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Testimony to the Joint Committee on Property Tax Revision and Reform

May 8, 2024

**To: Co Chairs Roemer and Blessing, and members of the Joint
Committee on Property Tax Revision and Reform**
From: Michael K. Huth, Homeowner and Taxpayer

Thank you for allowing me to stand before you and testify in front of this Committee today. I feel blessed and honored to be able to have this opportunity to speak to you. I don't claim to be adept as a public speaker, so please bear with me. I represent no political lobby or faction, no business entity, and no organization.

My name is Michael Huth. My wife, Karen, and I are residents, homeowners, and taxpayers in the City of Stow, Summit County, Ohio. We have lived in our home for almost 30 years now. We've gone about our business as Ohioans and Americans do, working, raising our kids, and of course, paying our taxes. We have been retired from the workforce now for just over two years.

My interest in this Committee originated early this year after receiving our revised 1st Half 2023 property tax bill from the Summit County Fiscal Officer. The revision of course resulted

from reappraisal of property values as mandated by the State, which I believe occurs every 3 years.

My annual property tax bill increased by \$655 over the prior year. In fact, from 2020 until now, my annual property tax bill has increased from \$4,820 to \$6,134. That is an increase of \$1,314 or 27% annually. This just for us to live in our own home.

Upon further inquiry and study, I learned that I could appeal this determination. Such an appeal could result in a decrease, no change, or increase in the appraised value of my home, and subsequently, of my property tax bill. I also learned that if by appeal my taxes were to somehow be reduced, the end result would be an increase passed on to other taxpayers. Since that feels to me like kicking the can into my neighbors' yard, I've chosen not to file an appeal.

I am standing here today because I want the Committee to be fully aware of what the current method of property appraisal and taxation is doing to us as individuals and families. We're the "little guys" in this complex taxation "quagmire" if you will.

As recent retirees now on fixed incomes, the increases we have seen over the last three years have effectively reduced our disposable income for basic necessities by more than \$100 per month. That may not seem like much, but factor that into your own personal budget. Equally concerning to us are additional taxes on the horizon. We will be faced with further property tax increases if a November bond issue to raise nearly \$250 million for construction of new school buildings in our school district passes. And right around the corner is the likelihood of a ballot issue for a Community Recreation Center, which again would be funded by an additional property tax levy.

I certainly don't envy your position as members of this Committee along with your colleagues as lawmakers. But I ask you, does it seem equitable that as homeowners' incomes become fixed or decline in retirement, they should continue to be subjected to steadily increasing property tax burdens ?

My plea is for this Committee to put forth concrete, specific recommendations that will at minimum cap current property taxes, if not provide a measure of tax relief, for residential homeowners, especially those who are retired and on fixed incomes which are in most cases lower than what we earned during our working years.

Are there other options for funding necessary services and institutions ? Of course, there are many. What about these for starters :

1. Revise the Homestead Exemption, reducing if not exempting property tax (or at the very least, future increases) for residential homeowners once they reach full retirement age (FRA) under Social Security.

2. Reduce/eliminate tax abatement for business. Businesses benefit from an educated populace, municipal services, and infrastructure as much as residents. Mandate the business sector's participation in the maintenance of their "home" communities. Ohio has much to offer the business sector. We should concentrate on attracting good "corporate citizens" to our great state.

3. Increase tax revenue through sales/consumption tax, requiring those who are able to purchase more to pay more.

4. Use Ohio Lottery money as it was originally intended, to help fund schools, rather than reducing the education budget and backfilling with lottery revenue.

Other states employ these and other methods without relying so heavily on property taxes for homeowners. Why not Ohio ?

Based upon my testimony, I hope that this Committee will put forth recommendations to amend Ohio's property tax laws, easing the burden on individual residential homeowners, while maintaining and enhancing the essential institutions and services that make Ohio a great place to live.

Please don't forget the "little guy."

Once again, thank you for giving me this opportunity to testify.

Respectfully,

A handwritten signature in black ink that reads "Michael K. Huth". The signature is written in a cursive style with a large initial "M" and "H".

Michael K. Huth