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OHIO LEGISLATIVE SERVICE COMMISSION

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H.J.R. 6
135th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Lear and Wiggam

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SUMMARY

- Proposes an amendment to the Ohio Constitution, to appear on the ballot at the November 5, 2024, general election.
- Limits property tax increases on a parcel to the lesser of 4% or the rate of inflation over the preceding year.
- Prohibits the state and local governments from increasing fees, assessments, or other charges to fund services that would otherwise be funded by property taxes.

DETAILED ANALYSIS

Limit property tax increases

The resolution proposes an amendment to the Ohio Constitution, described below, to appear on the ballot at the November 5, 2024, general election.

Under the proposed amendment, property tax increases for a property owner on a particular parcel of real property would be limited to an increase of not more than 4% or the rate of inflation, whichever is lower, over the preceding year. The limitation begins applying in tax year 2025, with the property's initial base value being calculated based on 2022 values, while allowing for any increases due to levies passed in the intervening years.¹ The limitation may be exceeded when a parcel has been divided, when any new construction or significant improvements have been added to the parcel, or when the increase is due to the expiration of a tax exemption, abatement, or credit.² The limit does not apply to taxable public utility

¹ Ohio Constitution, Article I, Section 23(A) and (F).

² Ohio Const., art. I, sec. 23(B)(2).

tangible personal property. The proposed amendment does not specify how property tax losses resulting from the limit would be allocated among taxing authorities or tax levies.

In response to the limitation, the state and local governments may not increase fees, assessments, charges, or payments in lieu of taxes to finance government services that would otherwise be funded by real property taxation. Those entities also may not create new or special jurisdictions, agencies, or parcels to circumvent the amendment's limitations.³ However, the amendment does not prevent someone from voluntarily supporting any state or local government entity.⁴

The limitation controls over any other constitutional limitation on property taxes, e.g., the uniform rule, and may be enforced by any court having jurisdiction over a parcel at issue. The amendment is to be construed broadly in favor of the challenging taxpayer and a taxpayer may be awarded costs and legal fees incurred for any action enforcing the limit.⁵

HISTORY

Action	Date
Introduced	05-15-24

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³ Ohio Const., art. I, sec. 23(C).

⁴ Ohio Const., art. I, sec. 23(B)(1).

⁵ Ohio Const., art. I, sec. 23(D) and (E).