

**As Passed by the House**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**H. B. No. 24**

**Representative Ginter**

**Cosponsors: Representatives Schaffer, Rogers, Cera, Green, Hambley, Retherford, Ryan, Anielski, Antani, Antonio, Arndt, Ashford, Barnes, Boccieri, Boggs, Boyd, Brown, Butler, Carfagna, Celebrezze, Clyde, Craig, Cupp, Edwards, Faber, Fedor, Galonski, Gavarone, Goodman, Greenspan, Hagan, Henne, Hill, Holmes, Householder, Howse, Huffman, Hughes, Ingram, Johnson, Keller, Kent, Kick, Landis, Lanese, Lang, LaTourette, Leland, Lepore-Hagan, Lipps, Manning, McColley, Miller, O'Brien, Patmon, Patterson, Patton, Pelanda, Perales, Ramos, Reece, Reineke, Rezabek, Riedel, Roegner, Romanchuk, Schuring, Sheehy, Sprague, Stein, Strahorn, Sweeney, Thompson, West, Young**

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**A BILL**

To amend section 5709.17 of the Revised Code to 1  
modify the existing tax exemption for veterans 2  
organizations' property to include property of 3  
certain veterans organizations exempt from 4  
federal taxation under section 501(c)(4) of the 5  
Internal Revenue Code and to exclude property 6  
that is not used primarily for meetings, 7  
administration, and the provision of programs 8  
and services to past and present members of the 9  
United States armed forces. 10

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

**Section 1.** That section 5709.17 of the Revised Code be 11  
amended to read as follows: 12

**Sec. 5709.17.** The following property shall be exempted 13  
from taxation: 14

(A) Real estate held or occupied by an association or 15  
corporation, organized or incorporated under the laws of this 16  
state relative to soldiers' memorial associations, monumental 17  
building associations, or cemetery associations or corporations, 18  
which in the opinion of the trustees, directors, or managers 19  
thereof is necessary and proper to carry out the object intended 20  
for such association or corporation; 21

(B) Real estate and tangible personal property held or 22  
occupied by a qualifying veterans' organization ~~that qualifies~~ 23  
~~for exemption from taxation under section 501(c)(19) or 501(c)~~ 24  
~~(23) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26~~ 25  
~~U.S.C.A. 1, as amended, and is incorporated under the laws of~~ 26  
~~this state or the United States and used primarily for meetings~~ 27  
and administration of the qualifying veterans' organization or 28  
for providing, on a not-for-profit basis, programs and 29  
supportive services to past or present members of the armed 30  
forces of the United States and their families, except real 31  
estate held by such an organization for the production of rental 32  
income in excess of thirty-six thousand dollars in a tax year, 33  
before accounting for any cost or expense incurred in the 34  
production of such income. For the purposes of this division, 35  
rental income includes only income arising directly from renting 36  
the real estate to others for consideration. 37

As used in this division, "qualifying veterans' 38  
organization" means an organization that is incorporated under 39  
the laws of this state or the United States and that meets 40  
either of the following requirements: 41

(1) The organization qualifies for exemption from taxation 42

under section 501(c)(19) or 501(c)(23) of the Internal Revenue Code. 43  
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(2) The organization meets the criteria for exemption under section 501(c)(19) of the Internal Revenue Code and regulations adopted pursuant thereto, but is exempt from taxation under section 501(c)(4) of the Internal Revenue Code. 45  
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(C) Tangible personal property held by a corporation chartered under 112 Stat. 1335, 36 U.S.C.A. 40701, described in section 501(c)(3) of the Internal Revenue Code, and exempt from taxation under section 501(a) of the Internal Revenue Code shall be exempt from taxation if it is property obtained as described in 112 Stat. 1335-1341, 36 U.S.C.A. Chapter 407. 49  
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(D) Real estate held or occupied by a fraternal organization and used primarily for meetings of and the administration of the fraternal organization or for providing, on a not-for-profit basis, educational or health services, except real estate held by such an organization for the production of rental income in excess of thirty-six thousand dollars in a tax year before accounting for any cost or expense incurred in the production of such income. As used in this division, "rental income" has the same meaning as in division (B) of this section, and "fraternal organization" means a domestic fraternal society, order, or association operating under the lodge, council, or grange system that qualifies for exemption from taxation under section 501(c)(5), 501(c)(8), or 501(c)(10) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended; that provides financial support for charitable purposes, as defined in division (B)(12) of section 5739.02 of the Revised Code; and that operates under a state governing body that has been operating in this state for 55  
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at least eighty-five years.	73
<b>Section 2.</b> That existing section 5709.17 of the Revised Code is hereby repealed.	74 75
<b>Section 3.</b> That the amendment by this act of section 5709.17 of the Revised Code applies to tax years ending on or after the effective date of this act.	76 77 78