

Am. Sub. H.B. 166  
As Passed by the Senate  
TAXCD58

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

In line 182 of the title, after "5709.51," insert "5709.54," 1

In line 355, after "5709.51," insert "5709.54," 2

After line 70309, insert: 3

"Sec. 5709.54. (A) As used in this section: 4

(1) "Pre-residential development property" means a subdivided 5  
parcel of unimproved real property on which construction of one or 6  
more residential buildings is planned but has not yet commenced. 7  
The construction of streets, sidewalks, curbs, or driveways or the 8  
installation of water, sewer, or other utility lines on a 9  
subdivided parcel does not cause construction of a residential 10  
building to commence for purposes of division (A)(1) or (B) of 11  
this section. 12

(2) "Residential building" means a building or structure any 13  
part of which is to be used as a dwelling. 14

(3) "Unexempted value" means, for any subdivided parcel, one 15  
of the following: 16

(a) Except as provided in division (A)(3)(b) of this section, 17  
the nonagricultural taxable value of the original property for the 18

tax year preceding the tax year the subdivided property first  
appears on the tax list as a subdivided parcel multiplied by a  
fraction, the numerator of which is the true value in money of the  
subdivided parcel for the tax year the subdivided parcel first  
appears on the tax list and the denominator of which is the true  
value in money of all subdivided parcels subdivided from that  
original parcel for that tax year.

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(b) If a subdivided parcel exempted under this section is  
itself subdivided, the "unexempted value" of the newly subdivided  
parcel equals the unexempted value, as defined in division  
(A)(3)(a) of this section, of the parcel from which the newly  
subdivided parcel was subdivided for the tax year preceding the  
tax year the newly subdivided parcel first appears on the tax list  
multiplied by a fraction, the numerator of which is the true value  
in money of the newly subdivided parcel for the tax year it first  
appears on the tax list and the denominator of which is the true  
value in money for that year of all newly subdivided parcels  
resulting from the most recent subdivision.

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(4) "Subdivided parcel" means a parcel resulting from the  
subdivision of original property pursuant to a plat subdividing  
that property presented to the county auditor under section  
5713.18 of the Revised Code.

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(5) "Original property" means the parcel from which a  
subdivided parcel is subdivided.

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(6) "Qualifying owner" means the owner of pre-residential  
development property for any portion of a tax year ending on or  
after the effective date of the enactment of this section by H.B.  
166 of the 133rd general assembly that includes the date a plat  
subdividing land including such property is presented to the  
county auditor under section 5713.18 of the Revised Code, or any

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other person to which title to the property is transferred,  
without consideration, by another qualifying owner.

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(7) "Nonagricultural taxable value" means the taxable value  
of land as if such land were valued and assessed for a tax year  
pursuant to Section 2 of Article XII, Ohio Constitution, and not  
in accordance with Section 36 of Article II, Ohio Constitution.

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(B) Any increase in taxable value above the unexempted value  
of pre-residential development property owned by a qualifying  
owner is exempted from taxation beginning with the first tax year  
the pre-residential development property appears on the tax list  
after a plat subdividing land including that property is presented  
to the county auditor under section 5713.18 of the Revised Code  
and for each of the two ensuing tax years or, if later, each of  
the ensuing tax years until, but not including, the tax year in  
which a sexennial reappraisal is completed, except that the  
exemption shall not apply beginning with the tax year that begins  
after the tax year in which the earlier of the following occurs:

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(1) Construction of a residential building on that property  
commences;

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(2) Title to the property is transferred for consideration by  
a qualifying owner to another person.

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(C) The tax commissioner shall not approve an application for  
an exemption authorized under this section unless the applicant  
for the exemption certifies that the parcel that is the subject of  
the exemption satisfies the requirements of division (A)(1) of  
this section for pre-residential development property.

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(D) Nothing in this section shall be construed to authorize a  
parcel subject to the partial exemption authorized by this section  
to be valued and assessed for taxation in any manner other than in

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<u>accordance with Section 36 of Article II or Section 2 of Article</u>	78
<u>XII, Ohio Constitution, as applicable to the parcel."</u>	79

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

SYNOPSIS

<b>Exemption of residential development property</b>	80
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<b>R.C. 5709.54</b>	81
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Restores a provision added by the House, but removed by the	82
Senate, exempting from property tax the value of unimproved land	83
subdivided for residential development in excess of the fair	84
market value of the property from which that land was subdivided,	85
apportioned according to the relative value of each subdivided	86
parcel. Authorizes the exemption for the greater of three years or	87
the number of years that elapse until the year before a sexennial	88
reappraisal is completed, unless construction begins or the land	89
is sold before the end of that period.	90