

**§ 5747.31. Individual or estate credit for purchase of new manufacturing machinery and equipment.**

(A) This section applies to an individual or estate that is a proprietor or a pass-through entity investor.

(B) A taxpayer described in division (A) of this section is allowed a credit that shall be computed and claimed in the same manner as the credit allowed to corporations in [section 5733.33](#) of the Revised Code. The taxpayer shall claim one-seventh of the credit amount for the calendar year in which the new manufacturing machinery and equipment is purchased for use in the county by the taxpayer or partnership. One-seventh of the taxpayer credit amount is allowed for each of the six ensuing taxable years. The taxpayer shall claim the credit in the order required under [section 5747.98](#) of the Revised Code.

The taxpayer shall file with the department of development a notice of intent to claim the credit in accordance with division (E) of [section 5733.33](#) of the Revised Code.

(C) (1) A taxpayer described in division (A) of this section is allowed a credit that shall be computed in the same manner as the credit allowed to a corporation in [section 5733.39](#) of the Revised Code, with the following adjustments:

(a) Substitute "taxable year" for "tax year" wherever "tax year" appears in [section 5733.39](#) of the Revised Code;

(b) Substitute "5747.02" for "5733.06" wherever "5733.06" appears in [section 5733.39](#) of the Revised Code;

(c) Substitute "5747.98" for "5733.98" wherever "5733.98" appears in [section 5733.39](#) of the Revised Code;

(d) The credit allowed under division (C) of this section shall be subject to the same disallowance for the carryover or carryback of any unused credit as provided in division (C) of [section 5733.39](#) of the Revised Code.

(2) Notwithstanding [section 5703.56](#) of the Revised Code to the contrary, a taxpayer claiming a credit under this division has the burden of establishing by a preponderance of the evidence that the doctrines enumerated in [section 5703.56](#) of the Revised Code do not apply with respect to the credit provided by this division.

(D) Nothing in this section shall be construed to limit or disallow pass-through treatment of a pass-through entity's income, deductions, credits, or other amounts necessary to compute the tax imposed by [section 5747.02](#) of the Revised Code and the credits allowed by this chapter.

**HISTORY: 146 v S 188 (Eff 7-19-95); 147 v H 215 (Eff 9-29-97); 148 v S 3 (Eff 7-6-99; 10-5-99Å); 148 v H 640. Eff 9-14-2000; 150 v H 95, § 1, eff. 6-26-03.**