

AN ACT

To amend sections 322.01, 322.02, 322.03, 322.05, and 322.06 and to enact section 322.07 of the Revised Code to authorize lower real property and manufactured home transfer tax rates for property owners who receive the homestead exemption.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 322.01, 322.02, 322.03, 322.05, and 322.06 be amended and section 322.07 of the Revised Code be enacted to read as follows:

Sec. 322.01. As used in sections 322.01 to ~~322.05~~ 322.07 of the Revised Code:

(A) "Value" means, in the case of any deed not a gift in whole or part, the amount of the full consideration therefor, paid or to be paid for the real estate described in the deed, including the amount of any liens thereon, with the following exceptions:

(1) The amount owed on a debt secured by a mortgage which has been of record at least twelve months prior to the date of the conveyance and which is assumed by the purchaser;

(2) The difference between the full amount of consideration and the unpaid balance owed to the seller at the time of the conveyance of property to a third party under a land installment contract that has been of record at least twelve months prior to the date of conveyance.

(B) "Value" means, in the case of a manufactured or mobile home that is not a gift in whole or in part, the amount of the full consideration paid or to be paid for the home, including the amounts of any liens thereon.

(C) "Value" means, in the case of a gift in whole or part, the estimated price the real estate described in the deed, or the manufactured or mobile home, would bring in the open market and under the then existing and prevailing market conditions in a sale between a willing seller and a willing buyer, both conversant with the property and with prevailing general price levels.

(D) "Deed" means any deed, instrument, or writing by which any real

property or any interest in real property is granted, assigned, transferred, or otherwise conveyed except that it does not include any deed, instrument, or writing which grants, assigns, transfers, or otherwise conveys any real property or interests in real property exempted from the fee required by division (F)(3) of section 319.54 of the Revised Code.

(E) "Manufactured home" has the same meaning as in division (C)(4) of section 3781.06 of the Revised Code.

(F) "Mobile home" has the same meaning as in division (O) of section 4501.01 of the Revised Code.

Sec. 322.02. (A) For the purpose of paying the costs of enforcing and administering the tax and providing additional general revenue for the county, any county may levy and collect a tax to be known as the real property transfer tax on each deed conveying real property or any interest in real property located wholly or partially within the boundaries of ~~such the~~ county at a rate not to exceed thirty cents per hundred dollars for each one hundred dollars or fraction thereof of the value of the real property or interest in real property located within the boundaries of the county granted, assigned, transferred, or otherwise conveyed by ~~such the~~ deed. ~~Such The~~ tax shall be levied pursuant to a resolution adopted by the board of county commissioners of ~~such the~~ county and, except as provided in division (A) of section 322.07 of the Revised Code, shall be levied at a uniform rate upon all deeds as defined in division (D) of section 322.01 of the Revised Code. Prior to the adoption of any such resolution, the board of county commissioners shall conduct two public hearings thereon, the second hearing to be not less than three nor more than ten days after the first. Notice of the date, time, and place of ~~such the~~ hearings shall be given by publication in a newspaper of general circulation in the county once a week on the same day of the week for two consecutive weeks, the second publication being not less than ten nor more than thirty days prior to the first hearing. ~~Such The~~ tax shall be levied upon the grantor named in the deed and shall be paid by the grantor for the use of the county to the county auditor at the time of the delivery of the deed as provided in section 319.202 of the Revised Code and prior to the presentation of the deed to the recorder of the county for recording.

(B) No resolution levying a real property transfer tax pursuant to this section ~~of the Revised Code~~ or a manufactured home transfer tax pursuant to section 322.06 of the Revised Code shall be effective sooner than thirty days following its adoption ~~and such~~. Such a resolution is subject to a referendum as provided in sections 305.31 to 305.41 of the Revised Code, unless ~~such the~~ resolution is adopted as an emergency measure necessary for the

immediate preservation of the public peace, health, or safety, in which case it shall go into immediate effect. ~~Such~~ An emergency measure must receive an affirmative vote of all of the members of the board of commissioners, and shall state the reasons for ~~such~~ the necessity. A resolution may direct the board of elections to submit the question of levying the tax to the electors of the county at the next primary or general election in the county occurring not less than seventy-five days after ~~such~~ the resolution is certified to the board. No such resolution shall go into effect unless approved by a majority of those voting upon it.

~~No real property transfer tax levied pursuant to this section shall be applicable with respect to the conveyance of real property unless such conveyance takes place on or after January 1, 1968.~~

Sec. 322.03. The funds collected by a county levying a real property transfer tax or a manufactured home transfer tax pursuant to sections 322.01 to ~~322.06~~ 322.07 of the Revised Code shall be allocated and disbursed as follows:

(A) First, for payment of the costs incurred by the county in the administration and enforcement of the tax;

(B) The balance remaining after payment of the expenses referred to in division (A) of this section shall be deposited in the county general fund to be expended for any purpose for which general fund moneys of the county may be used, including the acquisition or construction of permanent improvements, or in the bond retirement fund for the payment of debt service charges on notes or bonds of the county issued for the acquisition or construction of permanent improvements. The amounts to be deposited in each of ~~such~~ the funds shall be determined by the board of county commissioners.

Sec. 322.05. The levy of any excise, income, property, real property, or manufactured home transfer tax or fee by the state or by any political subdivision ~~thereof~~ of the state shall not be construed as preempting the power of a county to levy a real property or manufactured home transfer tax pursuant to sections 322.01 to ~~322.06~~ 322.07 of the Revised Code.

Sec. 322.06. (A) For the purpose of paying the costs of enforcing and administering the tax and providing additional general revenue for the county, any county may levy and collect a tax to be known as the manufactured home transfer tax on each certificate of title that conveys, by resale on or after January 1, 2000, a used manufactured home or used mobile home, as defined in division (A)(6) of section 5739.0210 of the Revised Code, located wholly or partially within the boundaries of the county.

(B) The tax shall be assessed at a rate equal to the real property transfer tax rate of the county as adopted and levied by the county pursuant to section 322.02 of the Revised Code.

(C) ~~The~~ Except as provided in division (B) of section 322.07 of the Revised Code, the manufactured home transfer tax shall be levied at a uniform rate. The tax shall be levied pursuant to a resolution adopted by the board of county commissioners of the county in the manner prescribed by division (A) of section 322.02 of the Revised Code.

(D) The tax shall be levied upon the grantor named on the certificate of title and paid to the auditor of the county in which the home is located at the time of the delivery of the certificate of title and shall be for the use of the county.

Sec. 322.07. (A) By resolution the board of county commissioners may prescribe a lower rate for the real property transfer tax levied under section 322.02 of the Revised Code than the uniform rate that is otherwise levied. The lower rate shall apply to any deed conveying a homestead for which the grantor has obtained a certificate of reduction in taxes under section 323.154 of the Revised Code for a reduction under division (A) of section 323.152 of the Revised Code.

(B) A board of county commissioners that prescribes a lower real property transfer tax rate under division (A) of this section shall prescribe the same lower rate for the manufactured home transfer tax if it levies a manufactured home transfer tax under section 322.06 of the Revised Code. The lower manufactured home transfer tax rate shall apply to any certificate of title conveying a used manufactured or used mobile home for which the grantor has obtained a certificate of reduction in assessable value under section 4503.067 of the Revised Code.

SECTION 2. That existing sections 322.01, 322.02, 322.03, 322.05, and 322.06 of the Revised Code are hereby repealed.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Am. S. B. No. 41

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The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____