



Ohio Legislative Service Commission

Sub. Bill Comparative Synopsis

Joe McDaniels

Sub. H.B. 182 131st General Assembly (S. Ways & Means)

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Topic	Previous Version (As Passed by the House)	Sub. Version (LSC 131 1048-4)
Inclusion of mixed-use facilities/developments	Allows mixed-use facilities to be included in the territory of a joint economic development district (JEDD) despite a general prohibition under continuing law against creating a JEDD in a residential area. Defines "mixed-use facility" as a building used concurrently for both residential and commercial or industrial purposes. (R.C. 715.72(E)(1)(b).)	Similar to the "As Passed by the House" version, but replaces the term "mixed-use facilities" with "mixed-use developments" – defined as a real estate project that tends to mitigate traffic and sprawl by integrating some combination of retail, office, residential, hotel, recreation, and other functions in a pedestrian-oriented environment that maximizes the use of available space by allowing members of the community to live, work, and play in one architecturally expressive area with multiple amenities (R.C. 715.72(A)(9) and (E)(1)(b)).
Income tax exemption procedure	Establishes a procedure by which the owner of a business may apply to the Director of Development Services for exemption from the income tax on behalf of the business and its employees. Requires the Director to exempt the	Eliminates the role of the Director of Development Services in the exemption application procedure – business owners seeking exemption from JEDD income tax would instead file a complaint directly to the Court of Common

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	<p>business and its employees if the application demonstrates all the following:</p> <p>(1) Preexisting operations in the unincorporated area of the JEDD;</p> <p>(2) Business owner did not sign JEDD petition;</p> <p>(3) Lack of material benefit from the economic development plan, or the benefit is negligible in comparison to the income tax payable by the business and its employees.</p> <p>Allows the business owner or the contracting parties to the JEDD to appeal the Director's determination to the Court of Common Pleas. (R.C. 715.72(Q) and (R).)</p>	<p>Pleas. Retains the procedural components from the "As Passed by the House" version, but eliminates the appeal process since the initial action is filed with the court.</p> <p>Changes the "material benefit" test to a "substantial economic benefit" test, so that a business must show that the development plan does not have a substantial economic benefit for the business or its employees or that the benefit is negligible compared to the income taxes payable by them.</p> <p>Stipulates that, if a complaint requesting exemption is denied, all taxes, penalties, and interest accrued before the court's determination must be paid in full.</p> <p>Specifies that the appellate procedures described in Chapter 2506. of the Revised Code do not apply to requests for exemption from JEDD income tax. (R.C. 715.72(Q).)</p>
Cost sharing	No similar provision.	Requires the contracting parties to a JEDD to equally share the costs of circulating petitions to property and business owners and sending notice to property and business owners that did not sign the petitions. (R.C. 715.72(J), (K)(2), (L)(3), and (L)(5).)

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Petition responses	<p>Authorizes the contracting parties to send written notice of the petitions authorizing the JEDD contract by certified mail with return receipt requested to property and business owners within the proposed district.</p> <p>Stipulates that if an owner signs to accept delivery of the notice and does not respond within 30 days, the owner is deemed by default to have signed the petitions. <i>(R.C. 715.72(J), (K), and (L).)</i></p>	<p>Same as "As Passed by the House" version.</p> <p>No similar provision.</p>
Use of income tax revenue	<p>Requires that JEDD income tax revenue be used to carry out the economic development plan for the JEDD and for any other "lawful purpose" of the contracting parties pursuant to the contract, including, specifically, the provision of utility service <i>(R.C. 715.72(F)(5)(a))</i>.</p> <p>Retains a provision of current law requiring the contracting parties to annually set aside a percentage of the JEDD income tax revenue for the long-term maintenance of the territory included in the JEDD <i>(R.C. 715.72(F)(5)(e))</i>.</p>	<p>Similar to the "As Passed by the House" version, but specifies that the JEDD income tax revenue must first be used to carry out the economic development plan for the district and may only be used for other purposes after the conditions of the economic development plan have been satisfied <i>(R.C. 715.72(F)(5)(a))</i>.</p> <p>Same as the "As Passed by the House" version.</p>
New Markets Tax Credit	No similar provision.	Expands the class of low-income community businesses eligible to receive credit-eligible investments for purposes of Ohio's New Markets Tax Credit to include businesses that derive 15% or more of revenue from real estate sales or rentals <i>(R.C. 5725.33)</i> .

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Property tax exemption for nonprofit intermediary lenders	No similar provision.	Creates a property tax exemption for real property owned by a nonprofit corporation that is certified by the Federal Small Business Administration as an intermediary lender in the Federal Microloan Program if the property is used by that organization for small business lending, economic development, job training, entrepreneur education, or associated administrative purposes (<i>R.C. 5709.12</i>).
Technical changes	No similar provision.	Updates several sections of the Revised Code to account for references to JEDD law that were added since the time the bill was initially drafted (<i>R.C. 715.72(F)(7), 718.01, 4301.80, and 5595.06</i>).

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