A BILL

To amend sections 5713.30, 5713.31, and 5713.351 and to repeal section 5713.36 of the Revised Code to remove a requirement that owners of farmland enrolled in the CAUV program must file a renewal application each year in order to remain in the program.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 5713.30, 5713.31, and 5713.351 of the Revised Code be amended to read as follows:

Sec. 5713.30. As used in sections 5713.31 to 5713.37 and 5715.01 of the Revised Code:

(A) "Land devoted exclusively to agricultural use" means:

(1) Tracts, lots, or parcels of land totaling not less than ten acres to which, during the three previous calendar years prior to the year in which application is filed under section 5713.31 of the Revised Code, and through the last day of May of the current year, one or more of the following apply:
(a) The tracts, lots, or parcels of land were devoted exclusively to commercial animal or poultry husbandry, aquaculture, algaculture meaning the farming of algae, apiculture, the cultivation of hemp by a person issued a hemp cultivation license under section 928.02 of the Revised Code, the production for a commercial purpose of timber, field crops, tobacco, fruits, vegetables, nursery stock, ornamental trees, sod, or flowers, or the growth of timber for a noncommercial purpose, if the land on which the timber is grown is contiguous to or part of a parcel of land under common ownership that is otherwise devoted exclusively to agricultural use.

(b) The tracts, lots, or parcels of land were devoted exclusively to biodiesel production, biomass energy production, electric or heat energy production, or biologically derived methane gas production if the land on which the production facility is located is contiguous to or part of a parcel of land under common ownership that is otherwise devoted exclusively to agricultural use, provided that at least fifty per cent of the feedstock used in the production was derived from parcels of land under common ownership or leasehold.

(c) The tracts, lots, or parcels of land were devoted to and qualified for payments or other compensation under a land retirement or conservation program under an agreement with an agency of the federal government.

(2) Tracts, lots, or parcels of land totaling less than ten acres that, during the three previous calendar years prior to the year in which application is filed under section 5713.31 of the Revised Code and through the last day of May of such the current year, were devoted exclusively to commercial animal or poultry husbandry, aquaculture, algaculture meaning the farming
of algae, apiculture, the cultivation of hemp by a person issued
a hemp cultivation license under section 928.02 of the Revised
Code, the production for a commercial purpose of field crops,
tobacco, fruits, vegetables, timber, nursery stock, ornamental
trees, sod, or flowers where such activities produced an average
yearly gross income of at least twenty-five hundred dollars
during such three-year period or where there is evidence of an
anticipated gross income of such amount from such activities
during the current tax year in which application is made, or
were devoted to and qualified for payments or other compensation
under a land retirement or conservation program under an
agreement with an agency of the federal government;

(3) A tract, lot, or parcel of land taxed under sections
5713.22 to 5713.26 of the Revised Code is not land devoted
exclusively to agricultural use.

(4) Tracts, lots, or parcels of land, or portions thereof
that, during the previous three consecutive calendar years have
been designated as land devoted exclusively to agricultural use,
but such land has been lying idle or fallow for up to one year
and no action has occurred to such land that is either
inconsistent with the return of it to agricultural production or
converts the land devoted exclusively to agricultural use as
defined in this section. Such land shall remain designated as
land devoted exclusively to agricultural use provided that
beyond one year, but less than three years, the landowner proves
good cause as determined by the board of revision.

(5) Tracts, lots, or parcels of land, or portions thereof
that, during the previous three consecutive calendar years have
been designated as land devoted exclusively to agricultural use,
but such land has been lying idle or fallow because of dredged
material being stored or deposited on such land pursuant to a contract between the land's owner and the department of natural resources or the United States army corps of engineers and no action has occurred to the land that is either inconsistent with the return of it to agricultural production or converts the land devoted exclusively to agricultural use. Such land shall remain designated as land devoted exclusively to agricultural use until the last year in which dredged material is stored or deposited on the land pursuant to such a contract, but not to exceed five years.

"Land devoted exclusively to agricultural use" includes tracts, lots, or parcels of land or portions thereof that are used for conservation practices, provided that the tracts, lots, or parcels of land or portions thereof comprise twenty-five percent or less of the total of the tracts, lots, or parcels of land that satisfy the criteria established in division (A)(1), (2), (4), or (5) of this section together with the tracts, lots, or parcels of land or portions thereof that are used for conservation practices.

Notwithstanding any other provision of law to the contrary, the existence of agritourism on a tract, lot, or parcel of land that otherwise meets the definition of "land devoted exclusively to agricultural use" as defined in this division does not disqualify that tract, lot, or parcel from valuation under sections 5713.30 to 5713.37 and 5715.01 of the Revised Code.

A tract, lot, parcel, or portion thereof on which medical marijuana, as defined by section 3796.01 of the Revised Code, is cultivated or processed is not land devoted exclusively to agricultural use.
(B) "Conversion of land devoted exclusively to agricultural use" means any of the following:

(1) The failure of the owner of land devoted exclusively to agricultural use during the next preceding calendar year to file a renewal application under section 5713.31 of the Revised Code without good cause as determined by the board of revision;

(2) The failure of the new owner of such land devoted exclusively to agricultural use to file an initial application under that section 5713.31 of the Revised Code without good cause as determined by the board of revision;

(3) The failure of such land or portion thereof to qualify as land devoted exclusively to agricultural use for the current calendar year as requested by an application filed under such section;

(4) The failure of the owner of the land described in division (A)(4) or (5) of this section to act on such land in a manner that is consistent with the return of the land to agricultural production after three years.

The construction or installation of an energy facility, as defined in section 5727.01 of the Revised Code, on a portion of a tract, lot, or parcel of land devoted exclusively to agricultural use shall not cause the remaining portion of the tract, lot, or parcel to be regarded as a conversion of land devoted exclusively to agricultural use if the remaining portion of the tract, lot, or parcel continues to be devoted exclusively to agricultural use.

(C) "Tax savings" means the difference between the dollar amount of real property taxes levied in any year on land valued and assessed in accordance with its current agricultural use...
value and the dollar amount of real property taxes that would have been levied upon such land if it had been valued and assessed for such year in accordance with Section 2 of Article XII, Ohio Constitution.

(D) "Owner" includes, but is not limited to, any person owning a fee simple, fee tail, or life estate or a buyer on a land installment contract.

(E) "Conservation practices" are practices used to abate soil erosion as required in the management of the farming operation, and include, but are not limited to, the installation, construction, development, planting, or use of grass waterways, terraces, diversions, filter strips, field borders, windbreaks, riparian buffers, wetlands, ponds, and cover crops for that purpose.

(F) "Wetlands" has the same meaning as in section 6111.02 of the Revised Code.

(G) "Biodiesel" means a mono-alkyl ester combustible liquid fuel that is derived from vegetable oils or animal fats or any combination of those reagents and that meets the American society for testing and materials specification D6751-03a for biodiesel fuel (B100) blend stock distillate fuels.

(H) "Biologically derived methane gas" means gas from the anaerobic digestion of organic materials, including animal waste and agricultural crops and residues.

(I) "Biomass energy" means energy that is produced from organic material derived from plants or animals and available on a renewable basis, including, but not limited to, agricultural crops, tree crops, crop by-products, and residues.

(J) "Electric or heat energy" means electric or heat
energy generated from manure, cornstalks, soybean waste, or other agricultural feedstocks.

(K) "Dredged material" means material that is excavated or dredged from waters of this state. "Dredged material" does not include material resulting from normal farming, silviculture, and ranching activities, such as plowing, cultivating, seeding, and harvesting, for production of food, fiber, and forest products.

(L) "Agritourism" has the same meaning as in section 901.80 of the Revised Code.

Sec. 5713.31. (A) (1) At any time after the first Monday in January and prior to the first Monday in March of any year, an owner of agricultural land may file an application with the county auditor of the county in which such land is located, requesting the auditor to value the land for real property tax purposes at the current value such land has for agricultural use, in accordance with section 5715.01 of the Revised Code and the rules adopted by the tax commissioner for the valuation of such land. An owner's first application with respect to the owner's land shall be in the form of an initial application. Each application filed in ensuing consecutive years after the initial application by that owner shall be in the form of a renewal application. The commissioner shall prescribe the form of the initial and the renewal application, but the renewal application shall require no more information than is necessary to establish the applicant's continued eligibility to have the applicant's land valued for agricultural use, for all lots, parcels, or tracts of land, or portions thereof, within a county, that have been valued at the current value of such land for agricultural use in the preceding tax year. If, on the first
day of January of the tax year, any portion of the applicant's agricultural land is used for a conservation practice or devoted to a land retirement or conservation program under an agreement with an agency of the federal government, the applicant shall so indicate on the initial or renewal application or, for subsequent tax years, provide a copy of such agreement to the county auditor before the first Monday in March of that tax year.

(2) An application filed under division (A)(1) of this section shall constitute a continuing application for the applicant's land to be valued at the current value such land has for agricultural use. If, in any year after an application has been filed under division (A)(1) this section, the land ceases to be land devoted exclusively to agricultural use, the owner shall so notify the county auditor.

(3) For each tax year after the year in which an initial application is filed under division (A)(1) of this section, the owner of land that is eligible to be valued for its agricultural use pursuant to division (A)(2) of section 5713.30 of the Revised Code shall provide to the county auditor documentation of the annual gross income of the land from activities described in that division. The owner shall submit the documentation before the first Monday in March of each tax year.

(B) On or before the second Tuesday after the first Monday in March, the auditor shall determine whether the current owner of any lot, parcel, or tract of land or portion thereof contained in the preceding tax year's agricultural land tax list failed to file an initial or renewal application, as appropriate, for the current tax year with respect to such lot, parcel, or tract or portion thereof is no longer land devoted
exclusively to agricultural use. The auditor shall forthwith notify each the owner who failed to file an application that unless application is filed with the auditor prior to the first Monday of April of the current year, of such land that the land will be valued for real property tax purposes in the current tax year at its true value in money and that the recoupment required by sections 5713.34 and 5713.35 of the Revised Code will be placed on the current year's tax list and duplicate for collection. The auditor shall send that notice either by certified mail or, if the auditor has record of an internet identifier of record associated with the owner, by ordinary mail and by that internet identifier of record.

(C) Each initial application filed under division (A)(1) of this section shall be accompanied by a fee of twenty-five dollars. Application fees shall be paid into the county treasury to the credit of the real estate assessment fund created under section 325.31 of the Revised Code.

(D) Upon receipt of an application and payment of the required fee the auditor shall determine whether the information contained therein is correct and the application complete.

(E) If the auditor determines the information is incorrect or the application is incomplete, the auditor shall return the application to the applicant with an enumeration of the items which are incorrect or incomplete. The auditor shall return the application or a copy of the application either by certified mail or, if the auditor has record of an internet identifier of record associated with the applicant, by ordinary mail and by that internet identifier of record. An applicant may file an amended application, without charge, within fifteen days of the receipt of the returned application.
(F) If the auditor determines the application or amended application is complete and the information therein is correct, the auditor shall, prior to the first Monday in August, view or cause to be viewed the land described in the application and determine whether the land is land devoted exclusively to agricultural use.

(G) If the auditor determines, which determination shall be made as of the first Monday of August, annually, that the land is land devoted exclusively to agricultural use, the auditor shall appraise it for real property tax purposes in accordance with section 5715.01 of the Revised Code and the rules adopted by the commissioner for the valuation of land devoted exclusively to agricultural use and such appraised value shall be the value used by the auditor in determining the taxable value of such land for the current tax year under section 5713.03 of the Revised Code and as shown on the general tax list compiled under section 319.28 of the Revised Code.

(H) The auditor shall enter on the real property record required under section 5713.03 of the Revised Code for the tract, lot, or parcel of land so appraised, in addition to the other information required to be recorded thereon, its value as land devoted exclusively to agricultural use based on the values determined by the commissioner for each soil type present in the tract, lot, or parcel. Subject to division (A)(1) of section 5713.34 of the Revised Code, tracts, lots, or parcels of land or portions thereof used for a conservation practice or devoted to a land retirement or conservation program under an agreement with an agency of the federal government on the first day of January of the tax year shall be valued at the lowest valued of all soil types listed in the commissioner's annual publication of the per-acre agricultural use values for each soil type in
the state.

(I) As used in this section, "internet identifier of record" has the same meaning as in section 9.312 of the Revised Code.

**Sec. 5713.351.** If the county auditor has determined under section 5713.35 of the Revised Code that a conversion of land has occurred with respect to any tract, lot, or parcel on the agricultural land tax list because of a failure to file an initial or renewal application under section 5713.31 of the Revised Code, and if the auditor, upon application of the owner and payment by the owner of a twenty-five-dollar fee, finds that the land would be land devoted exclusively to agricultural use for the current year if the board of revision finds the failure arose for good cause, the owner may file a complaint against that determination with the board as provided in section 5715.19 of the Revised Code on the grounds that the tract, lot, or parcel is land devoted exclusively to agricultural use because there was good cause for the owner's failure to file an initial or renewal application. If the board finds that there was such good cause, the application under this section shall be considered an application that was properly filed under section 5713.31 of the Revised Code.

**Section 2.** That existing sections 5713.30, 5713.31, and 5713.351 of the Revised Code are hereby repealed.

**Section 3.** That section 5713.36 of the Revised Code is hereby repealed.

**Section 4.** The amendment or repeal by this act of sections 5713.30, 5713.31, 5713.351, and 5713.36 of the Revised Code apply to tax years beginning on or after the effective date of
this act.