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**Ohio Senate Ways and Means Committee
Senate Bill 271 – Proponent Testimony (written only)
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Good morning, Chair Blessing, Vice Chair Roegner, Ranking Member Smith, and members of the Senate Ways and Means Committee. Thank you for the opportunity to submit testimony in support of Senate Bill 271. CCAO is grateful to the co-sponsors, Senator Blessing and Senator Craig, for bringing this bill forward. Our members are hearing concerns across the state about the impact of large increases in real property valuations. Although the H.B. 920 tax reduction factors help by limiting the amounts collected from voted levies, this mechanism is not always working as intended due to the large number of school districts at the 20-mill floor.

We believe that the existing homestead credit should be strengthened, in addition to the recent annual inflationary adjustment, by increasing the amount of the exemption to the \$40,000 - \$50,000 range. A “circuit breaker” program like the one contemplated in SB 271 can be an additional tool, alongside a strengthened homestead credit, to assist homeowners with limited incomes who are struggling with property taxes. SB 271 also addresses the impact of rising real property values on renters and provides them with some relief.

We urge the committee to work with the sponsors to identify parameters for the program that provide relief to homeowners and renters and that are fiscally sustainable in the long run. As the state contemplates ways to provide additional relief from property taxes, these solutions should continue to reimburse counties and other local governments for the amounts owed by taxpayers, as is the practice currently with the homestead exemption. We also encourage the state to explore the option of using a property tax deferral program that would alleviate a portion of property taxes for low-income households in the short-term but allow the state to recover its costs when the property is sold or transferred.

Thank you for the opportunity to submit testimony. CCAO looks forward to working with the committee to address property tax challenges facing the state.

