



Lame duck results in energy-efficiency deductions for public buildings and airport development districts

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New legislation enacted during the recent lame duck session of the General Assembly may alter the allocation of the federal income tax deduction granted for the design and installation of energy-efficient commercial building fixtures. [Substitute Senate Bill 259](#), signed by Governor DeWine on January 9, 2021, requires public entities to allocate the energy-efficient buildings tax deduction to designers of public buildings upon such designers' requests. (Note that public entities are prohibited from accepting fees, payments, or any other consideration for allocating the deduction.) After receiving an allocation request, the public entity has 15 days to respond, otherwise, the request is treated as though it was approved.

Senate Bill 259 also authorizes the creation of airport development districts (ADDs). New R.C. section 308.20 et seq. made available to certain entities an economic development tool to generate revenue for airport infrastructure improvements and induce increases in the volume of flights. To qualify as an ADD, an airport facility must be owned, operated or maintained by the following specifically tailored entities: a regional airport authority (including territory located in two counties), of which at least one such county has a population between 500,000 and 800,000; a port authority (as created by two counties), each having a population between 200,000 and 250,000; or, a municipal corporation (as the most populous in its county), in which the county has a population between 500,000 and 840,000.

If an airport qualifies as an ADD, it can generate revenue through development charges on real property within the ADD's territory. The development charges must be approved by the owners of at least 60 percent of the property located within such airport development districts. The revenue may be used for airport operating costs, planning and design, and infrastructure. As

in other economic development settings, like new community authorities, development charges become covenants running with the land, and are enforceable against subsequent property owners.

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