

Ohio Department of Development Grant Request Form

For Purchases of New Manufacturing Machinery and Equipment for the Taxpayer's Taxable Year Ending After June 30, 2005 and Before Jan. 1, 2006

For taxable years ending on or after July 1, 2005, the Ohio Revised Code section (R.C.) 5733.33 Ohio franchise tax nonrefundable credit and the R.C. 5747.31 Ohio income tax nonrefundable credit for manufacturers that purchase (and for investors in pass-through entity manufacturers that purchase) qualifying new manufacturing machinery and equipment for use in Ohio convert to a nonrefundable grant administered by the Ohio Department of Development (R.C. 122.172 and 122.173). That is, **for taxable years ending on or after July 1, 2005, the manufacturers' grant replaces the manufacturers' credit.** The same definitions, concepts and computations applying to the credit also apply to the grant.

Whether or not the taxpayer must file this form with the taxpayer's income tax return or franchise tax report depends on the ending date of the taxpayer's taxable year. **The credit applies if the taxpayer's taxable year ended prior to July 1, 2005. Do not file this form if the taxpayer is claiming the credit.**

The grant applies if the taxpayer's taxable year ended on or after July 1, 2005. Each taxpayer requesting the grant must file this completed grant request form with the taxpayer's tax return for the taxable year for which the taxpayer claims the grant. The grant and this grant request form apply not only to the qualifying new manufacturing machinery and equipment purchased during the period Jan. 1, 2005, to June 30, 2005, but also to qualifying equipment purchased in 2004 and earlier purchase years. Thus, for taxpayer's whose taxable year ended on or after July 1, 2005, the grant applies to both the 1/7 amounts from 2005 qualifying purchases and to the 1/7 amounts from pre-2005 qualifying purchases for which the taxpayer claimed the credit on prior franchise tax reports or prior income tax returns. See R.C. 122.172, 122.173 and 5733.33 as enacted by Amended Substitute House Bill 66, 126th Ohio General Assembly.

Schedule A – For the taxpayer's taxable year ending after June 30, 2005, but before Jan. 1, 2006, the taxpayer (or taxpayers if the taxpayers are C corporations and members of a qualifying controlled group of corporations computing a consolidated grant) identified below hereby requests, pursuant to R.C. 122.172, a nonrefundable grant for purchases of new manufacturing machinery and equipment for use in Ohio in the amounts reflected hereon.

- If the taxpayer requesting the grant is an **individual**, enter the required taxpayer information on **line 1**.
- If the taxpayer requesting the grant is a **pass-through entity** that files a composite return on behalf of its investors, enter the information on **line 2**.
- If the taxpayer requesting the grant is an **estate or trust**, enter the information on **line 3**.
- If the taxpayer requesting the grant is a **C corporation**, enter the information on **line 4**. If the taxpayer requesting the grant is a **C corporation and a member of a qualifying controlled group of corporations computing a consolidated grant** pursuant to R.C. 122.173(I), enter the information for each member of the group requesting the grant on **lines 4, 5, 6, 7, 8, etc.** (attach additional sheet if necessary). Attach a copy of this form to the franchise tax report of each member of the group.

Caution: If the taxpayer requesting the grant is a C corporation subject to franchise tax phase-out, the grant (like the manufacturer's credit) is subject to the same phase-out percentage as the tax (see R.C. 122.173(J)). In determining the grant

	Name of Taxpayer Requesting the R.C. 122.173 Manufacturer's Grant	Taxpayer Identification Number (If the taxpayer requesting the grant is a C corporation or a pass-through entity filing a composite return, enter the taxpayer's FEIN. If the taxpayer requesting the credit is an individual, enter the taxpayer's social security number.)	Requested Grant Claimed on this Year's Tax Return (from Schedule B)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.	Total Grant Requested for the Taxpayer's Taxable Year Ending in 2005 (enter here and on the appropriate line of the taxpayer's income tax return or franchise tax report).		

for franchise tax year 2006, such franchise taxpayers can claim only 80% of the grant that they otherwise could claim were it not for the franchise tax phase-out. If the taxpayer requesting the grant is a 2006 franchise taxpayer subject to the franchise tax phase-out, **the requested grant shown on Schedules A and B of this form and on franchise tax form FT 1120, Schedule A, line 23 must reflect the 80% “after phase-out” amount.**

Schedule B – The total requested grant shown on Schedule A, line 9 can consist of 1/7 amounts from several purchase years. Enter the 1/7 grant amount from each year for which the taxpayer(s) is (are) requesting the grant on this year’s tax return. If the taxpayer requesting the grant is a 2006 franchise taxpayer subject to the franchise tax phase-out, multiply each 1/7 amount by the 80% “after phase-out” factor. The total grant requested on Schedule B must equal the total grant requested on Schedule A, line 9.

The Total Requested Grant on Schedule A, Line 9 Consists of the Following One-seventh Grant Amounts From Qualifying New Machinery and Equipment Purchased During the Calendar Years Indicated							
1999	2000	2001	2002	2003	2004	1/1/2005 to 6/30/05	Total Requested Grant (to Schedule A)

Schedule C – If the Schedule A total grant requested amount includes any amounts with respect to qualifying new manufacturing machinery and equipment purchased by a pass-through entity in which the taxpayer had an ownership interest at the time of purchase, list the pass-through entity’s name, federal employer identification number, NAICS code, and the taxpayer’s percentage of ownership interest in the pass-through entity for the year in which the pass-through entity purchased the qualifying equipment.

Name of Pass-through Entity	FEIN	NAICS Code	Percent Ownership

Schedule D – For each Ohio county for which the taxpayer (or taxpayers – if the taxpayers are C corporations and members of a qualifying controlled group) is (are) requesting the grant list the following information:

Ohio County	Street Address of Taxpayer’s Manufacturing Facilities or Pass-Through Entity’s Manufacturing Facilities in the Ohio County	Principal Product Manufactured at the Facility

I have read this grant request form. I declare under penalties of perjury that this grant request form has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Taxpayer’s signature (if taxpayer is an individual) _____ Date _____

Signature of officer or managing agent _____ Date _____
(if taxpayer is other than an individual)

Caution: This form is not a “notice of intent” as prescribed by R.C. 122.173(E) or R.C. 5733.33(E). If the purchaser of the qualifying equipment for which the taxpayer is requesting the grant has not already done so, **the purchaser must file with the Department of Development a “notice of intent” by the date of a timely filed return, including extensions, for the taxable year that includes Sept. 30, 2005.** If the purchaser fails to file the notice of intent by the required date, the

taxpayer is not entitled to the grant. Nevertheless, a notice of intent filed on or before such date pursuant to R.C. 5733.33(E) is considered a notice of the intent to claim a grant under R.C. 122.173. The notice of intent form is available on our Web site at www.odod.state.oh.us. Click on (1) "For Business," (2) "Business Incentives," (3) "Tax Credits and Grants," (4) "Ohio Manufacturers Manufacturing Machinery and Equipment Investment Tax Credit/Grant," and (5) "Notice of Intent" for the applicable purchase year.

Federal Privacy Act Notice

Because we are requesting each individual listed on this form to provide his/her social security account number, the *Federal Privacy Act of 1974* requires us to inform you that providing us with your social security number is mandatory. Ohio Revised Code sections 5703.05, 5703.057 and 5747.08 authorize our asking you for this information. We need your social security number in order to administer the tax. Your failure to supply any information requested on a tax form prescribed by the tax commissioner may result in the imposition of penalties for failing to file a complete tax return or the denial of a license application.