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Synopsis of House Committee Amendments

(This synopsis does not address amendments that may have been adopted on the House Floor.)

S.B. 235 of the 134th General Assembly

House Ways & Means

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Sales and use tax exemptions

Exempts from sales and use tax memberships to gyms or other recreational or sports club facilities operated by certain kinds of nonprofit organizations.

Exempts from state and local use tax the following watercraft that are seasonally stored or repaired in Ohio:

- Watercraft purchased outside the state;
- Watercraft purchased in Ohio but titled, registered, or used outside the state, even if the jurisdiction of titling or registration does not tax the sale, use, or ownership of the watercraft;
- Watercraft purchased by a nonresident who paid a portion of Ohio sales tax at the time of purchase.

Specifies that the watercraft exemption does not apply to watercraft storage, repair, or installation services.

Refunds of tax penalties

Allows taxpayers to obtain a refund, with interest, of any tax-related penalties and fees the taxpayer overpaid or paid improperly.

Tax credit for commercial vehicle operator training expenses

Authorizes a temporary nonrefundable personal income tax credit of up to \$25,000 per year for training expenses paid by employers to train employees to operate a commercial vehicle between January 1, 2024, and January 1, 2028.

Makes the credit available for one-half of expenses, other than wages, paid to train employees to obtain a commercial driver's license (CDL) or to operate a commercial motor vehicle.

Limits the total amount of credits that may be awarded each year to \$1.5 million, except that any unspent amount in a particular year can be added to the following year's limit.

Property tax rate statements

Modifies the content and format of property tax rate statements required annually to be published in the newspaper or enclosed with each tax bill. The bill:

- Makes optional the requirement to list tax reduction factors in the statement;
- Requires effective tax rates to be expressed as a percentage of true, or market, value;
- Requires both the voted tax rates and effective tax rates to be expressed in mills per one dollar of taxable value (35% of true value); and
- Removes the requirement that effective tax rates be printed in bold face type.

Municipal income tax inquiries, notices, and penalties

Prohibits a municipal tax administrator or the Tax Commissioner from sending any inquiry or notice regarding a municipal income tax return subject to a filing extension until after either the taxpayer files the return or the extended due date passes. Requires the municipality or state to reimburse a taxpayer for any reasonable costs incurred in responding to a prohibited inquiry or notice.

Limits the penalty that may be imposed on a taxpayer for failing to timely file municipal income tax returns to \$25, down from \$25 per month up to \$150 total. Exempts a taxpayer's first failure to timely file from the penalty, requiring the municipality or Commissioner to either refund or abate the penalty after the taxpayer files the late return.