 30  
cooled to negative two hundred sixty degrees fahrenheit and is 31  
in a liquefied state. 32

(5) "Liquid petroleum gas" means a material with a vapor 33  
pressure not exceeding that of commercial propane which is 34  
composed predominately of the following hydrocarbons or 35  
mixtures: propane, propylene, butane (normal butane or 36  
isobutane), and butylene. 37

(6) "Nonprofit corporation" has the same meaning as in 38  
section 1702.01 of the Revised Code. 39

(7) "Public transportation system" means a county transit 40  
system operated in accordance with sections 306.01 to 306.13 of 41  
the Revised Code, a regional transit authority operated in 42  
accordance with sections 306.30 to 306.71 of the Revised Code, 43  
or a regional transit commission operated in accordance with 44  
sections 306.80 to 306.90 of the Revised Code. 45

(8) "School district" means a "city school district" as 46  
defined in section 3311.02 of the Revised Code, a "local school 47  
district" as defined in section 3311.03 of the Revised Code, an 48

"exempted village school district" as defined in section 3311.04 49  
of the Revised Code, or a "joint vocational school district" as 50  
defined in section 3311.18 of the Revised Code. 51

(B) For the purpose of promoting the conversion of public 52  
fleets to operate on cleaner fuels, the director of 53  
environmental protection shall administer a gaseous fuel vehicle 54  
conversion program under which the director may make grants to a 55  
state agency, a political subdivision of the state, a school 56  
district, a public transportation system, or a nonprofit 57  
corporation for the conversion of a vehicle to operate on 58  
gaseous fuel or for the incremental cost associated with the 59  
purchase of a vehicle originally equipped by the manufacturer to 60  
operate on gaseous fuel. 61

(C) The director shall adopt rules in accordance with 62  
Chapter 119. of the Revised Code that are necessary for the 63  
administration of the gaseous fuel vehicle conversion program. 64  
The rules shall establish all of the following: 65

(1) An application form and procedures governing the 66  
process for applying to receive a grant under the program; 67

(2) Grant eligibility requirements; 68

(3) A maximum grant amount of five hundred thousand 69  
dollars per eligible entity; 70

(4) Any other procedures, criteria, or grant terms that 71  
the director determines necessary to administer the program. 72

(D) There is hereby created in the state treasury the 73  
gaseous fuel vehicle conversion fund, which shall consist of 74  
money transferred to the fund by the general assembly. The money 75  
in the fund shall be used solely to make grants under the 76  
gaseous fuel vehicle conversion program. Any interest earned 77

from money in the fund shall be used to administer the gaseous 78  
fuel vehicle conversion program. 79

**Sec. 5735.01.** As used in this chapter: 80

(A) "Motor vehicles" includes all vehicles, vessels, 81  
watercraft, engines, machines, or mechanical contrivances which 82  
are powered by internal combustion engines or motors. 83

(B) "Motor fuel" means compressed natural gas and any 84  
liquid motor fuel, including, but not limited to, gasoline, 85  
diesel fuel, K-1 kerosene, or any other liquid motor fuel, 86  
including, but not limited to, liquid petroleum gas, or liquid 87  
natural gas, but excluding substances prepackaged and sold in 88  
containers of five gallons or less. 89

(C) "K-1 kerosene" means fuel that conforms to the 90  
chemical and physical standards for kerosene no. 1-K as set 91  
forth in the American society for testing and materials (ASTM) 92  
designated D-3699 "standard for specification for kerosene," as 93  
that standard may be modified from time to time. For purposes of 94  
inspection and testing, laboratory analysis shall be conducted 95  
using methods recognized by the ASTM designation D-3699. 96

(D) "Diesel fuel" means any liquid fuel capable of use in 97  
discrete form or as a blend component in the operation of 98  
engines of the diesel type, including transmix when mixed with 99  
diesel fuel. 100

(E) "Gasoline" means any of the following: 101

(1) All products, commonly or commercially known or sold 102  
as gasoline; 103

(2) Any blend stocks or additives, including alcohol, that 104  
are sold for blending with gasoline, other than products 105

typically sold in containers of five gallons or less;	106
(3) Transmix when mixed with gasoline, unless certified,	107
as required by the tax commissioner, for withdrawal from	108
terminals for reprocessing at refineries;	109
(4) Alcohol that is offered for sale or sold for use as,	110
or commonly and commercially used as, a fuel for internal	111
combustion engines.	112
Gasoline does not include diesel fuel, commercial or	113
industrial naphthas or solvents manufactured, imported, received,	114
stored, distributed, sold, or used exclusively for purposes	115
other than as a motor fuel for a motor vehicle or vessel. The	116
blending of any of the products listed in the preceding	117
sentence, regardless of name or characteristics, is conclusively	118
presumed to have been done to produce gasoline, unless the	119
product obtained by the blending is entirely incapable for use	120
as fuel to operate a motor vehicle. An additive, blend stock, or	121
alcohol is presumed to be sold for blending unless a	122
certification is obtained as required by the tax commissioner.	123
(F) "Public highways" means lands and lots over which the	124
public, either as user or owner, generally has a right to pass,	125
even though the same are closed temporarily by the authorities	126
for the purpose of construction, reconstruction, maintenance, or	127
repair.	128
(G) "Waters within the boundaries of this state" means all	129
streams, lakes, ponds, marshes, water courses, and all other	130
bodies of surface water, natural or artificial, which are	131
situated wholly or partially within this state or within its	132
jurisdiction, except private impounded bodies of water.	133
(H) "Person" includes individuals, partnerships, firms,	134

associations, corporations, receivers, trustees in bankruptcy, 135  
estates, joint-stock companies, joint ventures, the state and 136  
its political subdivisions, and any combination of persons of 137  
any form. 138

(I) (1) "Motor fuel dealer" means any person who satisfies 139  
any of the following: 140

(a) The person imports from another state or foreign 141  
country or acquires motor fuel by any means into a terminal in 142  
this state; 143

(b) The person imports motor fuel from another state or 144  
foreign country in bulk lot vehicles for subsequent sale and 145  
distribution in this state from bulk lot vehicles; 146

(c) The person refines motor fuel in this state; 147

(d) The person acquires motor fuel from a motor fuel 148  
dealer for subsequent sale and distribution by that person in 149  
this state from bulk lot vehicles; 150

(e) The person possesses an unrevoked permissive motor 151  
fuel dealer's license. 152

(2) Any person who obtains dyed diesel fuel for use other 153  
than the operation of motor vehicles upon the public highways or 154  
upon waters within the boundaries of this state, but later uses 155  
that motor fuel for the operation of motor vehicles upon the 156  
public highways or upon waters within the boundaries of this 157  
state, is deemed a motor fuel dealer as regards any unpaid motor 158  
fuel taxes levied on the motor fuel so used. 159

(J) As used in sections 5735.05, 5735.25, 5735.29, and 160  
5735.30 of the Revised Code only: 161

(1) With respect to gasoline, "received" or "receipt" 162

shall be construed as follows: 163

(a) Gasoline produced at a refinery in this state or 164  
delivered to a terminal in this state is deemed received when it 165  
is disbursed through a loading rack at that refinery or 166  
terminal; 167

(b) Except as provided in division (J) (1) (a) of this 168  
section, gasoline imported into this state or purchased or 169  
otherwise acquired in this state by any person is deemed 170  
received within this state by that person when the gasoline is 171  
withdrawn from the container in which it was transported; 172

(c) Gasoline delivered or disbursed by any means from a 173  
terminal directly to another terminal is not deemed received. 174

(2) With respect to motor fuel other than gasoline, 175  
"received" or "receipt" means distributed or sold for use or 176  
used to generate power for the operation of motor vehicles upon 177  
the public highways or upon waters within the boundaries of this 178  
state. All diesel fuel that is not dyed diesel fuel, regardless 179  
of its use, shall be considered as used to generate power for 180  
the operation of motor vehicles upon the public highways or upon 181  
waters within the boundaries of this state when the fuel is sold 182  
or distributed to a person other than a licensed motor fuel 183  
dealer or to a person licensed under section 5735.026 of the 184  
Revised Code. 185

(K) Motor fuel used for the operation of licensed motor 186  
vehicles employed in the maintenance, construction, or repair of 187  
public highways is deemed to be used for the operation of motor 188  
vehicles upon the public highways. 189

(L) "Licensed motor fuel dealer" means any dealer 190  
possessing an unrevoked motor fuel dealer's license issued by 191

the tax commissioner as provided in section 5735.02 of the Revised Code.

(M) "Licensed retail dealer" means any retail dealer possessing an unrevoked retail dealer's license issued by the tax commissioner as provided in section 5735.022 of the Revised Code.

(N) "Cents per gallon rate" means the amount computed by the tax commissioner under section 5735.011 of the Revised Code that is used to determine that portion of the tax levied by section 5735.05 of the Revised Code that is computed in the manner prescribed by division (B)(2) of section 5735.06 of the Revised Code and that is applicable for the period that begins on the first day of July following the date on which the commissioner makes the computation.

(O) "Retail dealer" means any person that sells or distributes motor fuel at a retail service station located in this state.

(P) "Retail service station" means a location from which motor fuel is sold to the general public and is dispensed or pumped directly into motor vehicle fuel tanks for consumption.

(Q) "Transit bus" means a motor vehicle that is operated for public transit or paratransit service on a regular and continuing basis within the state by or for a county, a municipal corporation, a county transit board pursuant to sections 306.01 to 306.13 of the Revised Code, a regional transit authority pursuant to sections 306.30 to 306.54 of the Revised Code, or a regional transit commission pursuant to sections 306.80 to 306.90 of the Revised Code. Public transit or paratransit service may include fixed route, demand-responsive,



or subscription bus service transportation, but does not include 221  
shared-ride taxi service, carpools, vanpools, jitney service, 222  
school bus transportation, or charter or sightseeing services. 223

(R) "Export" means motor fuel delivered outside this 224  
state. Motor fuel delivered outside this state by or for the 225  
seller constitutes an export by the seller. Motor fuel delivered 226  
outside this state by or for the purchaser constitutes an export 227  
by the purchaser. 228

(S) "Import" means motor fuel delivered into this state 229  
from outside this state. Motor fuel delivered into this state 230  
from outside this state by or for the seller constitutes an 231  
import by the seller. Motor fuel delivered into this state from 232  
outside this state by or for the purchaser constitutes an import 233  
by the purchaser. 234

(T) "Terminal" means a motor fuel storage or distribution 235  
facility that is supplied by pipeline or marine vessel. 236

(U) "Consumer" means a buyer of motor fuel for purposes 237  
other than resale in any form. 238

(V) "Bulk lot vehicle" means railroad tank cars, transport 239  
tank trucks, and tank wagons with a capacity of at least 1,400 240  
gallons. 241

(W) "Licensed permissive motor fuel dealer" means any 242  
person possessing an unrevoked permissive motor fuel dealer's 243  
license issued by the tax commissioner under section 5735.021 of 244  
the Revised Code. 245

(X) "Licensed terminal operator" means any person 246  
possessing an unrevoked terminal operator's license issued by 247  
the tax commissioner under section 5735.026 of the Revised Code. 248

(Y) "Licensed exporter" means any person possessing an unrevoked exporter's license issued by the tax commissioner under section 5735.026 of the Revised Code.	249 250 251
(Z) "Dyed diesel fuel" means any diesel fuel dyed pursuant to regulations issued by the internal revenue service or a rule promulgated by the tax commissioner.	252 253 254
(AA) "Gross gallons" means U.S. gallons without temperature or barometric adjustments.	255 256
(BB) "Net gallons" means U.S. gallons with a temperature adjustment to sixty degrees fahrenheit.	257 258
(CC) "Transporter" means either of the following:	259
(1) A railroad company, street, suburban, or interurban railroad company, a pipeline company, or water transportation company that transports motor fuel, either in interstate or intrastate commerce, to points in this state;	260 261 262 263
(2) A person that transports motor fuel by any manner to a point in this state.	264 265
(DD) "Exporter" means either of the following:	266
(1) A person that is licensed to collect and remit motor fuel taxes in a specified state of destination;	267 268
(2) A person that is statutorily prohibited from obtaining a license to collect and remit motor fuel taxes in a specified state of destination, and is licensed to sell or distribute tax-paid motor fuel in the specified state of destination.	269 270 271 272
(EE) "Report" means a report or return required to be filed under this chapter and may be used interchangeably with, and for all purposes has the same meaning as, "return."	273 274 275

**Sec. 5735.012.** With respect to liquid motor fuel other 276  
than liquid natural gas, amounts of motor fuel reported under 277  
this chapter shall be measured in gross gallons, except that 278  
amounts reported for terminal to terminal transactions shall be 279  
measured in net gallons and amounts reported for terminal to 280  
Ohio licensed dealer transactions shall be measured in both net 281  
gallons and gross gallons. Amounts of liquid natural gas shall 282  
be measured in gallon equivalents as described in section 283  
5735.013 of the Revised Code. Amounts of compressed natural gas 284  
shall be measured in gallon equivalents as described in section 285  
5735.015 of the Revised Code. 286

**Sec. 5735.015.** For the purposes of this chapter, the 287  
following amount of compressed natural gas shall be the 288  
equivalent of one gallon of motor fuel: 289

(A) For compressed natural gas that is received through a 290  
dispenser capable of providing a measurement in pounds, six and 291  
thirty-eight one-hundredths pounds of compressed natural gas; 292

(B) For compressed natural gas that is not received as 293  
provided in division (A) of this section, one hundred thirty- 294  
nine and three-tenths cubic feet of compressed natural gas, or 295  
the amount of compressed natural gas that has a lower heating 296  
value of one hundred twenty-nine thousand five hundred British 297  
thermal units. 298

**Sec. 5735.016.** (A) Notwithstanding any other provision of 299  
this chapter, the total combined rate of tax imposed under this 300  
chapter upon the receipt of compressed natural gas, liquid 301  
natural gas, or propane received on or after the first day of 302  
the first month after the effective date of the enactment of 303  
this section and before the first day of the one hundred twenty- 304  
first month after that effective date shall be the following: 305

(1) For compressed natural gas, liquid natural gas, or 306  
propane received on or after the first day of the first month 307  
after that effective date and before the first day of the 308  
thirty-seventh month after that effective date, zero cents per 309  
gallon; 310

(2) For compressed natural gas, liquid natural gas, or 311  
propane received on or after the first day of the thirty-seventh 312  
month after that effective date and before the first day of the 313  
forty-ninth month after that effective date, five cents per 314  
gallon; 315

(3) For compressed natural gas, liquid natural gas, or 316  
propane received on or after the first day of the forty-ninth 317  
month after that effective date and before the first day of the 318  
sixty-first month after that effective date, six cents per 319  
gallon; 320

(4) For compressed natural gas, liquid natural gas, or 321  
propane received on or after the first day of the sixty-first 322  
month after that effective date and before the first day of the 323  
ninety-seventh month after that effective date, seven cents per 324  
gallon; 325

(5) For compressed natural gas, liquid natural gas, or 326  
propane received on or after the first day of the ninety-seventh 327  
month after that effective date and before the first day of the 328  
one hundred twenty-first month after that effective date, 329  
fourteen cents per gallon. 330

(B) All receipts from taxes imposed at the rates described 331  
in division (A) of this section shall be distributed as follows: 332

(1) Seventeen twenty-eighths shall be distributed in the 333  
same manner as required for receipts from the tax levied by 334

section 5735.05 of the Revised Code. 335

(2) Eight twenty-eighths shall be distributed in the same 336  
manner as required for receipts from the tax levied by section 337  
5735.29 of the Revised Code. 338

(3) Two twenty-eighths shall be distributed in the same 339  
manner as required for receipts from the tax levied by section 340  
5735.25 of the Revised Code. 341

(4) One twenty-eighth shall be distributed in the same 342  
manner as required for receipts from the tax levied by section 343  
5735.30 of the Revised Code. 344

**Sec. 5747.78. (A) As used in this section:** 345

(1) "Alternative fuel" means compressed natural gas, 346  
liquid natural gas, or liquid petroleum gas. 347

(2) "Alternative fuel vehicle" means a motor vehicle that 348  
is registered in this state for operation on public highways and 349  
that is propelled by a motor that runs on alternative fuel. 350  
"Alternative fuel vehicle" includes a bi-fueled or dual-fueled 351  
vehicle with a motor that can run on both alternative fuel and 352  
on gasoline or diesel fuel. 353

(3) "New alternative fuel vehicle" means an alternative 354  
fuel vehicle that meets all of the following criteria: 355

(a) The taxpayer purchased the vehicle from an original 356  
equipment manufacturer, automobile retailer, or after-market 357  
conversion facility. 358

(b) The taxpayer was the first person to purchase the 359  
vehicle for personal use or for use in business and not for 360  
resale. 361

(c) The alternative fuel technology used in the vehicle 362  
has received a compliance designation or been certified by the 363  
United States environmental protection agency for new or 364  
intermediate use. 365

(d) If the vehicle is propelled by a motor that runs on 366  
compressed natural gas, at least five years remain until the 367  
date established by the manufacturer of the compressed natural 368  
gas tank as the end-of-life date for the tank. 369

(4) "Traditional fuel vehicle" means a motor vehicle that 370  
is registered in this state for operation on public highways and 371  
that is propelled by gasoline or diesel fuel. 372

(5) "Adjusted purchase price" means the portion of the 373  
purchase price of a new alternative fuel vehicle that is 374  
attributable to the parts and equipment used for the storage of 375  
alternative fuel, the delivery of alternative fuel to the motor, 376  
and the exhaust of gases from the combustion of alternative 377  
fuel. 378

(6) "Conversion parts and equipment" shall not include 379  
parts and equipment that have previously been used to modify or 380  
retrofit another traditional fuel vehicle. 381

(B) A nonrefundable credit may be claimed against the tax 382  
imposed by section 5747.02 of the Revised Code by a taxpayer 383  
that, on or after the effective date of the enactment of this 384  
section and before the first day of the sixty-first month after 385  
that effective date, purchases a new alternative fuel vehicle or 386  
converts a traditional fuel vehicle into an alternative fuel 387  
vehicle. The amount of the credit shall equal the lesser of 388  
fifty per cent of the adjusted purchase price of the new 389  
alternative fuel vehicle or of the cost of the conversion parts 390

and equipment, as applicable, or one of the following amounts: 391

(1) For the purchase or conversion of an alternative fuel 392  
vehicle with a gross vehicle rating of eight thousand five 393  
hundred pounds or less, five thousand dollars; 394

(2) For the purchase or conversion of an alternative fuel 395  
vehicle with a gross vehicle rating equal to or less than ten 396  
thousand pounds, but more than eight thousand five hundred 397  
pounds, ten thousand dollars; 398

(3) For the purchase or conversion of an alternative fuel 399  
vehicle with a gross vehicle rating of more than ten thousand 400  
pounds, twenty-five thousand dollars. 401

The taxpayer shall claim the credit for the taxable year 402  
in which the taxpayer purchases the new alternative fuel vehicle 403  
or the conversion parts and equipment. 404

(C) The taxpayer shall claim a credit allowed under this 405  
section in the order required by section 5747.98 of the Revised 406  
Code. The credit, to the extent it exceeds the taxpayer's tax 407  
liability for a taxable year after allowing for any other 408  
credits that precede the credit under that section, may be 409  
carried forward to the next succeeding taxable year or years, 410  
but the amount of the excess credit claimed for any taxable year 411  
shall be deducted from the balance carried forward to the next 412  
taxable year. 413

(D) Not more than one credit shall be allowed under this 414  
section or section 5751.55 of the Revised Code on the basis of 415  
the same alternative fuel vehicle or same conversion parts and 416  
equipment. 417

(E) A taxpayer that is an equity investor in a pass- 418  
through entity that purchases a new alternative fuel vehicle or 419

converts a traditional fuel vehicle into an alternative fuel 420  
vehicle within the time period prescribed in division (B) of 421  
this section may claim the taxpayer's distributive or 422  
proportionate share of the credit for the taxpayer's taxable 423  
year that includes the last day of the entity's taxable year in 424  
which the vehicle or conversion parts and equipment were 425  
purchased. 426

(F) The tax commissioner may promulgate any rules 427  
necessary for the administration of this section. 428

**Sec. 5747.98.** (A) To provide a uniform procedure for 429  
calculating a taxpayer's aggregate tax liability under section 430  
5747.02 of the Revised Code, a taxpayer shall claim any credits 431  
to which the taxpayer is entitled in the following order: 432

(1) Either the retirement income credit under division (B) 433  
of section 5747.055 of the Revised Code or the lump sum 434  
retirement income credits under divisions (C), (D), and (E) of 435  
that section; 436

(2) Either the senior citizen credit under division (F) of 437  
section 5747.055 of the Revised Code or the lump sum 438  
distribution credit under division (G) of that section; 439

(3) The dependent care credit under section 5747.054 of 440  
the Revised Code; 441

(4) The low-income credit under section 5747.056 of the 442  
Revised Code; 443

(5) The credit for displaced workers who pay for job 444  
training under section 5747.27 of the Revised Code; 445

(6) The campaign contribution credit under section 5747.29 446  
of the Revised Code; 447



(7) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	448 449
(8) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	450 451
(9) The earned income credit under section 5747.71 of the Revised Code;	452 453
(10) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	454 455
(11) The nonrefundable job retention credit under division (B) of section 5747.058 of the Revised Code;	456 457
(12) The enterprise zone credit under section 5709.66 of the Revised Code;	458 459
(13) The ethanol plant investment credit under section 5747.75 of the Revised Code;	460 461
(14) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	462 463
(15) The small business investment credit under section 5747.81 of the Revised Code;	464 465
(16) The enterprise zone credits under section 5709.65 of the Revised Code;	466 467
(17) The research and development credit under section 5747.331 of the Revised Code;	468 469
(18) The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	470 471
(19) <u>The credit for the purchase or conversion of an alternative fuel vehicle under section 5747.78 of the Revised Code;</u>	472 473 474

	475
<u>(20)</u> The nonresident credit under division (A) of section 5747.05 of the Revised Code;	476 477
<del>(20)</del> <u>(21)</u> The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	478 479
<del>(21)</del> <u>(22)</u> The refundable motion picture production credit under section 5747.66 of the Revised Code;	480 481
<del>(22)</del> <u>(23)</u> The refundable jobs creation credit or job retention credit under division (A) of section 5747.058 of the Revised Code;	482 483 484
<del>(23)</del> <u>(24)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	485 486 487
<del>(24)</del> <u>(25)</u> The refundable credits for taxes paid by a qualifying pass-through entity granted under division (I) of section 5747.08 of the Revised Code;	488 489 490
<del>(25)</del> <u>(26)</u> The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code;	491 492 493 494
<del>(26)</del> <u>(27)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	495 496
<del>(27)</del> <u>(28)</u> The refundable credit for financial institution taxes paid by a pass-through entity granted under section 5747.65 of the Revised Code.	497 498 499
(B) For any credit, except the refundable credits enumerated in this section and the credit granted under division	500 501

(H) of section 5747.08 of the Revised Code, the amount of the 502  
credit for a taxable year shall not exceed the taxpayer's 503  
aggregate amount of tax due under section 5747.02 of the Revised 504  
Code, after allowing for any other credit that precedes it in 505  
the order required under this section. Any excess amount of a 506  
particular credit may be carried forward if authorized under the 507  
section creating that credit. Nothing in this chapter shall be 508  
construed to allow a taxpayer to claim, directly or indirectly, 509  
a credit more than once for a taxable year. 510

Sec. 5751.55. (A) As used in this section, "alternative 511  
fuel," "alternative fuel vehicle," "new alternative fuel 512  
vehicle," "traditional fuel vehicle," "adjusted purchase price," 513  
and "conversion parts and equipment" have the same meanings as 514  
in section 5747.78 of the Revised Code. 515

(B) A nonrefundable credit may be claimed against the tax 516  
imposed by section 5751.02 of the Revised Code by a taxpayer 517  
that, on or after the effective date of the enactment of this 518  
section by this act and before the first day of the sixty-first 519  
month after that effective date, purchases a new alternative 520  
fuel vehicle or converts a traditional fuel vehicle into an 521  
alternative fuel vehicle. The amount of the credit shall equal 522  
the lesser of fifty per cent of the adjusted purchase price of 523  
the new alternative fuel vehicle or of the cost of the 524  
conversion parts and equipment, as applicable, or one of the 525  
following amounts: 526

(1) For the purchase or conversion of an alternative fuel 527  
vehicle with a gross vehicle rating of eight thousand five 528  
hundred pounds or less, five thousand dollars; 529

(2) For the purchase or conversion of an alternative fuel 530  
vehicle with a gross vehicle rating equal to or less than ten 531

thousand pounds, but more than eight thousand five hundred 532  
pounds, ten thousand dollars; 533

(3) For the purchase or conversion of an alternative fuel 534  
vehicle with a gross vehicle rating of more than ten thousand 535  
pounds, twenty-five thousand dollars. 536

The taxpayer shall claim the credit for the tax period in 537  
which the taxpayer purchases the new alternative fuel vehicle or 538  
the conversion parts and equipment. 539

(C) The taxpayer shall claim a credit allowed under this 540  
section in the order required by section 5751.98 of the Revised 541  
Code. The credit, to the extent it exceeds the taxpayer's tax 542  
liability for a tax period after allowing for any other credits 543  
that precede the credit under that section, may be carried 544  
forward to the next succeeding tax period or periods, but the 545  
amount of the excess credit claimed for any tax period shall be 546  
deducted from the balance carried forward to the next tax 547  
period. 548

(D) Not more than one credit shall be allowed under this 549  
section or section 5747.78 of the Revised Code on the basis of 550  
the same alternative fuel vehicle or same conversion parts and 551  
equipment. 552

(E) The tax commissioner may promulgate any rules 553  
necessary for the administration of this section. 554

**Sec. 5751.98.** (A) To provide a uniform procedure for 555  
calculating the amount of tax due under this chapter, a taxpayer 556  
shall claim any credits to which it is entitled in the following 557  
order: 558

(1) The nonrefundable jobs retention credit under division 559  
(B) of section 5751.50 of the Revised Code; 560

(2) The nonrefundable credit for qualified research expenses under division (B) of section 5751.51 of the Revised Code;	561 562 563
(3) The nonrefundable credit for a borrower's qualified research and development loan payments under division (B) of section 5751.52 of the Revised Code;	564 565 566
(4) The nonrefundable credit for calendar years 2010 to 2029 for unused net operating losses under division (B) of section 5751.53 of the Revised Code;	567 568 569
(5) <u>The nonrefundable credit for the purchase or conversion of an alternative fuel vehicle under section 5751.55 of the Revised Code;</u>	570 571 572
<u>(6)</u> The refundable motion picture production credit under section 5751.54 of the Revised Code;	573 574
<del>(6)</del> <u>(7)</u> The refundable jobs creation credit or job retention credit under division (A) of section 5751.50 of the Revised Code;	575 576 577
<del>(7)</del> <u>(8)</u> The refundable credit for calendar year 2030 for unused net operating losses under division (C) of section 5751.53 of the Revised Code.	578 579 580
(B) For any credit except the refundable credits enumerated in this section, the amount of the credit for a tax period shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating the credit.	581 582 583 584 585 586
<b>Section 2.</b> That existing sections 5735.01, 5735.012, 5747.98, and 5751.98 of the Revised Code are hereby repealed.	587 588

**Section 3.** The amendment or enactment by this act of 589  
sections 5735.01, 5735.012, and 5735.015 of the Revised Code 590  
applies on and after the first day of the first month after the 591  
effective date of this act. 592

**Section 4.** All items in this section are hereby 593  
appropriated as designated out of any moneys in the state 594  
treasury to the credit of the designated fund. For all 595  
appropriations made in this act, those in the first column are 596  
for fiscal year 2016 and those in the second column are for 597  
fiscal year 2017. The appropriations made in this act are in 598  
addition to any other appropriations made for the FY 2016-FY 599  
2017 biennium. 600

EPA ENVIRONMENTAL PROTECTION AGENCY 601

Dedicated Purpose Fund Group 602

5NP0	715695	Gaseous Fuel Vehicle	\$16,000,000	\$16,000,000	603
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Conversion Program 604

TOTAL DPF			\$16,000,000	\$16,000,000	605
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Dedicated Purpose Fund Group 606

TOTAL ALL BUDGET FUND GROUPS			\$16,000,000	\$16,000,000	607
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GASEOUS FUEL VEHICLE CONVERSION PROGRAM 608

The foregoing appropriation item 715695, Gaseous Fuel 609  
Vehicle Conversion Program, shall be used for the purpose of 610  
funding the Gaseous Fuel Vehicle Conversion Program established 611  
in section 122.079 of the Revised Code. 612

It is the intent of the General Assembly to appropriate 613  
\$16,000,000 in each fiscal year of the biennium ending June 30, 614  
2019, and in the first fiscal year of the biennium ending June 615

30, 2021, to the Gaseous Fuel Vehicle Conversion Fund (Fund 616  
5NP0) for the purposes of the program established in section 617  
122.079 of the Revised Code. 618

**Section 5.** CASH TRANSFERS FROM GENERAL REVENUE FUND TO 619  
GASEOUS FUEL VEHICLE CONVERSION FUND 620

On the effective date of this section, or as soon as 621  
possible thereafter, the Director of Budget and Management shall 622  
transfer \$16,000,000 cash from the General Revenue Fund to the 623  
Gaseous Fuel Vehicle Conversion Fund (Fund 5NP0). 624

On July 1, 2016, or as soon as possible thereafter, the 625  
Director of Budget and Management shall transfer \$16,000,000 626  
cash from the General Revenue Fund to Fund 5NP0. 627

**Section 6.** Within the limits set forth in this act, the 628  
Director of Budget and Management shall establish accounts 629  
indicating the source and amount of funds for each appropriation 630  
made in this act, and shall determine the form and manner in 631  
which appropriation accounts shall be maintained. Expenditures 632  
from appropriations contained in this act shall be accounted for 633  
as though made in the main operating appropriations act of the 634  
131st General Assembly. 635

The appropriations made in this act are subject to all 636  
provisions of the main operating appropriations act of the 131st 637  
General Assembly that are generally applicable to such 638  
appropriations. 639