



BEFORE THE OHIO HOUSE WAYS AND MEANS COMMITTEE
TESTIMONY ON HOUSE BILL 75
March 19, 2019

Good Afternoon Chairman Schaffer, Vice Chair Lipps, Ranking member Rogers, and members of the Committee. My name is Tony Long, and I am the new Director of Tax & Economic Policy for the Ohio Chamber of Commerce. The Ohio Chamber is the state's leading business advocate, and we represent nearly 8,000 companies that do business in Ohio. Our mission is to champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

On behalf of the Ohio Chamber, I am testifying in support of HB 75.

The current statutory framework that allows local governmental entities to file complaints against real property owners to dispute the valuation set by a County Auditor negatively impacts the business environment of Ohio, because a vast majority of the disputes are made against commercial and industrial real property owners. In fact, in 2014, Council on State Taxation (COST) in conjunction with the International Property Tax Institute, issued a scorecard on the "Best and Worst of International Property, Tax Administration," Ohio received a grade of C. One of the negative factors was the ability of the State's local political subdivisions to appeal property owners' valuations.

The Ohio Chamber sees this legislation as a step in the right direction of correcting that scorecard and supports the passage of HB 75. We would prefer a measure that only allows counter-complaints after a real property owner files a complaint, but we understand that this bill carries forward the compromise reached during the debate of HB 343 in the 132nd General Assembly.

The real property owners in the state of Ohio should be able to rely on the expertise of their County Auditor's office when value is established on the real property located in that county. This second bite of the valuation apple offered to other local governmental entities is disruptive, expensive, and creates tax uncertainty for the real property owner.

According to the Ohio Relator's testimony in support of HB 343 during the 132nd General Assembly, Ohio is only one of a few states that allow a change in value based on a third-party complaint. While this legislation does not end that practice, it does codify a more uniform process of notification for the property owner if a complaint is filed by a third party. Or, put another way, HB 75 adds statutory language to protect the due process of real property owners. Finally, HB 75 adds a level of transparency to the complaint process. This transparency is beneficial for local citizens and the real property owners of that county.

I look forward to answering any questions you may have.