

As Introduced

132nd General Assembly

Regular Session

2017-2018

H. B. No. 304

Representative Young

A BILL

To amend section 5747.37 of the Revised Code to
extend a personal income tax credit available
for the adoption of a minor child to include a
disabled adult adopted by the adult's
stepparent.

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

Section 1. That section 5747.37 of the Revised Code be
amended to read as follows:

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Sec. 5747.37. (A) As used in this section:

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(1) ~~"Minor child" means a person under eighteen years of
age.~~

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~~(2) "Qualifying adoptee" means one of the following:~~

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(a) An individual under eighteen years of age;

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(b) An individual eighteen years of age or older who is
permanently or totally disabled or is determined to be a person
with an intellectual disability.

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(2) "Qualifying adoptive parent" means a taxpayer who
legally adopts a qualifying adoptee and to which one of the

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following applies:

(a) In the case of a qualifying adoptee described in
division (A)(1)(a) of this section, the adoptive parent is not
the adoptee's stepparent;

(b) In the case of a qualifying adoptee described in
division (A)(1)(b) of this section, the adoptive parent is the
adoptee's stepparent.

(3) "Legally adopt" means to adopt a ~~minor child~~
qualifying adoptee pursuant to Chapter 3107. of the Revised
Code, or pursuant to the laws of any other state or nation if
such an adoption is recognizable under section 3107.18 of the
Revised Code. For the purposes of this section, a ~~minor child~~
qualifying adoptee is legally adopted when the final decree or
order of adoption is issued by the proper court under the laws
of the state or nation under which the ~~child adoptee~~ is adopted,
or, in the case of an interlocutory order of adoption, when the
order becomes final under the laws of the state or nation.
~~"Legally adopt" does not include the adoption of a minor child~~
~~by the child's stepparent.~~

(B) There is hereby granted a credit against a ~~taxpayer's~~
qualifying adoptive parent's aggregate tax liability under
section 5747.02 of the Revised Code for the legal adoption by a
~~taxpayer~~ the adoptive parent of a ~~minor child~~ qualifying adoptee.
The amount of the credit for each ~~minor child~~ qualifying adoptee
legally adopted by the ~~taxpayer~~ qualifying adoptive parent shall
equal the greater of the following:

(1) One thousand five hundred dollars;

(2) The amount of expenses incurred by the ~~taxpayer~~
qualifying adoptive parent and the ~~taxpayer's~~ parent's spouse to

legally adopt the ~~child-qualifying adoptee~~, not to exceed ten 47
thousand dollars. For the purposes of this division, expenses 48
incurred to legally adopt a ~~child-a qualifying adoptee~~ include 49
expenses described in division (C) of section 3107.055 of the 50
Revised Code. 51

The ~~taxpayer-qualifying adoptive parent~~ shall claim the 52
credit for each ~~child-qualifying adoptee~~ beginning with the 53
taxable year in which the ~~child-adoptee~~ was legally adopted. If 54
the sum of the credit to which the ~~taxpayer-qualifying adoptive~~ 55
~~parent~~ would otherwise be entitled under this section is greater 56
than the total tax due under section 5747.02 of the Revised Code 57
for that taxable year after allowing for any other credits that 58
precede the credit under this section in the order required 59
under section 5747.98 of the Revised Code, such excess shall be 60
allowed as a credit in each of the ensuing five taxable years, 61
but the amount of any excess credit allowed in any such taxable 62
year shall be deducted from the balance carried forward to the 63
ensuing taxable year. The credit shall be claimed in the order 64
required under section 5747.98 of the Revised Code. For the 65
purposes of making tax payments under this chapter, taxes equal 66
to the amount of the credit shall be considered to be paid to 67
this state on the first day of the taxable year. 68

The ~~taxpayer-qualifying adoptive parent~~ shall provide to 69
the tax commissioner any receipts or other documentation of the 70
expenses incurred to legally adopt the ~~child-qualifying adoptee~~ 71
upon the request of the tax commissioner for the purpose of 72
division (B) (2) of this section. 73

Section 2. That existing section 5747.37 of the Revised 74
Code is hereby repealed. 75

Section 3. The amendment by this act of section 5747.37 of 76

the Revised Code applies to adoptions occurring on or after 77
January 1, 2016. A qualifying adoptive parent who adopts a 78
qualifying adoptee described in division (A)(1)(b) of that 79
section on or after January 1, 2016, and before January 1, 2018, 80
may claim the credit under that section on the taxpayer's return 81
filed under section 5747.08 of the Revised Code for the 82
taxpayer's taxable year beginning in 2017. The taxpayer may 83
carry forward any unused balance of the credit claimed for five 84
taxable years after that taxable year as provided in section 85
5747.37 of the Revised Code. The credit for adoptions occurring 86
on or after January 1, 2018, shall be claimed for the taxpayer's 87
taxable year in which the adoption occurs and unused balances 88
may be carried forward as provided in that section. 89

Section 4. Pursuant to division (G) of section 5703.95 of 90
the Revised Code, which states that any bill introduced in the 91
House of Representatives or the Senate that proposes to enact or 92
modify one or more tax expenditures should include a statement 93
explaining the objectives of the tax expenditure or its 94
modification and the sponsor's intent in proposing the tax 95
expenditure or its modification: 96

The purpose of this bill is to help disabled adults to 97
have a strong support system and to encourage stepparents to 98
play a supportive role in disabled adults' care by defraying the 99
costs of adopting disabled adults. 100