

Am. Sub. H.B. 166  
As Passed by the Senate  
TAXCD40

\_\_\_\_\_ moved to amend as follows:

In line 14 of the title, after "317.321," insert "319.302,;" 1  
after "323.151," insert "323.155," 2

In line 150 of the title, after "195.02," insert "323.16," 3

In line 232, after "317.321," insert "319.302,;" after 4  
"323.151," insert "323.155," 5

In line 331, after "195.02," insert "323.16," 6

After line 10995, insert: 7

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

of timber that is receiving the tax benefit under section 5713.23 20  
 or 5713.31 of the Revised Code and all improvements connected with 21  
 such commercial production of timber. 22

(2) Each year, the county auditor shall review each parcel of 23  
 real property to determine whether it qualifies for the partial 24  
 exemption provided for by this section as of the first day of 25  
 January of the current tax year. 26

(B) After complying with section 319.301 of the Revised Code, 27  
 the county auditor shall reduce the remaining sums to be levied by 28  
 qualifying levies against each parcel of real property that is 29  
 listed on the general tax list and duplicate of real and public 30  
 utility property for the current tax year and that qualifies for 31  
 partial exemption under division (A) of this section, and against 32  
 each manufactured and mobile home that is taxed pursuant to 33  
 division (D)(2) of section 4503.06 of the Revised Code and that is 34  
 on the manufactured home tax list for the current tax year, by ten 35  
 per cent, to provide a partial exemption for that parcel or home. 36  
 For the purposes of this division: 37

(1) "Qualifying levy" means a levy approved at an election 38  
 held before September 29, 2013; a levy within the ten-mill 39  
 limitation; a levy provided for by the charter of a municipal 40  
 corporation that was levied on the tax list for tax year 2013; a 41  
 subsequent renewal of any such levy; or a subsequent substitute 42  
 for such a levy under section 5705.199 of the Revised Code. 43

(2) "Qualifying levy" does not include any replacement 44  
 imposed under section 5705.192 of the Revised Code of any levy 45  
 described in division (B)(1) of this section. 46

(C) Except as otherwise provided in sections 323.152, 47  
 323.158, 323.16, 505.06, and 715.263 of the Revised Code, the 48  
 amount of the taxes remaining after any such reduction shall be 49

the real and public utility property taxes charged and payable on 50  
each parcel of real property, including property that does not 51  
qualify for partial exemption under division (A) of this section, 52  
and the manufactured home tax charged and payable on each 53  
manufactured or mobile home, and shall be the amounts certified to 54  
the county treasurer for collection. Upon receipt of the real and 55  
public utility property tax duplicate, the treasurer shall certify 56  
to the tax commissioner the total amount by which the real 57  
property taxes were reduced under this section, as shown on the 58  
duplicate. Such reduction shall not directly or indirectly affect 59  
the determination of the principal amount of notes that may be 60  
issued in anticipation of any tax levies or the amount of bonds or 61  
notes for any planned improvements. If after application of 62  
sections 5705.31 and 5705.32 of the Revised Code and other 63  
applicable provisions of law, including divisions (F) and (I) of 64  
section 321.24 of the Revised Code, there would be insufficient 65  
funds for payment of debt charges on bonds or notes payable from 66  
taxes reduced by this section, the reduction of taxes provided for 67  
in this section shall be adjusted to the extent necessary to 68  
provide funds from such taxes. 69

(D) The tax commissioner may adopt rules governing the 70  
administration of the partial exemption provided for by this 71  
section. 72

(E) The determination of whether property qualifies for 73  
partial exemption under division (A) of this section is solely for 74  
the purpose of allowing the partial exemption under division (B) 75  
of this section." 76

After line 11283, insert: 77

"**Sec. 323.155.** The tax bill prescribed under section 323.131 78  
of the Revised Code shall indicate the net amount of taxes due 79

following the reductions in taxes under sections 319.301, 319.302, 80  
~~and 323.152, and 323.16~~ of the Revised Code. 81

Any reduction in taxes under section 323.152 of the Revised 82  
Code shall be disregarded as income or resources in determining 83  
eligibility for any program or calculating any payment under Title 84  
LI of the Revised Code. 85

Sec. 323.16. (A) As used in this section: 86

(1) "Qualifying child care center" means real property on 87  
which a licensed child care program operates. For purposes of this 88  
division, "licensed child care program" means a licensed child 89  
care program, as defined in section 5104.01 of the Revised Code, 90  
that meets all of the following requirements: 91

(a) The program only serves children under six years of age; 92

(b) At least twenty-five per cent of the children in the 93  
program reside in a household that receives public assistance; 94

(c) The program is not operated from the permanent residence 95  
of the licensee or administrator or from a location that is also 96  
used for a separate commercial purpose. 97

(2) "Public assistance" means benefits or assistance provided 98  
under any of the following government programs: 99

(a) The publicly funded child care program authorized by 100  
Chapter 5104. of the Revised Code; 101

(b) Medicaid. 102

(3) The Ohio works first program established by Chapter 5107. 103  
of the Revised Code; 104

(4) The supplemental nutrition assistance program 105  
administered by the department of job and family services under 106

section 5101.54 of the Revised Code;

107

(5) The special supplemental nutrition program for women, infants, and children administered by the department of health under section 3701.132 of the Revised Code.

108

109

110

(B) A partial real property tax exemption is allowed to a qualifying child care center for each tax year for which an application for the partial exemption has been approved. The partial exemption shall take the form of a percentage reduction in the real property taxes levied on the qualifying child care center. That percentage shall equal one of the following:

111

112

113

114

115

116

(1) Twenty-five per cent, if at least twenty-five per cent, but less than fifty per cent, of the children that attend the qualifying child care center reside in a household that receives public assistance;

117

118

119

120

(2) Seventy-five per cent, if at least fifty per cent of the children that attend the qualifying child care center reside in a household that receives public assistance.

121

122

123

After complying with section 319.301 of the Revised Code, the county auditor shall reduce the remaining sum to be levied against a qualifying child care center by the applicable percentage. The auditor shall certify the amount of taxes remaining after the reduction to the county treasurer for collection as the real property taxes charged and payable on the qualifying child care center.

124

125

126

127

128

129

130

(C)(1) To obtain the partial exemption, the owner of a qualifying child care center shall file an application each year with the county auditor of the county in which the center is located. The application shall be filed on or before the thirty-first day of December of the year for which the partial

131

132

133

134

135

exemption is sought. The tax commissioner shall prescribe the form 136  
of the application, which shall contain a statement that 137  
conviction of willfully falsifying information to obtain the 138  
partial exemption results in the revocation of the right to the 139  
partial exemption for a period of three years. 140

(2) The county auditor shall approve or deny an application 141  
for the partial exemption within thirty days after receiving the 142  
application. Notification shall be provided on a form prescribed 143  
by the tax commissioner. If the application is approved, upon 144  
issuance of the notification the county auditor shall record the 145  
partial exemption in the appropriate column on the general tax 146  
list and duplicate of real and public utility property. If the 147  
application is denied, the notification shall inform the applicant 148  
of the reasons for the denial. 149

If an applicant believes that the application for the partial 150  
exemption has been improperly denied for a tax year, the applicant 151  
may file an appeal with the county board of revision on or before 152  
the last day of March of the ensuing tax year. The appeal shall be 153  
treated in the same manner as a complaint relating to the 154  
valuation or assessment of real property under Chapter 5715. of 155  
the Revised Code." 156

In line 82822, after "317.321," insert "319.302,;" after 157  
 "323.151," insert "323.155," 158

After line 97573, insert: 159

"**Section 757.**\_\_. The amendment or enactment by this act of 160  
 sections 319.302, 323.155, and 323.16 of the Revised Code applies 161  
 to tax year 2019 and thereafter." 162

The motion was \_\_\_\_\_ agreed to.

SYNOPSIS

**Property tax reduction for child care centers** 163

**R.C. 319.302, 323.155, and 323.16; Section 757.\_\_\_\_** 164

Authorizes a partial real property tax exemption for child 165  
care centers that serve children from households that receive 166  
public assistance. If at least 25%, but less than 50%, of the 167  
children that attend the center reside in households that receive 168  
public assistance, the exemption equals 50% of the taxes due on 169  
the property. If more than 50% of the children that attend the 170  
center reside in such households, the exemption equals 75%. To 171  
qualify, the center must be licensed by ODJFS, may not be the 172  
administrator's main residence, and may not be used for any other 173  
commercial purpose. Local taxing authorities are not reimbursed 174  
for the effect of the exemption on their tax revenues. 175