



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

Mackenzie Damon

H.B. 351

132nd General Assembly
(As Reported by S. Ways and Means)

Reps. Perales and Butler, Becker, Boccieri, Goodman, Hood, Johnson, McColley, Vitale, Schaffer, Green, Hambley, Householder, Patmon, Retherford, Anielski, Antani, Antonio, Arndt, Ashford, Barnes, Blessing, Boyd, Brenner, Brown, Clyde, Craig, Dean, Dever, DeVitis, Edwards, Faber, Fedor, Galonski, Gavarone, Greenspan, Hagan, Holmes, Hoops, Howse, Hughes, Landis, LaTourette, Leland, Lepore-Hagan, Manning, McClain, Merrin, Miller, O'Brien, Patterson, Ramos, Reece, Rezabek, Riedel, Rogers, Seitz, Sheehy, Slaby, R. Smith, Sprague, Stein, Strahorn, Sweeney, Rosenberger

Sens. Williams, Hackett

BILL SUMMARY

- Requires municipal corporations to exempt from income tax the military pay of members of the Commissioned Corps of the National Oceanic and Atmospheric Administration and the Public Health Service.

CONTENT AND OPERATION

Municipal taxation of NOAA and PHS Commissioned Corps pay

Continuing law requires municipal corporations to exempt from municipal income tax the military pay and allowances of members of the United States Army, Navy, Air Force, Coast Guard, or Marine Corps (collectively referred to under federal law as the "Armed Forces"), their respective reserve components, or the National Guard. The bill requires municipal corporations to also exempt military pay and allowances of members of the Commissioned Corps of the National Oceanic and Atmospheric Administration (NOAA) and the Commissioned Corps of the Public Health Service (PHS).¹ The bill accomplishes this by extending the existing exemption to include pay or allowances for any member of the "Uniformed Services," which under

¹ R.C. 718.01(C)(1).

federal law encompasses the Armed Forces and the Commissioned Corps of NOAA and PHS.²

The bill states that the extension of the exemption applies to taxable years beginning in or after 2017.³

HISTORY

| ACTION | DATE |
|---------------------------|----------|
| Introduced | 09-20-17 |
| Reported, H. Ways & Means | 01-30-18 |
| Passed House (95-0) | 03-21-18 |
| Reported, S. Ways & Means | 06-06-18 |

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² 10 United States Code 101(a)(5).

³ Section 3.

