

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**

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.

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

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

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

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

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

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