

**As Introduced**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**H. B. No. 371**

**Representative Merrin**

**Cosponsors: Representatives Schaffer, Seitz, Lang, Kick, Becker, Vitale, Riedel,  
Brinkman, Romanchuk, Keller, Hood, Zeltwanger, Dean, Goodman**

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**A BILL**

To enact section 5709.51 of the Revised Code to 1  
exempt from property taxation the increased 2  
value of land subdivided for residential 3  
development until construction commences or the 4  
land is sold. 5

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

**Section 1.** That section 5709.51 of the Revised Code be 6  
enacted to read as follows: 7

**Sec. 5709.51.** (A) As used in this section: 8

(1) "Pre-residential development property" means a 9  
subdivided parcel of unimproved real property on which 10  
construction of one or more residential buildings is planned but 11  
has not yet commenced. The construction of streets, sidewalks, 12  
curbs, or driveways or the installation of water, sewer, or 13  
other utility lines on a subdivided parcel does not cause 14  
construction of a residential building to commence for purposes 15  
of division (A) (1) or (B) of this section. 16

(2) "Residential building" means a building or structure 17

any part of which is to be used as a dwelling. 18

(3) "Ascribed taxable value" means, for any subdivided 19  
parcel, one of the following: 20

(a) Except as provided in division (A) (3) (b) of this 21  
section, the taxable value of the original property for the tax 22  
year preceding the tax year the subdivided property first 23  
appears on the tax list as a subdivided parcel multiplied by a 24  
fraction, the numerator of which is the true value in money of 25  
the subdivided parcel for the tax year the subdivided parcel 26  
first appears on the tax list and the denominator of which is 27  
the true value in money of all subdivided parcels subdivided 28  
from that original parcel for that tax year. 29

(b) If a subdivided parcel exempted under this section is 30  
itself subdivided, the "ascribed taxable value" of the newly 31  
subdivided parcel equals the ascribed taxable value, as defined 32  
in division (A) (3) (a) of this section, of the parcel from which 33  
the newly subdivided parcel was subdivided for the tax year 34  
preceding the tax year the newly subdivided parcel first appears 35  
on the tax list multiplied by a fraction, the numerator of which 36  
is the true value in money of the newly subdivided parcel for 37  
the tax year it first appears on the tax list and the 38  
denominator of which is the true value in money for that year of 39  
all newly subdivided parcels resulting from the most recent 40  
subdivision. 41

(4) "Subdivided parcel" means a parcel resulting from the 42  
subdivision of original property pursuant to a plat subdividing 43  
that property presented to the county auditor under section 44  
5713.18 of the Revised Code. 45

(5) "Original property" means the parcel from which a 46

subdivided parcel is subdivided. 47

(6) "Qualifying owner" means the owner of pre-residential 48  
development property for any portion of a tax year ending on or 49  
after the effective date of ...B. ... of the 132nd general 50  
assembly that includes the date a plat subdividing land 51  
including such property is presented to the county auditor under 52  
section 5713.18 of the Revised Code, or any other person to 53  
which title to the property is transferred, without 54  
consideration, by another qualifying owner. 55

(B) Any increase in taxable value above the ascribed 56  
taxable value of pre-residential development property owned by a 57  
qualifying owner is exempted from taxation beginning with the 58  
first tax year the pre-residential development property appears 59  
on the tax list after a plat subdividing land including that 60  
property is presented to the county auditor under section 61  
5713.18 of the Revised Code and for each ensuing tax year until 62  
and including the tax year in which the earlier of the following 63  
occurs: 64

(1) Construction of a residential building on that 65  
property commences; 66

(2) Title to the property is transferred for consideration 67  
by a qualifying owner to another person. 68

(C) The tax commissioner shall not approve an application 69  
for an exemption authorized under this section unless the 70  
applicant for the exemption certifies that the parcel that is 71  
the subject of the exemption satisfies the requirements of 72  
division (A) (1) of this section for pre-residential development 73  
property. 74