



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 541
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 541's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Rep. Perales

Local Impact Statement Procedure Required: No

Philip A. Cummins, Senior Economist

Highlights

- The bill changes the process for lowering taxable property valuations for damage or loss, allowing a county auditor to initiate an adjustment, instead of two disinterested persons under current law.
- To qualify for an adjustment, at least \$1,000 of damage must have been done, up from \$100 currently.
- The Department of Taxation is to prescribe a form for use in requesting such an adjustment.

Detailed Analysis

When property is damaged or destroyed, the property owner may request that the county auditor lower the valuation used for tax purposes. In current law, such a request may also be made by two disinterested persons who are residents of the township or municipal corporation where the property is located. The bill eliminates this second way in which a lower valuation may be sought, instead allowing the county auditor to investigate and adjust the valuation. This change appears unlikely to alter local government costs significantly, and would be permissive for the county auditor.

The bill increases the amount of damage to qualify for a taxable valuation adjustment from \$100 currently to \$1,000. This higher threshold may increase local property tax revenues, by an uncertain amount, since smaller reductions would no longer qualify. The change may reduce county auditors' costs if they review fewer requests for valuation reductions.

Under the bill, the Department of Taxation is to prescribe a form to be used for this purpose. The form is to be filed by the property owner with the county auditor, or the auditor may complete the form on behalf of the owner. The Department already has such a form, so

would incur no more than minimal cost to remove the reference on the current form to disinterested parties, to comply with this requirement of the bill.