Guidance on House Bill 96 and Its Impact on the Ohio Opportunity Zones Tax Credit Program

House Bill (HB) 96 was signed by Governor DeWine on June 30, 2025, with an effective date of September 30, 2025. HB 96 included changes to the Ohio Opportunity Zones Tax Credit program, which are outlined below.

The language of those changes is summarized below and is found in Section 122.84 (beginning on page 197):

- No opportunity zone tax credits will be awarded beyond fiscal year 2027 unless authorized by the General Assembly.
- Increases the amount of tax credit allocation available for fiscal years 2026 and 2027 from $25 million to $50 million each.
- Any excess allocation from the first year of a fiscal biennium will be carried forward to the second year.
- Defines an "investment," for purposes of the credit, as money from any source other than grant funds that is invested to improve property located in Ohio opportunity zones with the expectation of receiving a profit.
- Shortens the application period of each round, from 22 days to 7 days.
- Limits the total amount of credits that can be issued for a single project to $5 million.
- Allows credits issued in the July application round to be claimed for the preceding year with the filing of an amended return or an original return.
    - The above is a change made to ORC Section 5725.38, 5726.61, 5729.21, and 5747.86.

The full bill is available here for your reference:
https://www.legislature.ohio.gov/legislation/136/hb96

Impact on the Ohio Opportunity Zones Tax Credit Program

(1) The application period will only be open for 7 days.
(2) The $5 million tax credit limit for a single project will look back at previous rounds, meaning some projects may be disqualified from future credits.
    a. Please note that this is different from the maximum $2 million in credits an applicant can receive per fiscal biennium.
(3) The current sunset date for the program is the end of fiscal year 2027 (June 30, 2027). This means the final round is currently January 2027, looking at investments made between July 1, 2026, and December 31, 2026. However, the program can be continued under the authorization of the General Assembly.

(4) Applicants who receive a certificate from a July application round will now be able to claim the credit for the preceding calendar year. Please note that if applicants do claim the credit for the preceding year, then the five-year carry forward for excess credit starts on the preceding year.