



Ohio Revised Code

Section 5729.16 Nonrefundable credit for foreign insurance company holding a qualified equity investment.

Effective: September 29, 2015

Legislation: House Bill 64

(A) Terms used in this section have the same meaning as in section 5725.33 of the Revised Code.

(B) There is hereby allowed a nonrefundable credit against the tax imposed by section 5729.03 or 5729.06 of the Revised Code for a foreign insurance company holding a qualified equity investment on the credit allowance date occurring in the calendar year for which the tax is due. The credit shall be computed in the same manner prescribed for the computation of credits allowed under section 5725.33 of the Revised Code.

The credit shall be claimed in the order prescribed by section 5729.98 of the Revised Code. If the amount of the credit exceeds the amount of tax otherwise due after deducting all other credits in that order, the excess may be carried forward and applied to the tax due for not more than four ensuing years.

By claiming a tax credit under this section, an insurance company waives its rights under section 5729.102 of the Revised Code with respect to the time limitation for the assessment of taxes as it relates to credits claimed that later become subject to recapture under division (D) of this section.

(C) The total amount of qualified equity investments on the basis of which credits may be claimed under this section, section 5725.33, and section 5733.58 of the Revised Code is subject to the limitation of division (C) of section 5725.33 of the Revised Code.

(D) If any amount of a federal tax credit allowed for a qualified equity investment for which a credit was received under this section is recaptured under section 45D of the Internal Revenue Code, or if the director of development services determines that an investment for which a tax credit is claimed under this section is not a qualified equity investment or that the proceeds of an investment for which a tax credit is claimed under this section are used to make qualified low-income community investments other than in a qualified active low-income community business in this state, all or a



portion of the credit received on account of that investment shall be paid by the insurance company that received the credit to the superintendent of insurance. The amount to be recovered shall be determined by the director of development services pursuant to rules adopted under section 5725.33 of the Revised Code. The director shall certify any amount due under this division to the superintendent of insurance, and the superintendent shall notify the treasurer of state of the amount due. Upon notification, the treasurer shall invoice the insurance company for the amount due. The amount due is payable not later than thirty days after the date the treasurer invoices the insurance company. The amount due shall be considered to be tax due under section 5729.03 or 5729.06 of the Revised Code, as applicable, and may be collected by assessment without regard to the time limitations imposed under section 5729.102 of the Revised Code for the assessment of taxes by the superintendent. All amounts collected under this division shall be credited as revenue from the tax levied under section 5729.03 of the Revised Code.