

## **Taxable Year 2015**

### **Notice Concerning Ohio Revised Code Section 5701.11 and “Miscellaneous Federal Tax Adjustments”**

February 14, 2016

Because of recent amendments to Ohio Revised Code (ORC) section 5701.11, taxpayers will not be required to make any “miscellaneous federal tax adjustments” on their year 2015 Ohio or school district income tax returns. See S.B. 2 of the 131st General Assembly, effective as of February 14, 2016. These amendments were made in response to amendments to the Internal Revenue Code, which extended certain tax cuts that were set to expire. See the “Protecting Americans from Tax Hikes Act of 2015”, effective as of December 18, 2015.

HOWEVER, the recent legislation does not alter taxpayer responsibilities with respect to Internal Revenue Code (IRC) section 168(k) bonus depreciation and IRC section 179 first-year cost recovery. Taxpayers reporting such depreciation for Ohio purposes must continue to make a 2/3, 5/6, or 6/6 add-back under ORC section 5747.01(A)(20)(a) on the 2012 IT1040 line 33g. During each year following the tax year of the add-back for the next 2, 5, or 6 years respectively, taxpayers may take the allowed corresponding 1/2, 1/5, or 1/6 deduction under ORC section 5747.01(A)(21)(a) on the IT1040 line 35b. See Sub. H.B. 365 of the 129th General Assembly for recent changes to how IRC section 179 and 168(k) depreciation expenses are treated for Ohio purposes.

Taxpayers with additional questions regarding this subject may wish to visit [tax.ohio.gov](http://tax.ohio.gov). Taxpayers may submit a question to the Ohio Department of Taxation by choosing the “Contact Us” option found on the bottom of the page.