

ENERGY CREDIT PROGRAM

The Ohio Energy Credit Program provides credits or direct cash payments for the winter heating bills of qualified elderly and disabled individuals. All applications for the program are filed with and processed by the Ohio Department of Taxation.

There have been several recent changes to the Energy Credit Program. H.B. 283 (123rd General Assembly, Biennial Budget Bill; effective June 30, 1999) indexed the income eligibility brackets to the GDP deflator, beginning with the 1999-2000 heating season. The income brackets for the 1998-1999, 1999-2000, and the upcoming 2000-2001 heating seasons are displayed below with their corresponding benefit amounts. Am. Sub. S.B. 3 (123rd General Assembly, Electric Utility Deregulation, effective October 3, 1999) transfers the administration of the Energy Credit Program to the Department of Development effective July 1, 2000. However, the Department of Taxation will certify the indexing of the income brackets each year to the Ohio Department of Development. S.B. 221 (123rd General Assembly, effective July 26, 2000) maintains the disability deduction for certain elderly persons who previously qualified for the Program on the basis of disability. This change is in effect for the upcoming 2000-2001 heating season.

Table 26 shows the number of approved applicants in each county by the type of energy credit for the 1998-99 heating season. The total number of approved applicants was 46,376. Figures show that these individuals received about \$5.8 million in cash payments or utility bill credits for the 1998-99 heating season. Of the applicants heating their households with gas, electricity or pipeline propane, 10,436 had incomes less than \$5,000 (30% credit), and 24,144 had incomes between \$5,000 and \$9,000 (25% credit). The remaining 11,796 receiving the \$125 cash payment heated their households with fuel oil, coal, wood, kerosene, or non-pipeline propane and had incomes less than \$9,000.

INCOME ELIGIBILITY BRACKETS:

1998-1999 Heating Season

\$5,000 or less - 30% credit

Between \$5,000 but less than \$9,000 - 25% credit

Qualifying applicants below \$9,000 - \$125 cash payment

1999-2000 Heating Season

\$5,050 or less - 30% credit

Between \$5,050 but less than \$9,000 - 25% credit

Qualifying applicants below \$9,090 - \$125 cash payment

2000-2001 Heating Season

\$5,130 or less - 30% credit

Between \$5,130 but less than \$9,230 - 25% credit

Qualifying applicants below \$9,230 - \$125 cash payment

DESCRIPTION OF PROGRAM:

The Energy Credit Program provides credits of either 25 percent or 30 percent on heating bills or a direct \$125 cash payment to qualified individuals for the 1998-1999 heating season (November 1998 - March 1999). To qualify for the program, an individual must (1) be head of the household or spouse thereof; (2) have turned 65 years of age by December 31, 1998 or be permanently and totally disabled as of July 1, 1998. For the 1998/1999 heating season, applicants must have (1) total 1997 or expected 1998 income of \$5,000 or less to qualify for the 30 percent credit or have total 1997 or an expected 1998 income of more than \$5,000 but less than \$9,000 to receive a 25 percent credit.

Qualifying applicants who heat their households with gas, electricity, or propane delivered by pipeline are granted the percentage credit on the bills they receive for those fuels during the months of December through April of that heating season. Qualifying applicants who heat their homes with fuel oil, bottled propane, coal, wood, or kerosene, share a meter for heating fuel, or pay for heat included with their rent payments receive the \$125 cash payment.

The credits and direct payments which are given to eligible program participants are the result of administrative efforts of the Tax Commissioner and the utility companies. For the 30 percent and 25 percent energy credits, the utility companies certify to the Tax Commissioner the total reduction in utility charges for the previous month as a result of this program. The Tax Commissioner then reimburses the applicant within 30 days of the receipt of certification for the value of the energy credits given. For the \$125 cash payment, the Tax Commissioner issues the \$125 direct payment to eligible individuals in February of each year.

APPLICATION AND CREDIT PROCESS:

All applications for the Energy Credit Program are filed with the Department of Taxation. The Tax Commissioner verifies the information on the application and certifies the eligibility for the applicants. The energy companies supplying electricity, gas, or propane delivered by pipeline are issued the names of those eligible for the 25 percent or 30 percent credit and include the credit in the energy bills for those individuals. The Tax Commissioner is responsible for paying those individuals who are eligible for the \$125 cash payment.

OHIO REVISED CODE CITATIONS:

Sections 122.64 to 122.69, 4933.123, 5117.01 to

5117.12, 5117.21 to 5117.29, and 5117.99.

RECENT LEGISLATION:

Senate Bill 221; effective July 26, 2000.

R.C. 5117.01 - Maintains the disability deduction for certain elderly persons who previously qualified for the Energy Credit Program on the basis of their disability. This begins with the 2000/2001 heating season.

Substitute Senate Bill 3; October 3, 1999.

R.C. 5117 - A provision of this electric deregulation bill transfers all duties of the Energy Credit Program to the Department of Development effective July 1, 2000.

House Bill 283; effective June 30, 1999.

R.C. 5117.071 - Indexes the income eligibility brackets to the GDP deflator beginning with the 1999/2000 heating season.

Table 26
Energy Credit Program: Number of Approved Applications,
by County and Type of Aid, 1998-99 Heating Season

County	\$125 Cash Payment	30% Credit	25% Credit	Total	County	\$125 Cash Payment	30% Credit	25% Credit	Total
Adams	422	55	86	563	Logan	64	29	93	186
Allen	56	82	257	395	Lorain	56	168	440	664
Ashland	41	28	91	160	Lucas	166	411	1,017	1,594
Ashtabula	116	98	276	490	Madison	28	29	62	119
Athens	287	87	157	531	Mahoning	186	437	1,135	1,758
Auglaize	39	44	96	179	Marion	46	100	175	321
Belmont	202	129	276	607	Medina	29	51	120	200
Brown	199	45	91	335	Meigs	212	68	98	378
Butler	196	251	502	949	Mercer	42	36	82	160
Carroll	76	21	50	147	Miami	52	49	196	297
Champaign	57	24	82	163	Monroe	86	52	90	228
Clark	60	164	321	545	Montgomery	279	591	1,172	2,042
Clermont	227	58	104	389	Morgan	114	29	52	195
Clinton	61	35	76	172	Morrow	90	15	25	130
Columbiana	245	159	389	793	Muskingum	133	127	277	537
Coshocton	58	27	89	174	Noble	47	25	47	119
Crawford	56	57	130	243	Ottawa	48	27	55	130
Cuyahoga	606	1,570	4,006	6,182	Paulding	61	17	50	128
Darke	73	46	127	246	Perry	107	59	107	273
Defiance	37	35	66	138	Pickaway	88	47	105	240
Delaware	28	29	65	122	Pike	392	44	63	499
Erie	28	38	113	179	Portage	127	62	144	333
Fairfield	114	107	294	515	Preble	46	37	63	146
Fayette	42	47	108	197	Putnam	31	10	48	89
Franklin	172	785	1,460	2,417	Richland	83	123	309	515
Fulton	38	21	76	135	Ross	319	120	188	627
Gallia	349	83	91	523	Sandusky	29	46	119	194
Geauga	55	14	38	107	Scioto	993	258	404	1,655
Greene	63	60	145	268	Seneca	53	41	128	222
Guernsey	95	56	159	310	Shelby	39	26	63	128
Hamilton	538	460	1,169	2,167	Stark	176	343	996	1,515
Hancock	25	47	114	186	Summit	103	422	1,255	1,780
Hardin	48	39	83	170	Trumbull	106	203	578	887
Harrison	68	22	52	142	Tuscarawas	133	113	272	518
Henry	38	17	57	112	Union	35	14	45	94
Highland	213	64	126	403	Van Wert	31	45	87	163
Hocking	97	54	63	214	Vinton	137	29	42	208
Holmes	38	13	27	78	Warren	101	47	105	253
Huron	63	41	105	209	Washington	99	116	228	443
Jackson	300	136	196	632	Wayne	59	71	142	272
Jefferson	230	134	291	655	Williams	37	34	111	182
Knox	48	47	115	210	Wood	48	61	141	250
Lake	62	133	358	553	Wyandot	31	22	53	106
Lawrence	701	217	299	1,217					
Licking	87	103	286	476	Total	11,796	10,436	24,144	46,376