

AN ACT

To amend section 5709.17 of the Revised Code to exempt from taxation property held or occupied by veterans' organizations that qualify for income tax exemption under the Internal Revenue Code, except real property used to generate annual gross income of more than a specified amount.

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

SECTION 1. That section 5709.17 of the Revised Code be amended to read as follows:

Sec. 5709.17. ~~(A) The following property shall be exempted from taxation:~~

~~(A) Real estate held or occupied by an association or corporation, organized or incorporated under the laws of this state relative to soldiers' memorial associations, monumental building associations, or cemetery associations or corporations, which in the opinion of the trustees, directors, or managers thereof is necessary and proper to carry out the object intended for such association or corporation, shall be exempt from taxation.;~~

(B) Real estate and tangible personal property held or occupied by a war veterans' organization, ~~which is organized exclusively for charitable purposes~~ that qualifies for exemption from taxation under section 501(c)(19) or 501(c)(23) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended, and is incorporated under the laws of this state or the United States, except real estate held by such organization for the production of rental or other income, shall be exempt from taxation in excess of the designated amount, before accounting for any cost or expense incurred in the production of such income. For the purposes of this division, the designated amount equals seven thousand five hundred dollars in tax year 2002, and shall be increased by two hundred fifty dollars each year thereafter until tax year 2012, when it shall equal ten thousand dollars. For tax years 2013 and thereafter, the designated amount shall equal ten thousand dollars.

(C) Tangible personal property held by a corporation chartered under

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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.

SECTION 2. That existing section 5709.17 of the Revised Code is hereby repealed.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

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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 _____