



**Ohio Tax Credit Authority
Sunset Review Committee
January 21, 2020**

Chairman Roegner, members of the Sunset Review Committee, thank you for the opportunity to speak with you about the Ohio Tax Credit Authority. My name is Rachel Near, and I am the Director of Legislative Affairs at the Ohio Development Services Agency.

The Tax Credit Authority is a five-member independent board consisting of taxation and economic development professionals. The Development Director or designee serves as chair. The Authority is charged with reviewing and approving applications for 3 state tax incentives: the Job Creation Tax Credit, the Job Retention Tax Credit, and the Data Center Tax Exemption. The Authority also sets applicants' tax credit rates and terms. The members of the Authority generally meet on a monthly basis.

The Job Creation Tax Credit is an incentive based on jobs created and new Ohio employee payroll generated. It is performance-based, meaning a company receives credit if it meets the requirements set forth by the Tax Credit Authority, such as creating a certain number of jobs and certain amount of new payroll for a specific time period.

The Job Retention Tax Credit and Data Center Tax Exemption are similar incentives for keeping jobs in Ohio and locating Data Centers here, respectively.

The Tax Credit Authority has an important oversight responsibility with the ability to approve or deny, by majority vote, new tax credit projects, as well as make changes to existing tax credit projects. That can include clawing back or reducing incentives for noncompliant projects, as necessary. Because of this responsibility, the Development Services Agency recommends continuing the Ohio Tax Credit Authority.

Thank you again for the opportunity to present information about the Ohio Tax Credit Authority. I would be happy to answer any questions.