

As Introduced

**134th General Assembly
Regular Session
2021-2022**

S. B. No. 192

Senator Williams

Cosponsors: Senators Thomas, Yuko, Maharath, Antonio

A BILL

To amend sections 323.151, 323.152, and 323.155 and
to enact section 319.303 of the Revised Code to
reduce property taxes on owner-occupied homes to
the extent the taxes increase by more than 10%
per year.

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

Section 1. That sections 323.151, 323.152, and 323.155 be
amended and section 319.303 of the Revised Code be enacted to
read as follows:

Sec. 319.303. (A) As used in this section:

(1) "Longtime homestead" has the same meaning as in
section 323.151 of the Revised Code.

(2) "Subdivision" means a county or municipal corporation.

(3) "Governing body" means the board of commissioners of a
county or the legislative authority of a municipal corporation.

(4) "Resolution" means a resolution or ordinance of a
subdivision.

(5) "School district" means a city, local, exempted village, joint vocational, or cooperative education school district. 17
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(6) "Eligible area" of a subdivision means an area in the subdivision, designated by the governing body under this section, where residential housing has long existed, where the market values of housing are appreciating substantially because of renovation or rehabilitation of the existing housing or the construction of new housing, and where the affordability of existing housing for longtime homeowners is adversely affected because of such appreciation. 20
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(7) "Effective tax rate" has the same meaning as in section 323.08 of the Revised Code. 28
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(8) "Original value" means the taxable value of a longtime homestead for the tax year preceding the first tax year to which a reduction in or deferral of taxes under this section applied to the homestead. 30
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(9) "Threshold value" means the original value of a longtime homestead multiplied by the percentage specified in a resolution adopted under division (B) of this section that applies to the eligible area where the homestead is situated. 34
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(10) "Current net taxes" means all taxes charged against a longtime homestead on the general tax list of real and public utility property that have not appeared on that list for any prior tax year, as computed after the reductions under sections 319.301, 319.302, and 323.152 of the Revised Code. 38
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If the board of education of a school district in which an eligible area is located has adopted a resolution under division (D) (1) of this section and the resolution has not been 43
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rescinded, "current net taxes" does not include the amount of 46
any taxes charged by that school district. 47

(11) "Excess tax" means the amount by which (a) the 48
current net taxes charged against a longtime homestead for a tax 49
year exceed (b) the threshold value of the homestead multiplied 50
by the effective tax rate for the current tax year. 51

If the board of education of a school district in which an 52
eligible area is located has adopted a resolution under division 53
(D)(1) of this section and the resolution has not been 54
rescinded, the effective tax rate does not include any tax 55
levied by that school district. 56

(B) A governing body, by resolution, may authorize a 57
reduction in the taxes charged against longtime homesteads in 58
eligible areas of the subdivision, or may authorize the owners 59
of longtime homesteads to defer the payment of excess taxes. 60

The resolution shall specify the following: 61

(1) The boundaries of the eligible area or areas; 62

(2) The percentage determining the threshold value of 63
longtime homesteads, which shall be a percentage in excess of 64
one hundred per cent; 65

(3) The first tax year for which the reduction or deferral 66
is to be available in the eligible area; 67

(4) Eligibility requirements, if any, for owners of 68
longtime homesteads, which may include maximum income or minimum 69
age qualifications or both. 70

A governing body may adopt a resolution under this 71
division that authorizes both a reduction in taxes and the 72
deferral of excess taxes and permits owners of longtime 73

homesteads to elect either the reduction or the deferral, but 74
not both. A governing body may specify a different percentage 75
determining threshold value for each eligible area designated in 76
one or more resolutions. 77

A governing body that has adopted a resolution under this 78
division may later amend the resolution to change the percentage 79
determining threshold value or to change, impose, or eliminate 80
an eligibility requirement. A governing body may not change or 81
eliminate the requirements for a homestead to qualify as a 82
longtime homestead. 83

Upon adopting a resolution under this division, the 84
governing body shall cause a copy of the resolution to be 85
certified to the county auditor and county treasurer and to the 86
board of education of each school district having territory in 87
which an eligible area is located. 88

(C) A reduction in or deferral of taxes authorized by a 89
resolution adopted under division (B) of this section does not 90
apply to a longtime homestead if delinquent taxes are charged 91
against the homestead unless the taxes are the subject of a 92
valid delinquent tax contract under section 323.31 of the 93
Revised Code for which the county treasurer has not made 94
certification to the county auditor that the delinquent tax 95
contract has become void. 96

(D) (1) A reduction in or deferral of taxes authorized by a 97
resolution adopted under division (B) of this section does not 98
apply to taxes charged by a school district if the board of 99
education of the district adopts a resolution stating that the 100
reduction or deferral shall not apply to taxes charged by the 101
district. The board shall certify a copy of the resolution to 102
the county auditor. A resolution adopted under this division 103

applies to taxes charged for the tax year in which the 104
resolution is adopted, and to each ensuing tax year, if a copy 105
of the resolution is certified to the county auditor before the 106
first day of September of that tax year. If certified on or 107
after the first day of September of a tax year, the resolution 108
applies to the ensuing tax years. 109

(2) A board of education that adopted a resolution under 110
division (D)(1) of this section may rescind the resolution. The 111
rescission applies to taxes charged for the tax year in which 112
the rescission is adopted, and to each ensuing tax year, if 113
adopted before the first day of September of that tax year. If 114
adopted on or after the first day of September of a tax year, 115
the rescission applies to the ensuing tax years. 116

(E) To obtain a reduction in or deferral of taxes under 117
this section, the owner of a longtime homestead shall apply to 118
the county auditor in the manner prescribed by the auditor. The 119
tax commissioner may prescribe forms for the application, but if 120
the commissioner does not prescribe such forms, the county 121
auditor shall devise the manner in which applications shall be 122
made. 123

(F) For any longtime homestead that qualifies for a 124
reduction in or deferral of taxes under this section, the county 125
auditor shall compute the amount, if any, of excess tax charged 126
against the homestead and shall subtract that amount from the 127
current net taxes otherwise to be charged against the homestead 128
for the tax year and enter the remaining taxes to be charged on 129
the tax list. 130

(G) For any longtime homestead that qualifies for a 131
deferral of excess taxes under this section, the county auditor 132
shall enter the amount of excess tax deferred as a notation on 133

the tax list and add that amount to the amount of excess tax 134
deferred from all prior tax years for which taxes were deferred 135
and that have not been paid. The amount of excess tax deferred 136
under this section does not constitute unpaid or delinquent 137
taxes for the purposes of Chapter 321., 323., or 5721. of the 138
Revised Code, and no interest or penalty shall be charged, 139
unless the deferred taxes are not paid when due as prescribed by 140
division (H) of this section. 141

(H) (1) Except as provided in division (H) (2) of this 142
section, taxes deferred under this section become payable on the 143
day taxes are due under section 323.12 of the Revised Code that 144
next follows any of the following events: the sale or other 145
conveyance of the homestead to a person other than the owner's 146
spouse; the owner no longer occupies the homestead as a 147
homestead; or the death of the owner unless title is conveyed to 148
the owner's surviving spouse upon or as the result of the 149
owner's death. If a surviving spouse's claim to the title is 150
contingent and the surviving spouse otherwise qualifies for the 151
deferral, the executor or administrator of the deceased spouse's 152
estate may apply to the county auditor, in the manner prescribed 153
by the auditor, to have the deferral continued on behalf of the 154
surviving spouse until title is vested in the surviving spouse. 155

The deferred taxes shall be collected as current taxes are 156
collected and shall be distributed as current taxes. If such 157
taxes are not paid when due, they constitute unpaid taxes for 158
the purposes of Chapter 323. of the Revised Code. 159

(2) If, under division (H) (1) of this section, deferred 160
taxes would become payable after the death of the owner, and the 161
owner is survived by a spouse who continues to occupy the 162
homestead but who does not qualify for the deferral under the 163

resolution authorizing the deferral, the surviving spouse may 164
elect to continue deferring the taxes that had been deferred 165
before the death of the decedent spouse until the surviving 166
spouse dies or ceases to own and occupy the homestead. 167

Sec. 323.151. As used in sections 323.151 to 323.159 of 168
the Revised Code: 169

(A) (1) "Homestead" means either of the following: 170

(a) A dwelling, including a unit in a multiple-unit 171
dwelling and a manufactured home or mobile home taxed as real 172
property pursuant to division (B) of section 4503.06 of the 173
Revised Code, owned and occupied as a home by an individual 174
whose domicile is in this state and who has not acquired 175
ownership from a person, other than the individual's spouse, 176
related by consanguinity or affinity for the purpose of 177
qualifying for the real property tax reduction provided in 178
section 323.152 of the Revised Code. 179

(b) A unit in a housing cooperative that is occupied as a 180
home, but not owned, by an individual whose domicile is in this 181
state. 182

(2) The homestead shall include so much of the land 183
surrounding it, not exceeding one acre, as is reasonably 184
necessary for the use of the dwelling or unit as a home. An 185
owner includes a holder of one of the several estates in fee, a 186
vendee in possession under a purchase agreement or a land 187
contract, a mortgagor, a life tenant, one or more tenants with a 188
right of survivorship, tenants in common, and a settlor of a 189
revocable or irrevocable inter vivos trust holding the title to 190
a homestead occupied by the settlor as of right under the trust. 191
The tax commissioner shall adopt rules for the uniform 192

classification and valuation of real property or portions of	193
real property as homesteads.	194
(B) "Sixty-five years of age or older" means a person who	195
has attained age sixty-four prior to the first day of January of	196
the year of application for reduction in real estate taxes.	197
(C) "Total income" means modified adjusted gross income,	198
as that term is defined in section 5747.01 of the Revised Code,	199
of the owner and the owner's spouse for the year preceding the	200
year in which application for a reduction in taxes is made.	201
(D) "Permanently and totally disabled" means that a person	202
other than a disabled veteran has, on the first day of January	203
of the year of application for reduction in real estate taxes,	204
some impairment in body or mind that makes the person unable to	205
work at any substantially remunerative employment that the	206
person is reasonably able to perform and that will, with	207
reasonable probability, continue for an indefinite period of at	208
least twelve months without any present indication of recovery	209
therefrom or has been certified as permanently and totally	210
disabled by a state or federal agency having the function of so	211
classifying persons.	212
(E) "Housing cooperative" means a housing complex of at	213
least two units that is owned and operated by a nonprofit	214
corporation that issues a share of the corporation's stock to an	215
individual, entitling the individual to live in a unit of the	216
complex, and collects a monthly maintenance fee from the	217
individual to maintain, operate, and pay the taxes of the	218
complex.	219
(F) "Disabled veteran" means a person who is a veteran of	220
the armed forces of the United States, including reserve	221

components thereof, or of the national guard, who has been 222
discharged or released from active duty in the armed forces 223
under honorable conditions, and who has received a total 224
disability rating or a total disability rating for compensation 225
based on individual unemployability for a service-connected 226
disability or combination of service-connected disabilities as 227
prescribed in Title 38, Part 4 of the Code of Federal 228
Regulations, as amended. 229

(G) "Public service officer" means a peace officer, 230
firefighter, first responder, EMT-basic, EMT-I, or paramedic, or 231
an individual holding any equivalent position in another state. 232

(H) "Killed in the line of duty" means either of the 233
following: 234

(1) Death in the line of duty; 235

(2) Death from injury sustained in the line of duty, 236
including heart attack or other fatal injury or illness caused 237
while in the line of duty. 238

(I) "Peace officer" has the same meaning as in section 239
2935.01 of the Revised Code. 240

(J) "Firefighter" means a firefighter, whether paid or 241
volunteer, of a lawfully constituted fire department. 242

(K) "First responder," "EMT-basic," "EMT-I," and 243
"paramedic" have the same meanings as in section 4765.01 of the 244
Revised Code. 245

(L) "Longtime homestead" means a homestead that the owner 246
or owner's spouse has occupied as a home for ten or more years 247
on the first day of January of the tax year. 248

Sec. 323.152. In addition to the reduction in taxes 249

required under section 319.302 of the Revised Code, taxes shall	250
be reduced as provided in divisions (A) and (B) of this section.	251
(A) (1) (a) Division (A) (1) of this section applies to any	252
of the following persons:	253
(i) A person who is permanently and totally disabled;	254
(ii) A person who is sixty-five years of age or older;	255
(iii) A person who is the surviving spouse of a deceased	256
person who was permanently and totally disabled or sixty-five	257
years of age or older and who applied and qualified for a	258
reduction in taxes under this division in the year of death,	259
provided the surviving spouse is at least fifty-nine but not	260
sixty-five or more years of age on the date the deceased spouse	261
dies.	262
(b) Real property taxes on a homestead owned and occupied,	263
or a homestead in a housing cooperative occupied, by a person to	264
whom division (A) (1) of this section applies shall be reduced	265
for each year for which an application for the reduction has	266
been approved. The reduction shall equal one of the following	267
amounts, as applicable to the person:	268
(i) If the person received a reduction under division (A)	269
(1) of this section for tax year 2006, the greater of the	270
reduction for that tax year or the amount computed under	271
division (A) (1) (c) of this section;	272
(ii) If the person received, for any homestead, a	273
reduction under division (A) (1) of this section for tax year	274
2013 or under division (A) of section 4503.065 of the Revised	275
Code for tax year 2014 or the person is the surviving spouse of	276
such a person and the surviving spouse is at least fifty-nine	277
years of age on the date the deceased spouse dies, the amount	278

computed under division (A) (1) (c) of this section. For purposes 279
of divisions (A) (1) (b) (ii) and (iii) of this section, a person 280
receives a reduction under division (A) (1) of this section or 281
under division (A) of section 4503.065 of the Revised Code for 282
tax year 2013 or 2014, respectively, if the person files a late 283
application for that respective tax year that is approved by the 284
county auditor under section 323.153 or 4503.066 of the Revised 285
Code. 286

(iii) If the person is not described in division (A) (1) (b) 287
(i) or (ii) of this section and the person's total income does 288
not exceed thirty thousand dollars, as adjusted under division 289
(A) (1) (d) of this section, the amount computed under division 290
(A) (1) (c) of this section. 291

(c) The amount of the reduction under division (A) (1) (c) 292
of this section equals the product of the following: 293

(i) Twenty-five thousand dollars of the true value of the 294
property in money; 295

(ii) The assessment percentage established by the tax 296
commissioner under division (B) of section 5715.01 of the 297
Revised Code, not to exceed thirty-five per cent; 298

(iii) The effective tax rate used to calculate the taxes 299
charged against the property for the current year, where 300
"effective tax rate" is defined as in section 323.08 of the 301
Revised Code; 302

(iv) The quantity equal to one minus the sum of the 303
percentage reductions in taxes received by the property for the 304
current tax year under section 319.302 of the Revised Code and 305
division (B) of section 323.152 of the Revised Code. 306

(d) Each calendar year, the tax commissioner shall adjust 307

the total income threshold described in division (A) (1) (b) (iii)	308
of this section by completing the following calculations in	309
September of each year:	310
(i) Determine the percentage increase in the gross	311
domestic product deflator determined by the bureau of economic	312
analysis of the United States department of commerce from the	313
first day of January of the preceding calendar year to the last	314
day of December of the preceding calendar year;	315
(ii) Multiply that percentage increase by the total income	316
threshold for the current tax year;	317
(iii) Add the resulting product to the total income	318
threshold for the current tax year;	319
(iv) Round the resulting sum to the nearest multiple of	320
one hundred dollars.	321
The commissioner shall certify the amount resulting from	322
the adjustment to each county auditor not later than the first	323
day of December each year. The certified amount applies to the	324
following tax year for persons described in division (A) (1) (b)	325
(iii) of this section. The commissioner shall not make the	326
adjustment in any calendar year in which the amount resulting	327
from the adjustment would be less than the total income	328
threshold for the current tax year.	329
(2) Real property taxes on a homestead owned and occupied,	330
or a homestead in a housing cooperative occupied, by a disabled	331
veteran shall be reduced for each year for which an application	332
for the reduction has been approved. The reduction shall equal	333
the product obtained by multiplying fifty thousand dollars of	334
the true value of the property in money by the amounts described	335
in divisions (A) (1) (c) (ii) to (iv) of this section. The	336

reduction is in lieu of any reduction under section 323.158 of 337
the Revised Code or division (A)(1) or (3) of this section. The 338
reduction applies to only one homestead owned and occupied by a 339
disabled veteran. 340

If a homestead qualifies for a reduction in taxes under 341
division (A)(2) of this section for the year in which the 342
disabled veteran dies, and the disabled veteran is survived by a 343
spouse who occupied the homestead when the disabled veteran died 344
and who acquires ownership of the homestead or, in the case of a 345
homestead that is a unit in a housing cooperative, continues to 346
occupy the homestead, the reduction shall continue through the 347
year in which the surviving spouse dies or remarries. 348

(3) Real property taxes on a homestead owned and occupied, 349
or a homestead in a housing cooperative occupied, by the 350
surviving spouse of a public service officer killed in the line 351
of duty shall be reduced for each year for which an application 352
for the reduction has been approved. The reduction shall equal 353
the product obtained by multiplying fifty thousand dollars of 354
the true value of the property in money by the amounts described 355
in divisions (A)(1)(c)(ii) to (iv) of this section. The 356
reduction is in lieu of any reduction under section 323.158 of 357
the Revised Code or division (A)(1) or (2) of this section. The 358
reduction applies to only one homestead owned and occupied by 359
such a surviving spouse. A homestead qualifies for a reduction 360
in taxes under division (A)(3) of this section for the tax year 361
in which the public service officer dies through the tax year in 362
which the surviving spouse dies or remarries. 363

(B) (1) To provide a partial exemption, real property taxes 364
on any homestead, and manufactured home taxes on any 365
manufactured or mobile home on which a manufactured home tax is 366

assessed pursuant to division (D)(2) of section 4503.06 of the Revised Code, shall be reduced for each year for which an application for the reduction has been approved. The amount of the reduction shall equal two and one-half per cent of the amount of taxes to be levied by qualifying levies on the homestead or the manufactured or mobile home after applying section 319.301 of the Revised Code. For the purposes of this division, "qualifying levy" has the same meaning as in section 319.302 of the Revised Code.

(2) (a) For any longtime homestead for which taxes are reduced under division (B)(1) of this section, taxes shall be further reduced by the amount by which the current taxes exceed one hundred ten per cent of the current taxes for the preceding year, except as provided in divisions (B)(2)(b) and (c) of this section.

(b) If an improvement to the longtime homestead was added to the current tax list that did not appear on the preceding year's list, the county auditor shall determine the amount by which the addition of the improvement increased the current taxes for the current year, and the reduction in taxes under division (B)(2) of this section shall equal the amount, if any, by which the current taxes for the current year exceed the sum of (i) the amount by which the addition of the improvement increased the current taxes as determined by the county auditor and (ii) one hundred ten per cent of the current taxes for the preceding year.

If the improvement was made to repair or replace injury or destruction for which a deduction from the valuation of the property was allowed for the preceding year under section 319.38 of the Revised Code, the amount of that deduction shall be

subtracted from the value of the improvement for the purpose of 397
determining the amount by which the addition of the improvement 398
increased the current taxes under division (B) (2) (b) (i) of this 399
section. 400

(c) The reduction in taxes under division (B) (2) of this 401
section does not apply to a tax year in which ownership of the 402
homestead or manufactured or mobile home was transferred to 403
another person who is not related to the preceding owner by 404
consanguinity or affinity. 405

(d) As used in division (B) (2) of this section, 406
"improvement" has the same meaning as in section 5701.02 of the 407
Revised Code, and "current taxes" means the amount of current 408
taxes charged and payable as computed after the reductions under 409
division (B) (1) of this section and sections 319.301 and 319.302 410
of the Revised Code. The computation of "current taxes for the 411
preceding year" shall take into account any reduction allowed 412
under division (B) (2) of this section for that year. 413

(C) The reductions granted by this section do not apply to 414
special assessments or respread of assessments levied against 415
the homestead, and if there is a transfer of ownership 416
subsequent to the filing of an application for a reduction in 417
taxes, such reductions are not forfeited for such year by virtue 418
of such transfer. 419

(D) The reductions in taxable value referred to in this 420
section shall be applied solely as a factor for the purpose of 421
computing the reduction of taxes under this section and shall 422
not affect the total value of property in any subdivision or 423
taxing district as listed and assessed for taxation on the tax 424
lists and duplicates, or any direct or indirect limitations on 425
indebtedness of a subdivision or taxing district. If after 426

application of sections 5705.31 and 5705.32 of the Revised Code, 427
including the allocation of all levies within the ten-mill 428
limitation to debt charges to the extent therein provided, there 429
would be insufficient funds for payment of debt charges not 430
provided for by levies in excess of the ten-mill limitation, the 431
reduction of taxes provided for in sections 323.151 to 323.159 432
of the Revised Code shall be proportionately adjusted to the 433
extent necessary to provide such funds from levies within the 434
ten-mill limitation. 435

(E) No reduction shall be made on the taxes due on the 436
homestead of any person convicted of violating division (D) or 437
(E) of section 323.153 of the Revised Code for a period of three 438
years following the conviction. 439

Sec. 323.155. The tax bill prescribed under section 440
323.131 of the Revised Code shall indicate the net amount of 441
taxes due following the reductions in taxes under sections 442
319.301, 319.302, 323.152, and 323.16 and, if applicable, 443
section 319.303 of the Revised Code. 444

Any reduction in taxes under section 323.152 of the 445
Revised Code shall be disregarded as income or resources in 446
determining eligibility for any program or calculating any 447
payment under Title LI of the Revised Code. 448

Section 2. That existing sections 323.151, 323.152, and 449
323.155 of the Revised Code are hereby repealed. 450

Section 3. The amendment by this act of section 323.152 of 451
the Revised Code applies to tax year 2021 and each tax year 452
thereafter. 453

Section 4. Section 323.151 of the Revised Code is 454
presented in this act as a composite of the section as amended 455

by both H.B. 17 and H.B. 166 of the 133rd General Assembly. The 456
General Assembly, applying the principle stated in division (B) 457
of section 1.52 of the Revised Code that amendments are to be 458
harmonized if reasonably capable of simultaneous operation, 459
finds that the composite is the resulting version of the section 460
in effect prior to the effective date of the section as 461
presented in this act. 462