

As Introduced

133rd General Assembly

Regular Session

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H. B. No. 99

Representatives Cera, Rogers

**Cosponsors: Representatives West, Kelly, Riedel, Ingram, Hambley, Miller, A.,
O'Brien, Crossman**

A BILL

To amend sections 323.152 and 4503.065 of the 1
Revised Code to raise the homestead exemption 2
income eligibility to \$60,000 and increase the 3
tax reduction. 4

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

Section 1. That sections 323.152 and 4503.065 of the 5
Revised Code be amended to read as follows: 6

Sec. 323.152. In addition to the reduction in taxes 7
required under section 319.302 of the Revised Code, taxes shall 8
be reduced as provided in divisions (A) and (B) of this section. 9

(A) (1) (a) Division (A) (1) of this section applies to any 10
of the following persons: 11

(i) A person who is permanently and totally disabled; 12

(ii) A person who is sixty-five years of age or older; 13

(iii) A person who is the surviving spouse of a deceased 14
person who was permanently and totally disabled or sixty-five 15
years of age or older and who applied and qualified for a 16

reduction in taxes under this division in the year of death, 17
provided the surviving spouse is at least fifty-nine but not 18
sixty-five or more years of age on the date the deceased spouse 19
dies. 20

(b) Real property taxes on a homestead owned and occupied, 21
or a homestead in a housing cooperative occupied, by a person to 22
whom division (A) (1) of this section applies shall be reduced 23
for each year for which an application for the reduction has 24
been approved. The reduction shall equal one of the following 25
amounts, as applicable to the person: 26

(i) If the person received a reduction under division (A) 27
(1) of this section for tax year 2006, the greater of the 28
reduction for that tax year or the amount computed under 29
division (A) (1) (c) of this section; 30

(ii) If the person received, for any homestead, a 31
reduction under division (A) (1) of this section for tax year 32
2013 or under division (A) of section 4503.065 of the Revised 33
Code for tax year 2014 or the person is the surviving spouse of 34
such a person and the surviving spouse is at least fifty-nine 35
years of age on the date the deceased spouse dies, the amount 36
computed under division (A) (1) (c) of this section. For purposes 37
of divisions (A) (1) (b) (ii) and (iii) of this section, a person 38
receives a reduction under division (A) (1) of this section or 39
under division (A) of section 4503.065 of the Revised Code for 40
tax year 2013 or 2014, respectively, if the person files a late 41
application for that respective tax year that is approved by the 42
county auditor under section 323.153 or 4503.066 of the Revised 43
Code. 44

(iii) If the person is not described in division (A) (1) (b) 45
(i) or (ii) of this section and the person's total income does 46

not exceed ~~thirty-sixty~~ thousand dollars, as adjusted under 47
division (A) (1) (d) of this section, the amount computed under 48
division (A) (1) (c) of this section. 49

(c) The amount of the reduction under division (A) (1) (c) 50
of this section equals the product of the following: 51

(i) ~~Twenty-five~~ Thirty thousand dollars of the true value 52
of the property in money; 53

(ii) The assessment percentage established by the tax 54
commissioner under division (B) of section 5715.01 of the 55
Revised Code, not to exceed thirty-five per cent; 56

(iii) The effective tax rate used to calculate the taxes 57
charged against the property for the current year, where 58
"effective tax rate" is defined as in section 323.08 of the 59
Revised Code; 60

(iv) The quantity equal to one minus the sum of the 61
percentage reductions in taxes received by the property for the 62
current tax year under section 319.302 of the Revised Code and 63
division (B) of section 323.152 of the Revised Code. 64

(d) Each calendar year, the tax commissioner shall adjust 65
the total income threshold described in division (A) (1) (b) (iii) 66
of this section by completing the following calculations in 67
September of each year: 68

(i) Determine the percentage increase in the gross 69
domestic product deflator determined by the bureau of economic 70
analysis of the United States department of commerce from the 71
first day of January of the preceding calendar year to the last 72
day of December of the preceding calendar year; 73

(ii) Multiply that percentage increase by the total income 74

threshold for the current tax year;	75
(iii) Add the resulting product to the total income	76
threshold for the current tax year;	77
(iv) Round the resulting sum to the nearest multiple of	78
one hundred dollars.	79
The commissioner shall certify the amount resulting from	80
the adjustment to each county auditor not later than the first	81
day of December each year. The certified amount applies to the	82
following tax year for persons described in division (A) (1) (b)	83
(iii) of this section. The commissioner shall not make the	84
adjustment in any calendar year in which the amount resulting	85
from the adjustment would be less than the total income	86
threshold for the current tax year.	87
(2) Real property taxes on a homestead owned and occupied,	88
or a homestead in a housing cooperative occupied, by a disabled	89
veteran shall be reduced for each year for which an application	90
for the reduction has been approved. The reduction shall equal	91
the product obtained by multiplying fifty thousand dollars of	92
the true value of the property in money by the amounts described	93
in divisions (A) (1) (c) (ii) to (iv) of this section. The	94
reduction is in lieu of any reduction under section 323.158 of	95
the Revised Code or division (A) (1) of this section. The	96
reduction applies to only one homestead owned and occupied by a	97
disabled veteran.	98
If a homestead qualifies for a reduction in taxes under	99
division (A) (2) of this section for the year in which the	100
disabled veteran dies, and the disabled veteran is survived by a	101
spouse who occupied the homestead when the disabled veteran died	102
and who acquires ownership of the homestead or, in the case of a	103

homestead that is a unit in a housing cooperative, continues to 104
occupy the homestead, the reduction shall continue through the 105
year in which the surviving spouse dies or remarries. 106

(B) To provide a partial exemption, real property taxes on 107
any homestead, and manufactured home taxes on any manufactured 108
or mobile home on which a manufactured home tax is assessed 109
pursuant to division (D) (2) of section 4503.06 of the Revised 110
Code, shall be reduced for each year for which an application 111
for the reduction has been approved. The amount of the reduction 112
shall equal two and one-half per cent of the amount of taxes to 113
be levied by qualifying levies on the homestead or the 114
manufactured or mobile home after applying section 319.301 of 115
the Revised Code. For the purposes of this division, "qualifying 116
levy" has the same meaning as in section 319.302 of the Revised 117
Code. 118

(C) The reductions granted by this section do not apply to 119
special assessments or respread of assessments levied against 120
the homestead, and if there is a transfer of ownership 121
subsequent to the filing of an application for a reduction in 122
taxes, such reductions are not forfeited for such year by virtue 123
of such transfer. 124

(D) The reductions in taxable value referred to in this 125
section shall be applied solely as a factor for the purpose of 126
computing the reduction of taxes under this section and shall 127
not affect the total value of property in any subdivision or 128
taxing district as listed and assessed for taxation on the tax 129
lists and duplicates, or any direct or indirect limitations on 130
indebtedness of a subdivision or taxing district. If after 131
application of sections 5705.31 and 5705.32 of the Revised Code, 132
including the allocation of all levies within the ten-mill 133

limitation to debt charges to the extent therein provided, there 134
would be insufficient funds for payment of debt charges not 135
provided for by levies in excess of the ten-mill limitation, the 136
reduction of taxes provided for in sections 323.151 to 323.159 137
of the Revised Code shall be proportionately adjusted to the 138
extent necessary to provide such funds from levies within the 139
ten-mill limitation. 140

(E) No reduction shall be made on the taxes due on the 141
homestead of any person convicted of violating division (D) or 142
(E) of section 323.153 of the Revised Code for a period of three 143
years following the conviction. 144

Sec. 4503.065. (A) (1) Division (A) of this section applies 145
to any of the following persons: 146

(a) An individual who is permanently and totally disabled; 147

(b) An individual who is sixty-five years of age or older; 148

(c) An individual who is the surviving spouse of a 149
deceased person who was permanently and totally disabled or 150
sixty-five years of age or older and who applied and qualified 151
for a reduction in assessable value under this section in the 152
year of death, provided the surviving spouse is at least fifty- 153
nine but not sixty-five or more years of age on the date the 154
deceased spouse dies. 155

(2) The manufactured home tax on a manufactured or mobile 156
home that is paid pursuant to division (C) of section 4503.06 of 157
the Revised Code and that is owned and occupied as a home by an 158
individual whose domicile is in this state and to whom this 159
section applies, shall be reduced for any tax year for which an 160
application for such reduction has been approved, provided the 161
individual did not acquire ownership from a person, other than 162

the individual's spouse, related by consanguinity or affinity 163
for the purpose of qualifying for the reduction. An owner 164
includes a settlor of a revocable or irrevocable inter vivos 165
trust holding the title to a manufactured or mobile home 166
occupied by the settlor as of right under the trust. 167

(a) For manufactured and mobile homes for which the tax 168
imposed by section 4503.06 of the Revised Code is computed under 169
division (D) (2) of that section, the reduction shall equal one 170
of the following amounts, as applicable to the person: 171

(i) If the person received a reduction under this section 172
for tax year 2007, the greater of the reduction for that tax 173
year or the amount computed under division (A) (2) (b) of this 174
section; 175

(ii) If the person received, for any homestead, a 176
reduction under division (A) of this section for tax year 2014 177
or under division (A) (1) of section 323.152 of the Revised Code 178
for tax year 2013 or the person is the surviving spouse of such 179
a person and the surviving spouse is at least fifty-nine years 180
of age on the date the deceased spouse dies, the amount computed 181
under division (A) (2) (b) of this section. For purposes of 182
divisions (A) (2) (a) (ii) and (iii) of this section, a person 183
receives a reduction under division (A) of this section or 184
division (A) (1) of section 323.152 of the Revised Code for tax 185
year 2014 or 2013, respectively, if the person files a late 186
application for that respective tax year that is approved by the 187
county auditor under section 4503.066 or 323.153 of the Revised 188
Code. 189

(iii) If the person is not described in division (A) (2) (a) 190
(i) or (ii) of this section and the person's total income does 191
not exceed ~~thirty~~sixty thousand dollars, as adjusted under 192

division (A) (2) (e) of this section, the amount computed under	193
division (A) (2) (b) of this section.	194
(b) The amount of the reduction under division (A) (2) (b)	195
of this section equals the product of the following:	196
(i) Twenty-five <u>Thirty</u> thousand dollars of the true value	197
of the property in money;	198
(ii) The assessment percentage established by the tax	199
commissioner under division (B) of section 5715.01 of the	200
Revised Code, not to exceed thirty-five per cent;	201
(iii) The effective tax rate used to calculate the taxes	202
charged against the property for the current year, where	203
"effective tax rate" is defined as in section 323.08 of the	204
Revised Code;	205
(iv) The quantity equal to one minus the sum of the	206
percentage reductions in taxes received by the property for the	207
current tax year under section 319.302 of the Revised Code and	208
division (B) of section 323.152 of the Revised Code.	209
(c) For manufactured and mobile homes for which the tax	210
imposed by section 4503.06 of the Revised Code is computed under	211
division (D) (1) of that section, the reduction shall equal one	212
of the following amounts, as applicable to the person:	213
(i) If the person received a reduction under this section	214
for tax year 2007, the greater of the reduction for that tax	215
year or the amount computed under division (A) (2) (d) of this	216
section;	217
(ii) If the person received, for any homestead, a	218
reduction under division (A) of this section for tax year 2014	219
or under division (A) (1) of section 323.152 of the Revised Code	220

for tax year 2013 or the person is the surviving spouse of such 221
a person and the surviving spouse is at least fifty-nine years 222
of age on the date the deceased spouse dies, the amount computed 223
under division (A) (2) (d) of this section. For purposes of 224
divisions (A) (2) (c) (ii) and (iii) of this section, a person 225
receives a reduction under division (A) of this section or under 226
division (A) (1) of section 323.152 of the Revised Code for tax 227
year 2014 or 2013, respectively, if the person files a late 228
application for a refund of overpayments for that respective tax 229
year that is approved by the county auditor under section 230
4503.066 of the Revised Code. 231

(iii) If the person is not described in division (A) (2) (c) 232
(i) or (ii) of this section and the person's total income does 233
not exceed ~~thirty-sixty~~ thousand dollars, as adjusted under 234
division (A) (2) (e) of this section, the amount computed under 235
division (A) (2) (d) of this section. 236

(d) The amount of the reduction under division (A) (2) (d) 237
of this section equals the product of the following: 238

(i) ~~Twenty-five~~ Thirty thousand dollars of the cost to the 239
owner, or the market value at the time of purchase, whichever is 240
greater, as those terms are used in division (D) (1) of section 241
4503.06 of the Revised Code; 242

(ii) The percentage from the appropriate schedule in 243
division (D) (1) (b) of section 4503.06 of the Revised Code; 244

(iii) The assessment percentage of forty per cent used in 245
division (D) (1) (b) of section 4503.06 of the Revised Code; 246

(iv) The tax rate of the taxing district in which the home 247
has its situs. 248

(e) Each calendar year, the tax commissioner shall adjust 249

the income threshold described in divisions (A) (2) (a) (iii) and 250
(A) (2) (c) (iii) of this section by completing the following 251
calculations in September of each year: 252

(i) Determine the percentage increase in the gross 253
domestic product deflator determined by the bureau of economic 254
analysis of the United States department of commerce from the 255
first day of January of the preceding calendar year to the last 256
day of December of the preceding calendar year; 257

(ii) Multiply that percentage increase by the total income 258
threshold for the ensuing tax year; 259

(iii) Add the resulting product to the total income 260
threshold for the ensuing tax year; 261

(iv) Round the resulting sum to the nearest multiple of 262
one hundred dollars. 263

The commissioner shall certify the amount resulting from 264
the adjustment to each county auditor not later than the first 265
day of December each year. The certified amount applies to the 266
second ensuing tax year. The commissioner shall not make the 267
adjustment in any calendar year in which the amount resulting 268
from the adjustment would be less than the total income 269
threshold for the ensuing tax year. 270

(B) The manufactured home tax levied pursuant to division 271
(C) of section 4503.06 of the Revised Code on a manufactured or 272
mobile home that is owned and occupied by a disabled veteran 273
shall be reduced for any tax year for which an application for 274
such reduction has been approved, provided the disabled veteran 275
did not acquire ownership from a person, other than the disabled 276
veteran's spouse, related by consanguinity or affinity for the 277
purpose of qualifying for the reduction. An owner includes an 278

owner within the meaning of division (A) (2) of this section.	279
(1) For manufactured and mobile homes for which the tax imposed by section 4503.06 of the Revised Code is computed under division (D) (2) of that section, the reduction shall equal the product obtained by multiplying fifty thousand dollars of the true value of the property in money by the amounts described in divisions (A) (2) (b) (ii) to (iv) of this section.	280 281 282 283 284 285
(2) For manufactured and mobile homes for which the tax imposed by section 4503.06 of the Revised Code is computed under division (D) (1) of that section, the reduction shall equal the product obtained by multiplying fifty thousand dollars of the cost to the owner, or the market value at the time of purchase, whichever is greater, as those terms are used in division (D) (1) of section 4503.06 of the Revised Code, by the amounts described in divisions (A) (2) (d) (ii) to (iv) of this section.	286 287 288 289 290 291 292 293
The reduction is in lieu of any reduction under section 4503.0610 of the Revised Code or division (A) of this section. The reduction applies to only one manufactured or mobile home owned and occupied by a disabled veteran.	294 295 296 297
If a manufactured or mobile home qualifies for a reduction in taxes under this division for the year in which the disabled veteran dies, and the disabled veteran is survived by a spouse who occupied the home when the disabled veteran died and who acquires ownership of the home, the reduction shall continue through the year in which the surviving spouse dies or remarries.	298 299 300 301 302 303 304
(C) If the owner or the spouse of the owner of a manufactured or mobile home is eligible for a homestead exemption on the land upon which the home is located, the	305 306 307

reduction to which the owner or spouse is entitled under this 308
section shall not exceed the difference between the reduction to 309
which the owner or spouse is entitled under division (A) or (B) 310
of this section and the amount of the reduction under the 311
homestead exemption. 312

(D) No reduction shall be made with respect to the home of 313
any person convicted of violating division (C) or (D) of section 314
4503.066 of the Revised Code for a period of three years 315
following the conviction. 316

Section 2. That existing sections 323.152 and 4503.065 of 317
the Revised Code are hereby repealed. 318

Section 3. The amendment by this act of section 323.152 of 319
the Revised Code applies to tax year 2019 and each tax year 320
thereafter, and the amendment by this act of section 4503.065 of 321
the Revised Code applies to tax year 2020 and each tax year 322
thereafter. 323