

Sub. H.B. 49
LSC 132 0001-3

_____ moved to amend as follows:

- In line 19 of the title, after "319.26," insert "319.302," 1
- In line 20 of the title, after "323.01," insert "323.152," 2
- In line 494, after "319.11," insert "319.302," 3
- In line 495, after "323.01," insert "323.152," 4
- Between lines 15674 and 15675, insert: 5

"**Sec. 319.302.** (A)(1) Real property that is not intended 6
primarily for use in a business activity shall qualify for a 7
partial exemption from real property taxation. For purposes of 8
this partial exemption, "business activity" includes all uses of 9
real property, except farming; leasing property for farming; 10
occupying or holding property improved with single-family, 11
two-family, or three-family dwellings; leasing property improved 12
with single-family, two-family, or three-family dwellings; or 13
holding vacant land that the county auditor determines will be 14
used for farming or to develop single-family, two-family, or 15
three-family dwellings. For purposes of this partial exemption, 16
"farming" does not include land used for the commercial production 17
of timber that is receiving the tax benefit under section 5713.23 18
or 5713.31 of the Revised Code and all improvements connected with 19
such commercial production of timber. 20

(2) Each year, the county auditor shall review each parcel of real property to determine whether it qualifies for the partial exemption provided for by this section as of the first day of January of the current tax year.

(B) After complying with section 319.301 of the Revised Code, the county auditor shall reduce the remaining sums to be levied ~~by qualifying levies~~ against each parcel of real property that is listed on the general tax list and duplicate of real and public utility property for the current tax year and that qualifies for partial exemption under division (A) of this section, and against each manufactured and mobile home that is taxed pursuant to division (D)(2) of section 4503.06 of the Revised Code and that is on the manufactured home tax list for the current tax year, by ten per cent, to provide a partial exemption for that parcel or home. ~~For the purposes of this division:~~

~~(1) "Qualifying levy" means a levy approved at an election held before September 29, 2013; a levy within the ten mill limitation; a levy provided for by the charter of a municipal corporation that was levied on the tax list for tax year 2013; a subsequent renewal of any such levy; or a subsequent substitute for such a levy under section 5705.199 of the Revised Code.~~

~~(2) "Qualifying levy" does not include any replacement imposed under section 5705.192 of the Revised Code of any levy described in division (B)(1) of this section.~~

~~(C)~~ Except as otherwise provided in sections 323.152, 323.158, 505.06, and 715.263 of the Revised Code, the amount of the taxes remaining after any such reduction shall be the real and public utility property taxes charged and payable on each parcel of real property, including property that does not qualify for partial exemption under division (A) of this section, and the

manufactured home tax charged and payable on each manufactured or 51
mobile home, and shall be the amounts certified to the county 52
treasurer for collection. Upon receipt of the real and public 53
utility property tax duplicate, the treasurer shall certify to the 54
tax commissioner the total amount by which the real property taxes 55
were reduced under this section, as shown on the duplicate. Such 56
reduction shall not directly or indirectly affect the 57
determination of the principal amount of notes that may be issued 58
in anticipation of any tax levies or the amount of bonds or notes 59
for any planned improvements. If after application of sections 60
5705.31 and 5705.32 of the Revised Code and other applicable 61
provisions of law, including divisions (F) and (I) of section 62
321.24 of the Revised Code, there would be insufficient funds for 63
payment of debt charges on bonds or notes payable from taxes 64
reduced by this section, the reduction of taxes provided for in 65
this section shall be adjusted to the extent necessary to provide 66
funds from such taxes. 67

~~(D)~~(C) The tax commissioner may adopt rules governing the 68
administration of the partial exemption provided for by this 69
section. 70

~~(E)~~(D) The determination of whether property qualifies for 71
partial exemption under division (A) of this section is solely for 72
the purpose of allowing the partial exemption under division (B) 73
of this section." 74

Between lines 16357 and 16358, insert: 75

"**Sec. 323.152.** In addition to the reduction in taxes required 76
under section 319.302 of the Revised Code, taxes shall be reduced 77
as provided in divisions (A) and (B) of this section. 78

(A)(1)(a) Division (A)(1) of this section applies to any of 79

the following persons: 80

(i) A person who is permanently and totally disabled; 81

(ii) A person who is sixty-five years of age or older; 82

(iii) A person who is the surviving spouse of a deceased 83
 person who was permanently and totally disabled or sixty-five 84
 years of age or older and who applied and qualified for a 85
 reduction in taxes under this division in the year of death, 86
 provided the surviving spouse is at least fifty-nine but not 87
 sixty-five or more years of age on the date the deceased spouse 88
 dies. 89

(b) Real property taxes on a homestead owned and occupied, or 90
 a homestead in a housing cooperative occupied, by a person to whom 91
 division (A)(1) of this section applies shall be reduced for each 92
 year for which an application for the reduction has been approved. 93
 The reduction shall equal one of the following amounts, as 94
 applicable to the person: 95

(i) If the person received a reduction under division (A)(1) 96
 of this section for tax year 2006, the greater of the reduction 97
 for that tax year or the amount computed under division (A)(1)(c) 98
 of this section; 99

(ii) If the person received, for any homestead, a reduction 100
 under division (A)(1) of this section for tax year 2013 or under 101
 division (A) of section 4503.065 of the Revised Code for tax year 102
 2014 or the person is the surviving spouse of such a person and 103
 the surviving spouse is at least fifty-nine years of age on the 104
 date the deceased spouse dies, the amount computed under division 105
 (A)(1)(c) of this section. For purposes of divisions (A)(1)(b)(ii) 106
 and (iii) of this section, a person receives a reduction under 107
 division (A)(1) of this section or under division (A) of section 108

4503.065 of the Revised Code for tax year 2013 or 2014, 109
 respectively, if the person files a late application for that 110
 respective tax year that is approved by the county auditor under 111
 section 323.153 or 4503.066 of the Revised Code. 112

(iii) If the person is not described in division (A)(1)(b)(i) 113
 or (ii) of this section and the person's total income does not 114
 exceed thirty thousand dollars, as adjusted under division 115
 (A)(1)(d) of this section, the amount computed under division 116
 (A)(1)(c) of this section. 117

(c) The amount of the reduction under division (A)(1)(c) of 118
 this section equals the product of the following: 119

(i) Twenty-five thousand dollars of the true value of the 120
 property in money; 121

(ii) The assessment percentage established by the tax 122
 commissioner under division (B) of section 5715.01 of the Revised 123
 Code, not to exceed thirty-five per cent; 124

(iii) The effective tax rate used to calculate the taxes 125
 charged against the property for the current year, where 126
 "effective tax rate" is defined as in section 323.08 of the 127
 Revised Code; 128

(iv) The quantity equal to one minus the sum of the 129
 percentage reductions in taxes received by the property for the 130
 current tax year under section 319.302 of the Revised Code and 131
 division (B) of section 323.152 of the Revised Code. 132

(d) Each calendar year, the tax commissioner shall adjust the 133
 total income threshold described in division (A)(1)(b)(iii) of 134
 this section by completing the following calculations in September 135
 of each year: 136

(i) Determine the percentage increase in the gross domestic 137

product deflator determined by the bureau of economic analysis of 138
 the United States department of commerce from the first day of 139
 January of the preceding calendar year to the last day of December 140
 of the preceding calendar year; 141

(ii) Multiply that percentage increase by the total income 142
 threshold for the current tax year; 143

(iii) Add the resulting product to the total income threshold 144
 for the current tax year; 145

(iv) Round the resulting sum to the nearest multiple of one 146
 hundred dollars. 147

The commissioner shall certify the amount resulting from the 148
 adjustment to each county auditor not later than the first day of 149
 December each year. The certified amount applies to the following 150
 tax year for persons described in division (A)(1)(b)(iii) of this 151
 section. The commissioner shall not make the adjustment in any 152
 calendar year in which the amount resulting from the adjustment 153
 would be less than the total income threshold for the current tax 154
 year. 155

(2) Real property taxes on a homestead owned and occupied, or 156
 a homestead in a housing cooperative occupied, by a disabled 157
 veteran shall be reduced for each year for which an application 158
 for the reduction has been approved. The reduction shall equal the 159
 product obtained by multiplying fifty thousand dollars of the true 160
 value of the property in money by the amounts described in 161
 divisions (A)(1)(c)(ii) to (iv) of this section. The reduction is 162
 in lieu of any reduction under section 323.158 of the Revised Code 163
 or division (A)(1) of this section. The reduction applies to only 164
 one homestead owned and occupied by a disabled veteran. 165

If a homestead qualifies for a reduction in taxes under 166

division (A)(2) of this section for the year in which the disabled
 veteran dies, and the disabled veteran is survived by a spouse who
 occupied the homestead when the disabled veteran died and who
 acquires ownership of the homestead or, in the case of a homestead
 that is a unit in a housing cooperative, continues to occupy the
 homestead, the reduction shall continue through the year in which
 the surviving spouse dies or remarries.

(B) To provide a partial exemption, real property taxes on
 any homestead, and manufactured home taxes on any manufactured or
 mobile home on which a manufactured home tax is assessed pursuant
 to division (D)(2) of section 4503.06 of the Revised Code, shall
 be reduced for each year for which an application for the
 reduction has been approved. The amount of the reduction shall
 equal two and one-half per cent of the amount of taxes to be
 levied ~~by qualifying levies~~ on the homestead or the manufactured
 or mobile home after applying section 319.301 of the Revised Code.
~~For the purposes of this division, "qualifying levy" has the same
 meaning as in section 319.302 of the Revised Code.~~

(C) The reductions granted by this section do not apply to
 special assessments or respread of assessments levied against the
 homestead, and if there is a transfer of ownership subsequent to
 the filing of an application for a reduction in taxes, such
 reductions are not forfeited for such year by virtue of such
 transfer.

(D) The reductions in taxable value referred to in this
 section shall be applied solely as a factor for the purpose of
 computing the reduction of taxes under this section and shall not
 affect the total value of property in any subdivision or taxing
 district as listed and assessed for taxation on the tax lists and
 duplicates, or any direct or indirect limitations on indebtedness

of a subdivision or taxing district. If after application of 197
sections 5705.31 and 5705.32 of the Revised Code, including the 198
allocation of all levies within the ten-mill limitation to debt 199
charges to the extent therein provided, there would be 200
insufficient funds for payment of debt charges not provided for by 201
levies in excess of the ten-mill limitation, the reduction of 202
taxes provided for in sections 323.151 to 323.159 of the Revised 203
Code shall be proportionately adjusted to the extent necessary to 204
provide such funds from levies within the ten-mill limitation. 205

(E) No reduction shall be made on the taxes due on the 206
homestead of any person convicted of violating division (D) or (E) 207
of section 323.153 of the Revised Code for a period of three years 208
following the conviction." 209

In line 102610, after "319.26," insert "319.302," 210

In line 102611, after "323.01," insert "323.152," 211

Between lines 137567 and 137568, insert: 212

"**Section 803.**____. The amendment by this act of sections 213
319.302 and 323.152 of the Revised Code applies to levies extended 214
on a tax list for tax year 2019 and every tax year thereafter." 215

The motion was _____ agreed to.

SYNOPSIS

Real property tax: restore rollbacks for all levies 216

R.C. 319.302 and 323.152; Section 803.____ 217

Restores the 10% and 2.5% tax rollbacks for all real property 218
tax levies and the associated reimbursement to local taxing units, 219

beginning in the 2019 tax year. The 10% rollback is an annual
reduction in the taxes charged against real property not used
primarily in business; the 2.5% rollback is a reduction for
owner-occupied residences. In 2013, the rollbacks began to be
applied only to levies approved at an election before September
29, 2013, or to a later renewal of such a levy. The state
reimburses local taxing units for the local revenue reductions
caused by the rollbacks.

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