

Senate Ways & Means
May 11, 2016
Sponsor Testimony SB 122

Chairman Peterson, Vice Chairman Beagle, Ranking Member Tavares, and members of the Senate Ways & Means Committee, thank you for allowing me to testify this morning. Senate Bill 122 would eliminate the income limitations associated with the homestead exemption, effectively extending the exemption to older or disabled Ohioans who have a household income of more than \$31,500.

For most taxpayers, the homestead exemption is a property tax credit equal to the taxes that would be charged on up to \$25,000 of the true value of the property of homeowners. Qualified homeowners are 1) 65 or older, 2) permanently and totally disabled, or 3) 59 years old or older and the surviving spouse of an individual who previously received the exemption. Income under the terms of this bill is adjusted gross income, and is calculated on federal tax forms and carried through to state tax returns. Senate Bill 122 essentially restores the homestead exemption to 2007 - 2013 levels when all Ohioans over 65 or who were disabled could qualify.

As I have travelled throughout my district and the state, it has been made very clear to me that the income limitation on the homestead exemption hurts Ohio's seniors. The income test at \$31,500 for a whole household is far too low and puts thousands of seniors who may be retired and living on a fixed income in a bind. The cost of living continues to rise, but wages and the value of a dollar remain the same. We should remove the income limitation completely and allow all seniors and disabled Ohioans to qualify.

Thank you for this opportunity and I would be happy to take any questions at this time.