

**As Reported by the House Economic and Workforce Development
Committee**

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Sub. S. B. No. 39

Senator Schuring

**Cosponsors: Senators Terhar, Antonio, Craig, Dolan, Eklund, Fedor, Gavarone,
Hackett, Hoagland, Huffman, S., Kunze, Lehner, Maharath, Manning, O'Brien,
Williams, Wilson, Yuko Representatives Zeltwanger, Sobecki, Holmes, A., Ingram,
Lang, McClain, Miranda, Riedel**

A BILL

To amend sections 107.036, 1311.87, 1311.88, 1
1311.90, 5725.98, and 5729.98 and to enact 2
sections 122.09, 5725.35, and 5729.18 of the 3
Revised Code to authorize an insurance premiums 4
tax credit for capital contributions to 5
transformational mixed use development projects 6
and to modify the law governing commercial real 7
estate broker liens. 8

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

Section 1. That sections 107.036, 1311.87, 1311.88, 9
1311.90, 5725.98, and 5729.98 be amended and sections 122.09, 10
5725.35, and 5729.18 of the Revised Code be enacted to read as 11
follows: 12

Sec. 107.036. (A) For each business incentive tax credit, 13
the main operating appropriations act shall contain a detailed 14
estimate of the total amount of credits that may be authorized 15

in each year, an estimate of the amount of credits expected to 16
be claimed in each year, and an estimate of the amount of 17
credits expected to remain outstanding at the end of the 18
biennium. The governor shall include such estimates in the state 19
budget submitted to the general assembly pursuant to section 20
107.03 of the Revised Code. 21

(B) As used in this section, "business incentive tax 22
credit" means all of the following: 23

(1) The job creation tax credit under section 122.17 of 24
the Revised Code; 25

(2) The job retention tax credit under section 122.171 of 26
the Revised Code; 27

(3) The historic preservation tax credit under section 28
149.311 of the Revised Code; 29

(4) The motion picture and Broadway theatrical production 30
tax credit under section 122.85 of the Revised Code; 31

(5) The new markets tax credit under section 5725.33 of 32
the Revised Code; 33

(6) The research and development credit under section 34
166.21 of the Revised Code; 35

(7) The small business investment credit under section 36
122.86 of the Revised Code; 37

(8) The rural growth investment credit under section 38
122.152 of the Revised Code; 39

(9) The opportunity zone investment credit under section 40
122.84 of the Revised Code; 41

(10) The transformational mixed use development credit 42

under section 122.09 of the Revised Code. 43

Sec. 122.09. (A) As used in this section: 44

(1) "Development costs" means expenditures paid or 45
incurred by the property owner in completing a certified 46
transformational mixed use development project, including 47
architectural or engineering fees paid or incurred in connection 48
with the project and expenses incurred before the date the 49
project is certified by the tax credit authority under division 50
(C) of this section. In the case of a certified transformational 51
mixed use development project that is part of a larger 52
contiguous project that is planned to be completed in phases, 53
"development costs" include only expenditures associated with 54
the portion of the project that is certified by the tax credit 55
authority and do not include expenditures incurred for other 56
phases of the project. 57

(2) "Owner" means a person or persons holding a fee simple 58
or leasehold interest in real property, including interests in 59
real property acquired through a capital lease arrangement. 60
"Owner" does not include the state or a state agency, or any 61
political subdivision as defined in section 9.23 of the Revised 62
Code. For the purpose of this division, "fee simple interest," 63
"leasehold interest," and "capital lease" shall be construed in 64
accordance with generally accepted accounting principles. 65

(3) "Transformational mixed use development" means a 66
project that consists of new construction or the redevelopment, 67
rehabilitation, expansion, or other improvement of vacant 68
buildings or structures, or a combination of the foregoing, and 69
that: 70

(a) Will have a transformational economic impact on the 71

<u>development site and the surrounding area;</u>	72
<u>(b) Integrates some combination of retail, office,</u>	73
<u>residential, recreation, structured parking, and other similar</u>	74
<u>uses into one mixed use development; and</u>	75
<u>(c) Satisfies one of the following criteria:</u>	76
<u>(i) If the development site is located within ten miles of</u>	77
<u>a major city, the project includes at least one new or</u>	78
<u>previously vacant building that is fifteen or more stories in</u>	79
<u>height or has a floor area of at least three hundred fifty</u>	80
<u>thousand square feet, or after completion will be the site of</u>	81
<u>employment accounting for at least four million dollars in</u>	82
<u>annual payroll, or includes two or more buildings that are</u>	83
<u>connected to each other, are located on the same parcel or on</u>	84
<u>contiguous parcels, and that collectively have a floor area of</u>	85
<u>at least three hundred fifty thousand square feet;</u>	86
<u>(ii) If the development site is not located within ten</u>	87
<u>miles of a major city, the project includes at least one new or</u>	88
<u>previously vacant building that is two or more stories in height</u>	89
<u>or has a floor area of at least seventy-five thousand square</u>	90
<u>feet or two or more new buildings that are located on the same</u>	91
<u>parcel or on contiguous parcels and that collectively have a</u>	92
<u>floor area of at least seventy-five thousand square feet.</u>	93
<u>"Transformational mixed use development" may include a</u>	94
<u>portion of a larger contiguous project that is planned to be</u>	95
<u>completed in phases as long as the phases collectively meet the</u>	96
<u>criteria described in division (A) (3) of this section.</u>	97
<u>(4) "Increase in tax collections" means the difference, if</u>	98
<u>positive, of the amount of state and local taxes derived from</u>	99
<u>economic activity occurring within the development site and the</u>	100

surrounding area during a period of time minus the amount of 101
such taxes that are estimated to be derived from such economic 102
activity in that site and surrounding area during the same 103
period if the transformational mixed use project were not 104
completed. 105

(5) "Completion period" means the time period beginning on 106
the day after a transformational mixed use development is 107
certified by the tax credit authority and ending on the fifth 108
anniversary of the day the project is completed. 109

(6) "Insurance company" means a person subject to the tax 110
imposed under section 5725.18 or 5729.03 of the Revised Code. 111

(7) "Contribute capital" means to invest, loan, or donate 112
cash in exchange for an equity interest in an asset, a debt 113
instrument, or no consideration. 114

(8) "Major city" means a municipal corporation that has a 115
population greater than one hundred thousand. 116

(9) "Tax credit authority" means the tax credit authority 117
created under section 122.17 of the Revised Code. 118

(10) "Adjusted development costs" means the development 119
costs attributed to a complete transformational mixed use 120
development project minus the sum of the capital contributions 121
of any insurance companies that are preliminarily approved for a 122
tax credit in connection with the same project. 123

(11) A "property owner's share" of the increase in tax 124
collections equals the product obtained by multiplying the total 125
increase in tax collections since the date the transformational 126
mixed use development project was certified by a fraction, the 127
numerator of which is the adjusted development costs and the 128
denominator of which is the actual development costs attributed 129

to the project. 130

(12) An "insurance company's share" of the increase in tax 131
collections equals the product obtained by multiplying the total 132
increase in tax collections since the date the transformational 133
mixed use development project was certified by a fraction, the 134
numerator of which is the insurance company's capital 135
contribution to the project and the denominator of which is the 136
actual development costs attributed to the project. 137

(B) The owner of one or more parcels of land in this state 138
within which a transformational mixed use development is planned 139
or an insurance company that contributes capital to be used in 140
the planning or construction of such a development may apply to 141
the tax credit authority for certification of the development 142
and preliminary approval of a tax credit. Each application shall 143
be filed in the form and manner prescribed by the director of 144
development services and shall, at minimum, include a 145
development plan comprised of all of the following information: 146

(1) The location of the development site and an indication 147
of whether it is located within ten miles of a major city; 148

(2) A detailed description of the proposed 149
transformational mixed use development including site plans, 150
construction drawings, architectural renderings, or other means 151
sufficient to convey the appearance, size, purposes, capacity, 152
and scope of the project and, if applicable, previously 153
completed and future phases of the project; 154

(3) A viable financial plan that estimates the development 155
costs that have been or will be incurred in the completion of 156
the project and that designates a source of financing or a 157
strategy for obtaining financing; 158

(4) An estimated schedule for the progression and completion of the project including, if applicable, previously completed and future phases of the project; 159
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(5) An assessment of the projected economic impact of the project on the development site and the surrounding area; 162
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(6) Evidence that the increase in tax collections during the completion period will exceed ten per cent of the estimated development costs reported under division (B) (3) of this section; 164
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(7) If the applicant is an insurance company that is not the property owner, the amount of the insurance company's capital contribution to the development and the date on which it was or will be made; 168
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(8) Evidence that the project will not be completed unless the applicant receives the credit. 172
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(C) (1) In determining whether to certify a project that is the subject of an application submitted under division (B) of this section, the tax credit authority shall consider the potential impact of the transformational mixed use development on the development site and the surrounding area in terms of architecture, accessibility to pedestrians, retail entertainment and dining sales, job creation, property values, connectivity, and revenue from sales, income, lodging, and property taxes. The tax credit authority shall not certify a project unless it satisfies the following conditions: 174
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(a) The project qualifies as a transformational mixed use development and satisfies all other criteria prescribed by this section or by rule of the director of development services; 184
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(b) The estimated increase in tax collections during the 187

completion period exceeds ten per cent of the estimated 188
development costs for the project reported under division (B) (3) 189
of this section; 190

(c) The project will not be completed unless the applicant 191
receives the credit; 192

(d) If the development site is located within ten miles of 193
a major city, the estimated development costs to complete the 194
project plus, if applicable, the estimated expenditures that 195
have been or will be incurred to complete all other contiguous 196
phases of the project, exceed fifty million dollars. 197

In making its determination of whether or not to approve 198
an application, the tax credit authority may conduct an 199
interview of the applicant. 200

(2) If the tax credit authority approves an application, 201
the authority shall issue a statement certifying the associated 202
transformational mixed use development project and preliminarily 203
approving a tax credit. The statement shall stipulate that 204
receipt of a tax credit certificate is contingent upon 205
completion of the transformational mixed use development as 206
described in the development plan. The statement shall specify 207
the estimated amount of the tax credit, but state that the 208
amount of the credit is dependent upon determination of the 209
actual development costs attributed to the project and, unless 210
the tax credit authority grants a request by the property owner 211
under division (F) of this section, of the increase in tax 212
collections during the completion period. 213

(3) Except as otherwise provided in this division, if the 214
applicant is an insurance company that is not the property 215
owner, the estimated amount of the tax credit shall equal ten 216

per cent of the insurance company's capital contribution to the 217
project as reported in the development plan pursuant to division 218
(B) (7) of this section. Except as otherwise provided in this 219
division, if the applicant is the property owner, the estimated 220
amount of the tax credit shall equal ten per cent of the 221
estimated development costs for the project as reported in the 222
development plan pursuant to division (B) (3) of this section 223
minus any estimated credit amounts that have been preliminarily 224
approved for insurance companies contributing capital to the 225
project. The estimated credit amounts may be reduced by the tax 226
credit authority as a condition of certifying the project if 227
such a reduction is necessary to comply with the limitations on 228
the amount of credits that may be preliminarily approved as 229
prescribed by division (C) (5) of this section. The estimated 230
credit amounts shall not be adjusted after the statement 231
described in division (C) (2) of this section has been issued. 232

(4) If the tax credit authority denies an application, the 233
authority shall notify the applicant of the reason or reasons 234
for such determination. The authority's determination is final, 235
but an applicant may revise and resubmit a previously denied 236
application. 237

(5) (a) The tax credit authority shall not certify any 238
transformational mixed use development projects after June 30, 239
2023. 240

(b) The tax credit authority may not preliminarily approve 241
more than one hundred million dollars of estimated tax credits 242
in each of fiscal years 2020, 2021, 2022, and 2023. 243

(c) Not more than eighty million dollars of estimated tax 244
credits in each such fiscal year may be preliminarily approved 245
in connection with projects that are located within ten miles of 246

<u>a major city.</u>	247
<u>(d) Not more than forty million dollars of estimated tax credits may be preliminarily approved in connection with the same transformational mixed use development project.</u>	248 249 250
<u>(6) If the dollar amount of tax credits applied for under division (B) of this section in connection with projects that are located within ten miles of a major city exceeds eighty million dollars for a fiscal year, the tax credit authority shall rank those applications and certify the associated projects in order, starting with the project that presents the best combination of economic value and transformational impact. If the dollar amount of tax credits applied for in connection with projects not located within ten miles of a major city exceeds twenty million dollars for a fiscal year, the tax credit authority shall rank those applications and certify the associated projects in order, starting with the project that presents the best combination of economic value and transformational impact. In either case, the authority shall consider the following factors in ranking the applications:</u>	251 252 253 254 255 256 257 258 259 260 261 262 263 264 265
<u>(a) The projected increase in tax collections during the completion period as a percentage of the total amount of estimated tax credits that would be preliminarily approved in connection with the project;</u>	266 267 268 269
<u>(b) The economic impact of the project on the development site and the surrounding area and the impact of the project in terms of architecture, accessibility to pedestrians, retail entertainment and dining sales, job creation, property values, and connectivity;</u>	270 271 272 273 274
<u>(c) The expeditiousness of the schedule for completing the</u>	275

project, realizing the increase in tax collections, and 276
attaining the economic and other impacts on the development site 277
and the surrounding area. 278

(D) Within twelve months of the date a project is 279
certified, the property owner shall provide the tax credit 280
authority with an updated schedule for the progression and 281
completion of the project and documentation sufficient to 282
demonstrate that construction of the project has begun. If the 283
property owner does not provide the schedule and documentation 284
or if construction of the project has not begun within the time 285
prescribed by this division, the tax credit authority shall 286
rescind certification of the project and send notice of the 287
rescission to the property owner and each insurance company that 288
is preliminarily approved for a tax credit in connection with 289
the project. A property owner that receives notice of rescission 290
may submit a new application concerning the same project under 291
division (B) of this section. 292

(E) An applicant that is the property owner and is 293
preliminarily approved for a tax credit under this section may 294
sell or transfer the rights to that credit to one or more 295
persons for the purpose of raising capital for the certified 296
project. The applicant shall notify the tax credit authority 297
upon selling or transferring the rights to the credit. The 298
notice shall identify the person or persons to which the credit 299
was sold or transferred and the credit amount sold or 300
transferred to each such person. Only an applicant that owns the 301
property may sell or transfer a credit under this division. A 302
credit may be divided among multiple purchasers through more 303
than one transaction but once a particular credit amount is 304
acquired by a person other than the applicant it may not be sold 305
or transferred again. 306

(F) After a transformational mixed use development project 307
is certified and before it is completed, the property owner may 308
request that the value of the tax credit certificates awarded in 309
connection with the project be computed using the alternative 310
method described in division (I) of this section. The tax credit 311
authority shall grant the request if the authority determines, 312
and a third party engaged by the authority at the expense of the 313
property owner affirms, that it is reasonably certain that the 314
increase in tax collections will exceed ten per cent of the 315
estimated development costs within one year after the project is 316
completed. Otherwise, the authority shall deny the request and 317
the amount of each credit awarded in connection with the project 318
shall be computed under division (H) of this section. The 319
authority's determination under this division shall be delivered 320
in writing and is final and not appealable. 321

(G) (1) The property owner shall notify the tax credit 322
authority upon completion of a certified transformational mixed 323
use development project. The notification shall include a report 324
prepared by a third-party certified public accountant that 325
contains a detailed accounting of the actual development costs 326
attributed to the project. 327

(2) Upon receiving such a notice, unless the tax credit 328
authority has previously granted a request by the property owner 329
under division (F) of this section, the authority shall 330
determine the increase in tax collections since the date the 331
project was certified by consulting with the tax commissioner 332
and with the tax administrator of any municipal corporation that 333
levies an income tax within the project site and the surrounding 334
area. The tax commissioner and the tax administrators that are 335
consulted pursuant to this division shall provide the tax credit 336
authority with any information that is necessary to determine 337

the increase in tax collections. 338

(3) After determining the increase in tax collections 339
under division (G) (2) of this section, if required, and 340
computing the value of the tax credit under division (H) or (I) 341
of this section, as applicable, the tax credit authority shall 342
issue a tax credit certificate to each applicant that is 343
preliminarily approved for a credit associated with the project 344
or to the person or persons to which such an applicant sold or 345
transferred the rights to the credit under division (E) of this 346
section. If the amount of the tax credit awarded to the property 347
owner is less than the credit amount estimated under division 348
(C) of this section and the property owner sold or transferred 349
the rights to the credit, the tax credit authority shall reduce 350
the amount of each tax credit certificate issued to each 351
purchaser or recipient on a pro rata basis unless the property 352
owner requests an alternative allocation of the credit. 353

(H) (1) Unless the tax credit authority granted a request 354
by the property owner under division (F) of this section, the 355
aggregate value of the tax credit certificates issued under 356
division (G) of this section to the property owner and to any 357
persons to whom the property owner sold or transferred the 358
rights to the credit shall equal the lesser of the following: 359

(a) Ten per cent of the adjusted development costs; 360

(b) Five per cent of the adjusted development costs plus 361
any amount by which the property owner's share of the increase 362
in tax collections since the date the project was certified 363
exceeds five per cent of the adjusted development costs; 364

(c) The estimated credit amount specified in the tax 365
credit authority's statement certifying the project and 366

preliminarily approving the tax credit under division (C) of 367
this section. 368

(2) The value of a tax credit certificate issued under 369
division (G) of this section to an insurance company that 370
contributed capital to the project shall equal the lesser of the 371
following: 372

(a) Ten per cent of the insurance company's actual capital 373
contribution; 374

(b) Five per cent of such capital contribution plus any 375
amount by which the insurance company's share of the increase in 376
tax collections since the date the project was certified exceeds 377
five per cent of the insurance company's capital contribution; 378

(c) The estimated credit amount specified in the tax 379
credit authority's statement certifying the project and 380
preliminarily approving the tax credit under division (C) of 381
this section. 382

(I) If the tax credit authority granted a request by the 383
property owner under division (F) of this section, the value of 384
the tax credit certificates issued in connection with the 385
transformational mixed use development project shall be computed 386
as follows: 387

(1) For the property owner or any person to which the 388
property owner sold or transferred the rights to the credit, ten 389
per cent of the actual development costs attributed to the 390
project. If the amount of the credit is less than the credit 391
amount estimated under division (C) of this section and the 392
property owner sold or transferred the rights to the credit to 393
more than one person, the authority shall reduce the amount of 394
each tax credit certificate on a pro rata basis unless the 395

<u>property owner requests an alternative allocation of the credit.</u>	396
<u>(2) For an insurance company that contributed capital to</u>	397
<u>the project, ten per cent of the insurance company's actual</u>	398
<u>capital contribution.</u>	399
<u>(J) If the value of a tax credit certificate was computed</u>	400
<u>under division (H) of this section for a project, the property</u>	401
<u>owner, on or before the thirtieth day following the first,</u>	402
<u>second, third, fourth, and fifth anniversaries of the date the</u>	403
<u>certified transformational mixed use development project is</u>	404
<u>completed, may request in writing that the tax credit authority</u>	405
<u>update the increase in tax collections during the completion</u>	406
<u>period. Upon receiving such a request, the tax credit authority</u>	407
<u>shall update the increase in tax collections in the same manner</u>	408
<u>described by division (G) of this section. If the tax credit</u>	409
<u>authority determines that the value of the tax credit</u>	410
<u>certificates computed under division (H) of this section would</u>	411
<u>be greater if computed based on the updated increase in tax</u>	412
<u>collections, the authority shall issue an additional tax credit</u>	413
<u>certificate to each person that previously received a</u>	414
<u>certificate for the project under those divisions. The value of</u>	415
<u>each additional tax credit certificate shall equal the amount by</u>	416
<u>which the tax credit certificate computed under division (H) of</u>	417
<u>this section upon completion of the project would have been</u>	418
<u>greater had the value of such certificate been computed based on</u>	419
<u>the updated increase in tax collections, less the value of any</u>	420
<u>additional tax credit certificates previously issued under this</u>	421
<u>division to the same person respecting the same project.</u>	422
<u>(K) The aggregate value of all tax credit certificates</u>	423
<u>issued under this section for the same transformational mixed</u>	424
<u>use development project shall not exceed (1) ten per cent of the</u>	425

actual development costs of that project or (2) the sum of all 426
estimated credit amounts preliminarily approved by the tax 427
credit authority in connection with the project. 428

(L) Issuance of a tax credit certificate under this 429
section does not represent a verification or certification by 430
the tax credit authority of the actual development costs of the 431
project or the capital contributions to the project by an 432
insurance company. Such amounts are subject to inspection and 433
examination by the superintendent of insurance. 434

(M) Upon the issuance of a tax credit certificate under 435
division (G) or (J) of this section, the tax credit authority 436
shall certify to the superintendent of insurance (1) the name of 437
each person that was issued a tax credit certificate, (2) 438
whether the person is the property owner, an insurance company 439
that contributed capital to the development, or a person that 440
acquired the rights to the tax credit certificate from the 441
property owner, (3) the credit amount shown on each tax credit 442
certificate, and (4) any other information required by the rules 443
adopted under this section. A person that holds the rights to a 444
tax credit certificate issued under this section and that is an 445
insurance company may claim a tax credit under section 5725.35 446
or 5729.18 of the Revised Code. 447

(N) The tax credit authority shall publish information 448
about each transformational mixed use development on the web 449
site of the development services agency not later than the first 450
day of August following certification of the project. The tax 451
credit authority shall update the published information annually 452
until the project is complete and the credit or credits are 453
fully claimed. The published information shall include all of 454
the following: 455

<u>(1) The location of the transformational mixed use</u>	456
<u>development and the name by which it is known;</u>	457
<u>(2) The estimated schedule for progression and completion</u>	458
<u>of the project included in the development plan pursuant to</u>	459
<u>division (B) (4) of this section;</u>	460
<u>(3) The assessment of the projected economic impact of the</u>	461
<u>project included in the development plan pursuant to division</u>	462
<u>(B) (5) of this section;</u>	463
<u>(4) The evidence supporting the estimated increase in tax</u>	464
<u>collections included in the development plan pursuant to</u>	465
<u>division (B) (6) of this section, except that the tax credit</u>	466
<u>authority may omit any proprietary or sensitive information</u>	467
<u>included in such evidence;</u>	468
<u>(5) The estimated development costs that have been or will</u>	469
<u>be incurred in completion of the project and, if applicable, the</u>	470
<u>amount of the insurance company's capital contribution to the</u>	471
<u>development and the date on which it was made, as reported in</u>	472
<u>the development plan pursuant to divisions (B) (3) and (7) of</u>	473
<u>this section;</u>	474
<u>(6) A copy of each report submitted to the tax credit</u>	475
<u>authority by the applicant under division (D) of this section.</u>	476
<u>(0) The director, in accordance with Chapter 119. of the</u>	477
<u>Revised Code, shall adopt rules that establish all of the</u>	478
<u>following:</u>	479
<u>(1) Forms and procedures by which applicants may apply for</u>	480
<u>a transformational investment tax credit, and any deadlines for</u>	481
<u>applying;</u>	482
<u>(2) Criteria and procedures for reviewing, evaluating,</u>	483

<u>ranking, and approving applications within the limitations</u>	484
<u>prescribed by this section, including rules prescribing the</u>	485
<u>timing and frequency by which the tax credit authority must rank</u>	486
<u>applications and preliminarily approve tax credits under</u>	487
<u>division (C) of this section;</u>	488
<u>(3) Eligibility requirements for obtaining a tax credit</u>	489
<u>certificate under this section;</u>	490
<u>(4) The form of the tax credit certificate;</u>	491
<u>(5) Reporting requirements and monitoring procedures;</u>	492
<u>(6) Procedures for computing the increase in tax</u>	493
<u>collections within the project site and the surrounding area;</u>	494
<u>(7) Forms and procedures by which property owners may</u>	495
<u>request the alternative method of computing the value of tax</u>	496
<u>credit certificates under division (I) of this section that are</u>	497
<u>awarded in connection with a project and criteria for evaluating</u>	498
<u>and making a determination on such requests;</u>	499
<u>(8) Any other rules necessary to implement and administer</u>	500
<u>this section.</u>	501
Sec. 1311.87. (A) (1) A lien established pursuant to	502
section 1311.86 of the Revised Code is perfected when both of	503
the following have occurred:	504
(a) The broker is entitled to a fee or commission under	505
the contract.	506
(b) The broker has met the requirements of division (B) of	507
this section.	508
(2) The lien is perfected as of the date the requirements	509
of division (A) (1) of this section are met and does not relate	510

back to an earlier date. 511

(B) To perfect a lien pursuant to division (A) (1) of this 512
section, a broker shall comply with all of the following: 513

(1) The broker shall record a lien affidavit in the county 514
recorder's office of the county in which the real estate is 515
located. The recorder shall record on the affidavit the date and 516
precise time the affidavit was presented for record, and shall 517
record the affidavit. The recorder shall charge and collect the 518
fees set forth in section 317.32 of the Revised Code for the 519
recorder's services. 520

(2) (a) The lien affidavit shall include the name of the 521
broker who has the lien, the name of the owner of the lien 522
property, a legal description of the lien property, the amount 523
for which the lien is claimed, the date and a summary of the 524
written contract on which the lien is based, and the real estate 525
license number of the broker. The lien affidavit shall state 526
that the information contained in the affidavit is true and 527
accurate to the knowledge of the signator, be signed by the 528
broker or the broker's agent, and be verified. 529

(b) For purposes of division (B) (2) (a) of this section, a 530
description that is sufficient to describe the lien property for 531
the purpose of conveyance, or is contained in the instrument by 532
which the owner took title, is a legal description. 533

(3) A lien affidavit based on the sale of lien property 534
shall be recorded prior to the conveyance of the lien property. 535

(4) A lien affidavit based on the purchase of lien 536
property shall be recorded within ninety days after the 537
conveyance of the lien property. 538

(5) A lien affidavit based on a lease of lien property 539

shall be recorded within ninety days after a default by the 540
owner in the payment of an amount due under a written contract 541
for services related to leasing the lien property. 542

(6) ~~On the day the~~ Within three days of the recording of 543
the lien affidavit is recorded, the broker shall provide a copy 544
of the lien affidavit to the owner of the lien property and, 545
where a contract for the sale or other conveyance of the lien 546
property has been entered into, to the prospective transferee, 547
where known, ~~either~~ by personal delivery or by certified mail, 548
~~return receipt requested~~ commercial carrier service, or any other 549
method that includes written evidence of receipt. 550

(C) Initial leases, lease renewals, and expansions of the 551
space leased shall be treated as separate leases for purposes of 552
division (B) (5) of this section. 553

Sec. 1311.88. (A) To commence proceedings to enforce a 554
lien, a broker shall comply with all of the following: 555

(1) The broker shall file a complaint in the common pleas 556
court in the county where the lien property is located. 557

(2) (a) The complaint shall be filed within two years 558
following the recording of the lien affidavit as provided in 559
division (B) of section 1311.87 of the Revised Code. 560

(b) Failure to file a complaint within the time specified 561
in this division extinguishes the lien, in which case no 562
subsequent lien affidavit may be recorded for the same claim and 563
the claim may not be asserted in any proceeding under this 564
section. 565

(3) A complaint shall identify the contract upon which the 566
lien is based and the date of the contract, describe the 567
services performed by the broker pursuant to the contract, 568

specify the unpaid amounts due to the broker pursuant to the 569
contract, specify the address of the lien property, and have a 570
copy of the contract attached. 571

(4) The broker shall name as defendants in the complaint 572
all parties that have a legal or equitable interest in the lien 573
property of whom the broker has knowledge. 574

(B) (1) The owner may demand that the broker commence a 575
suit to enforce a broker's lien by serving a written notice of 576
demand on the broker by personal delivery or by certified mail, 577
~~return receipt requested commercial carrier service, or any other~~ 578
method that includes written evidence of receipt. 579

(2) If the broker does not commence the suit ~~or file the~~ 580
~~answer demanded~~ within twenty-eight days after receipt of the 581
notice of demand, the lien is extinguished. 582

(C) In an action based on a broker's lien, a court ~~may~~ 583
shall assess the nonprevailing parties with all costs and 584
reasonable attorney's fees incurred by the prevailing parties. 585
If the broker prevails, the assessed costs and attorney's fees 586
shall include all those incurred by the broker to perfect and 587
enforce the broker lien including any litigation costs and any 588
prejudgment interest due. The court shall equitably apportion 589
the assessed costs ~~and, attorney's fees, and prejudgment~~ 590
interest among all responsible nonprevailing parties. 591

Sec. 1311.90. (A) A broker shall record a written release 592
or satisfaction of the broker's lien in the county recorder's 593
office of the county in which the lien was recorded within ten 594
days after any of the following: 595

(1) Moneys in an amount sufficient to release the broker's 596
lien established pursuant to section 1311.86 of the Revised Code 597

have been deposited in an escrow account established pursuant to 598
section 1311.92 of the Revised Code. 599

(2) The owner satisfies the claim upon which the broker's 600
lien is based. 601

(3) The broker fails to file a claim to enforce a lien 602
within the time specified in section 1311.88 of the Revised 603
Code. 604

(4) The claim upon which the broker's lien is based has 605
been resolved by a written agreement of the broker and owner, by 606
a court, or by any process agreed to by the broker and owner. 607

(B) ~~On the day~~ Within three days of the recording of the 608
release or satisfaction is recorded, the broker shall provide 609
the owner with a copy of the release or satisfaction by personal 610
delivery or by certified mail, ~~return receipt requested~~ 611
commercial carrier service, or any other method that includes 612
written evidence of receipt. 613

Sec. 5725.35. There is allowed a credit against the tax 614
imposed by section 5725.18 of the Revised Code for an insurance 615
company subject to that tax that holds the rights to a tax 616
credit certificate issued under section 122.09 of the Revised 617
Code. The credit shall equal the dollar amount indicated on the 618
certificate. The credit shall be claimed in the calendar year 619
specified in the certificate and in the order required under 620
section 5725.98 of the Revised Code. If the credit exceeds the 621
amount of tax otherwise due in that year, the company may carry 622
forward the excess for not more than five ensuing years, but the 623
amount of the excess credit claimed against the tax for any year 624
shall be deducted from the balance carried forward to the next 625
year. 626

Sec. 5725.98. (A) To provide a uniform procedure for 627
calculating the amount of tax imposed by section 5725.18 of the 628
Revised Code that is due under this chapter, a taxpayer shall 629
claim any credits and offsets against tax liability to which it 630
is entitled in the following order: 631

(1) The credit for an insurance company or insurance 632
company group under section 5729.031 of the Revised Code; 633

(2) The credit for eligible employee training costs under 634
section 5725.31 of the Revised Code; 635

(3) The credit for purchasers of qualified low-income 636
community investments under section 5725.33 of the Revised Code; 637

(4) The nonrefundable job retention credit under division 638
(B) of section 122.171 of the Revised Code; 639

(5) The nonrefundable credit for investments in rural 640
business growth funds under section 122.152 of the Revised Code; 641

(6) The nonrefundable credit for contributing capital to a 642
transformational mixed use development project under section 643
5725.35 of the Revised Code; 644

(7) The offset of assessments by the Ohio life and health 645
insurance guaranty association permitted by section 3956.20 of 646
the Revised Code; 647

~~(7)~~ (8) The refundable credit for rehabilitating a 648
historic building under section 5725.34 of the Revised Code; 649

~~(8)~~ (9) The refundable credit for Ohio job retention under 650
former division (B) (2) or (3) of section 122.171 of the Revised 651
Code as those divisions existed before September 29, 2015, the 652
effective date of the amendment of this section by H.B. 64 of 653
the 131st general assembly; 654

~~(9)~~~~(10)~~ The refundable credit for Ohio job creation under 655
section 5725.32 of the Revised Code; 656

~~(10)~~~~(11)~~ The refundable credit under section 5725.19 of 657
the Revised Code for losses on loans made under the Ohio venture 658
capital program under sections 150.01 to 150.10 of the Revised 659
Code. 660

(B) For any credit except the refundable credits 661
enumerated in this section, the amount of the credit for a 662
taxable year shall not exceed the tax due after allowing for any 663
other credit that precedes it in the order required under this 664
section. Any excess amount of a particular credit may be carried 665
forward if authorized under the section creating that credit. 666
Nothing in this chapter shall be construed to allow a taxpayer 667
to claim, directly or indirectly, a credit more than once for a 668
taxable year. 669

Sec. 5729.18. There is allowed a credit against the tax 670
imposed by section 5729.03 of the Revised Code for an insurance 671
company subject to that tax that holds the rights to a tax 672
credit certificate issued under section 122.09 of the Revised 673
Code. The credit shall equal the dollar amount indicated on the 674
certificate. The credit shall be claimed in the calendar year 675
specified in the certificate and in the order required under 676
section 5729.98 of the Revised Code. If the credit exceeds the 677
amount of tax otherwise due in that year, the company may carry 678
forward the excess for not more than five ensuing years, but the 679
amount of the excess credit claimed against the tax for any year 680
shall be deducted from the balance carried forward to the next 681
year. 682

Sec. 5729.98. (A) To provide a uniform procedure for 683
calculating the amount of tax due under this chapter, a taxpayer 684

shall claim any credits and offsets against tax liability to	685
which it is entitled in the following order:	686
(1) The credit for an insurance company or insurance	687
company group under section 5729.031 of the Revised Code;	688
(2) The credit for eligible employee training costs under	689
section 5729.07 of the Revised Code;	690
(3) The credit for purchases of qualified low-income	691
community investments under section 5729.16 of the Revised Code;	692
(4) The nonrefundable job retention credit under division	693
(B) of section 122.171 of the Revised Code;	694
(5) The nonrefundable credit for investments in rural	695
business growth funds under section 122.152 of the Revised Code;	696
(6) <u>The nonrefundable credit for contributing capital to a</u>	697
<u>transformational mixed use development project under section</u>	698
<u>5729.18 of the Revised Code;</u>	699
<u>(7)</u> The offset of assessments by the Ohio life and health	700
insurance guaranty association against tax liability permitted	701
by section 3956.20 of the Revised Code;	702
(7) <u>(8)</u> The refundable credit for rehabilitating a	703
historic building under section 5729.17 of the Revised Code;	704
(8) <u>(9)</u> The refundable credit for Ohio job retention under	705
former division (B) (2) or (3) of section 122.171 of the Revised	706
Code as those divisions existed before September 29, 2015, the	707
effective date of the amendment of this section by H.B. 64 of	708
the 131st general assembly;	709
(9) <u>(10)</u> The refundable credit for Ohio job creation under	710
section 5729.032 of the Revised Code;	711

~~(10)~~-(11) The refundable credit under section 5729.08 of 712
the Revised Code for losses on loans made under the Ohio venture 713
capital program under sections 150.01 to 150.10 of the Revised 714
Code. 715

(B) For any credit except the refundable credits 716
enumerated in this section, the amount of the credit for a 717
taxable year shall not exceed the tax due after allowing for any 718
other credit that precedes it in the order required under this 719
section. Any excess amount of a particular credit may be carried 720
forward if authorized under the section creating that credit. 721
Nothing in this chapter shall be construed to allow a taxpayer 722
to claim, directly or indirectly, a credit more than once for a 723
taxable year. 724

Section 2. That existing sections 107.036, 1311.87, 725
1311.88, 1311.90, 5725.98, and 5729.98 of the Revised Code are 726
hereby repealed. 727

Section 3. The rules required to be adopted under division 728
(O) of section 122.09 of the Revised Code, as enacted by this 729
act, shall be adopted not later than one hundred twenty days 730
after the effective date of this act, notwithstanding any 731
provision to the contrary under Chapter 119. of the Revised 732
Code. Applications for certification of a development and 733
preliminary approval of a tax credit shall first be accepted by 734
the Tax Credit Authority not later than thirty days after the 735
adoption of the rules, and the Authority shall begin to approve 736
complete and properly filed applications not later than forty- 737
five days after applications are first accepted by the Tax 738
Credit Authority. 739

Section 4. Pursuant to division (G) of section 5703.95 of 740
the Revised Code, which states that any bill introduced in the 741

House of Representatives or the Senate that proposes to enact or 742
modify one or more tax expenditures should include a statement 743
explaining the objectives of the tax expenditure or its 744
modification and the sponsor's intent in proposing the tax 745
expenditure or its modification: 746

The purpose of the amendment or enactment by this bill of 747
sections 107.036, 122.09, 5725.35, 5725.98, 5729.18, and 5729.98 748
of the Revised Code is to foster economic development and 749
increase tax collections for state and local governments. 750