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OHIO LEGISLATIVE SERVICE COMMISSION

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H.B. 541
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Rep. Perales

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SUMMARY

- Allows a county auditor to initiate the valuation adjustment process for damaged property, instead of two disinterested persons as under current law.
- Increases from \$100 to \$1,000 the minimum amount of damage that qualifies for a valuation adjustment.
- Requires the Department of Taxation to prescribe a form to be used to request a valuation adjustment.

DETAILED ANALYSIS

Property valuation adjustment for damage

Under continuing law, when property has been destroyed or injured, the property owner may ask the county auditor to evaluate the damage and adjust the property's valuation accordingly.¹ Alternatively, under current law, two disinterested persons who live in the township or municipal corporation where the property is located may make such a request. The bill eliminates this alternative and instead allows the county auditor to initiate a valuation adjustment at the auditor's discretion.

Only property that sustains \$100 in damage qualifies for a valuation adjustment under current law; the bill increases this to \$1,000. Under continuing law, the amount of the valuation adjustment depends on when the injury or destruction occurs. See the table below; these amounts are unchanged by the bill.

¹ This only applies to property that is listed for taxation for the current year.

| If the injury or destruction occurs during . . . | Then the county auditor must deduct from the property's valuation . . . |
|--|--|
| The first calendar quarter | An amount that fairly represents the extent of the injury or destruction |
| The second calendar quarter | 75% of amount that fairly represents the extent of the injury or destruction |
| The third calendar quarter | 50% of amount that fairly represents the extent of the injury or destruction |
| The fourth calendar quarter | 25% of amount that fairly represents the extent of the injury or destruction |

In order to initiate the valuation adjustment process currently, the property owner or two disinterested persons must apply to the county auditor by filing an oath (in the case of the property owner) or an affidavit (in the case of the two disinterested persons). Instead, the bill requires the Department of Taxation to prescribe a form that a property owner must complete and provide to the county auditor, or a county auditor may complete the form on behalf of a property owner.²

HISTORY

| Action | Date |
|------------|----------|
| Introduced | 03-10-20 |

H0541-I-133/ts

² R.C. 319.38.