SENATE WAYS & MEANS COMMITTEE
Proponent Testimony on Sub. SB 235

Submitted by: Andrea Ashley, VP of Government Relations, Associated General Contractors of Ohio

Chairman Peterson, Ranking Member Tavares and members of the Senate Ways & Means Committee,

Thank you for the opportunity to testify in support of Substitute Senate Bill 235 (SB 235).

The Associated General Contractors of Ohio (AGC) is a commercial construction association that represents large and small commercial building and industrial (vertical) contractors from across the state. AGC is a strong proponent of responsible tax policies that encourage development and construction.

SB 235 delays property tax increases on newly developable and redevelopment properties due to infrastructure improvements and construction. The delay would only apply to land where no commercial activity is being conducted, and where no construction or reconstruction is occurring. The aforementioned properties would be exempt from property tax increases beginning the taxable year when the property owner files a written declaration with the county auditor, until the taxable year when the construction of a commercial or industrial structure is complete and the property owner obtains a certificate of occupancy.

SB 235 enhances local economic development efforts by incentivizing business expansion, as well as new construction and renovation of unused buildings. Encouraging investment on unproductive sites will ultimately increase the value of those sites, and thus their property taxes. Additionally, commercial activity taking place on formerly unproductive sites will increase economic activity and tax revenues that support our local communities.

SB 235 is a simple, straightforward piece of legislation that will encourage development and ultimately benefit our local communities. We urge the committee to favorably pass SB 235.