



October 29, 2019

OHIO HOUSE WAYS AND MEANS COMMITTEE

PROPONENT TESTIMONY FOR HOUSE BILL 255

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Good Afternoon Chair Merrin, Vice Chair LeRe, Ranking Minority Member Rogers, and Members of the House Ways and Means Committee. My name is Jon Honeck, and I am a Senior Policy Analyst with the County Commissioners Association of Ohio. I am writing in support of House Bill 255, which will require additional reporting and review of property tax exemptions and reductions.

The property tax is a fundamental revenue source that supports many different services provided by counties, other local governments, and schools. County governments typically receive some property tax revenue for their general fund, and for many specialized services such as mental health, developmental disabilities, public transit, libraries, and park districts, the local property tax is the main source of funding.

Ohio law contains numerous exemptions to property taxes. Some of these exemptions are discretionary on the part of local governments, such as the enterprise zone program and the community reinvestment area program, while others are made available to property owners that meet certain criteria (e.g., homestead exemption, residential property, and homeowner rollbacks).

Exemptions that reduce or divert funding from these services should be monitored closely to make sure they are being used to fulfill their intended purpose. House Bill 255 will facilitate additional review and reporting of these exemptions by requiring summary information to be included in the biennial Tax Expenditure Report that accompanies the governor's budget proposal.

Also, it will require formal review of each type of property tax exemption by the Tax Expenditure Review Committee, which will make recommendations to the General Assembly as to whether an exemption should be continued, modified, or repealed.

Thank you for allowing me to testify. I would be pleased to answer any questions that you may have.



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