

H. B. No. 129

As Introduced

_____ moved to amend as follows:

In line 1 of the title, delete "and" and insert ", 323.32, 5705.192, 1
5705.194, 5705.197, 5705.199,"; after "5705.314" insert ", 5709.92, and 2
5748.09" 3

In line 2 of the title, delete "limit the ability of school" 4

Delete lines 3 through 5 of the title 5

In line 6 of the title, delete "of a school district's effective 6
millage floor" and insert "modify the property tax levying authority of, 7
and computations for, school districts" 8

In line 7, delete "and" and insert ", 323.32, 5705.192, 5705.194, 9
5705.197, 5705.199,"; after "5705.314" insert ", 5709.92, and 5748.09" 10

Delete lines 9 through 213 11

After line 213, insert: 12

"Sec. 319.301. (A) The reductions required by division 13
(D) of this section do not apply to any of the following: 14

(1) Taxes levied at whatever rate is required to produce a 15

specified amount of tax money, including a tax levied under	16
section 5705.199 or 5748.09 of the Revised Code, or an amount to	17
pay debt charges;	18
(2) Taxes levied within the one per cent limitation	19
imposed by Section 2 of Article XII, Ohio Constitution;	20
(3) Taxes provided for by the charter of a municipal	21
corporation.	22
(B) As used in this section:	23
(1) "Real property" includes real property owned by a	24
railroad.	25
(2) "Carryover property" means all real property on the	26
current year's tax list except:	27
(a) Land and improvements that were not taxed by the	28
district in both the preceding year and the current year;	29
(b) Land and improvements that were not in the same class	30
in both the preceding year and the current year.	31
(3) "Effective tax rate" means with respect to each class	32
of property:	33
(a) The sum of the total taxes that would have been	34
charged and payable for current expenses against real property	35
in that class if each of the district's taxes were reduced for	36
the current year under division (D) (1) of this section without	37
regard to the application of division (E) (3) of this section	38
divided by	39
(b) The taxable value of all real property in that class.	40
(4) "Taxes charged and payable" means the taxes charged	41
and payable prior to any reduction required by section 319.302	42

of the Revised Code. 43

(C) The tax commissioner shall make the determinations 44
required by this section each year, without regard to whether a 45
taxing district has territory in a county to which section 46
5715.24 of the Revised Code applies for that year. Separate 47
determinations shall be made for each of the two classes 48
established pursuant to section 5713.041 of the Revised Code. 49

(D) With respect to each tax authorized to be levied by 50
each taxing district, the tax commissioner, annually, shall do 51
both of the following: 52

(1) Determine by what percentage, if any, the sums levied 53
by such tax against the carryover property in each class would 54
have to be reduced for the tax to levy the same number of 55
dollars against such property in that class in the current year 56
as were charged against such property by such tax in the 57
preceding year subsequent to the reduction made under this 58
section but before the reduction made under section 319.302 of 59
the Revised Code. In the case of a tax levied for the first time 60
that is not a renewal of an existing tax, the commissioner shall 61
determine by what percentage the sums that would otherwise be 62
levied by such tax against carryover property in each class 63
would have to be reduced to equal the amount that would have 64
been levied if the full rate thereof had been imposed against 65
the total taxable value of such property in the preceding tax 66
year. A tax or portion of a tax that is designated a replacement 67
levy under section 5705.192 of the Revised Code is not a renewal 68
of an existing tax for purposes of this division. 69

(2) Certify each percentage determined in division (D) (1) 70
of this section, as adjusted under division (E) of this section, 71
and the class of property to which that percentage applies to 72

the auditor of each county in which the district has territory. 73
The auditor, after complying with section 319.30 of the Revised 74
Code, shall reduce the sum to be levied by such tax against each 75
parcel of real property in the district by the percentage so 76
certified for its class. Certification shall be made by the 77
first day of September except in the case of a tax levied for 78
the first time, in which case certification shall be made within 79
fifteen days of the date the county auditor submits the 80
information necessary to make the required determination. 81

(E) (1) As used in division (E) (2) of this section, "pre- 82
1982 joint vocational taxes" means, with respect to a class of 83
property, the difference between the following amounts: 84

(a) The taxes charged and payable in tax year 1981 against 85
the property in that class for the current expenses of the joint 86
vocational school district of which the school district is a 87
part after making all reductions under this section; 88

(b) Two-tenths of one per cent of the taxable value of all 89
real property in that class. 90

If the amount in division (E) (1) (b) of this section 91
exceeds the amount in division (E) (1) (a) of this section, the 92
pre-1982 joint vocational taxes shall be zero. 93

~~As used in divisions (E) (2) and (3) of this section,~~ 94
~~"taxes charged and payable" has the same meaning as in division~~ 95
~~(E) (4) of this section and excludes any tax charged and payable~~ 96
~~in 1985 or thereafter under sections 5705.194 to 5705.197 or~~ 97
~~section 5705.199, 5705.213, 5705.219, or 5748.09 of the Revised~~ 98
~~Code.~~ 99

(2) If in the case of a school district other than a joint 100
vocational or cooperative education school district any 101

percentage required to be used in division (D) (2) of this 102
section for either class of property could cause the total taxes 103
charged and payable for current expenses to be less than two per 104
cent of the taxable value of all real property in that class 105
that is subject to taxation by the district, the commissioner 106
shall determine what percentages would cause the district's 107
total taxes charged and payable for current expenses against 108
that class, after all reductions that would otherwise be made 109
under this section, to equal, when combined with the pre-1982 110
joint vocational taxes against that class, the lesser of the 111
following: 112

(a) The sum of the rates at which those taxes are 113
authorized to be levied; 114

(b) Two per cent of the taxable value of the property in 115
that class. The auditor shall use such percentages in making the 116
reduction required by this section for that class. 117

(3) If in the case of a joint vocational school district 118
any percentage required to be used in division (D) (2) of this 119
section for either class of property could cause the total taxes 120
charged and payable for current expenses for that class to be 121
less than two-tenths of one per cent of the taxable value of 122
that class, the commissioner shall determine what percentages 123
would cause the district's total taxes charged and payable for 124
current expenses for that class, after all reductions that would 125
otherwise be made under this section, to equal that amount. The 126
auditor shall use such percentages in making the reductions 127
required by this section for that class. 128

(4) If a school district is affected by division (E) (2) or 129
(3) of this section for either class of property, and additional 130
current expense taxes are levied or are included in the 131

definition of taxes charged and payable, then, for the first tax 132
year those taxes are levied or included, the reduction computed 133
under division (D) of this section for that district shall be 134
computed as though the sums of current expenses taxes levied for 135
the district and charged against that class in the preceding tax 136
year were equivalent to two per cent or two-tenths of one per 137
cent, respectively, of the taxable value of all real property in 138
that class. 139

(F) No reduction shall be made under this section in the 140
rate at which any tax is levied. 141

(G) The commissioner may order a county auditor to furnish 142
any information the commissioner needs to make the 143
determinations required under division (D) or (E) of this 144
section, and the auditor shall supply the information in the 145
form and by the date specified in the order. If the auditor 146
fails to comply with an order issued under this division, except 147
for good cause as determined by the commissioner, the 148
commissioner shall withhold from such county or taxing district 149
therein fifty per cent of state revenues to local governments 150
pursuant to section 5747.50 of the Revised Code or shall direct 151
the department of education and workforce to withhold therefrom 152
fifty per cent of state revenues to school districts pursuant to 153
Chapter 3317. of the Revised Code. The commissioner shall 154
withhold the distribution of such revenues until the county 155
auditor has complied with this division, and the department 156
shall withhold the distribution of such revenues until the 157
commissioner has notified the department that the county auditor 158
has complied with this division. 159

(H) If the commissioner is unable to certify a tax 160
reduction factor for either class of property in a taxing 161

district located in more than one county by the last day of 162
November because information required under division (G) of this 163
section is unavailable, the commissioner may compute and certify 164
an estimated tax reduction factor for that district for that 165
class. The estimated factor shall be based upon an estimate of 166
the unavailable information. Upon receipt of the actual 167
information for a taxing district that received an estimated tax 168
reduction factor, the commissioner shall compute the actual tax 169
reduction factor and use that factor to compute the taxes that 170
should have been charged and payable against each parcel of 171
property for the year for which the estimated reduction factor 172
was used. The amount by which the estimated factor resulted in 173
an overpayment or underpayment in taxes on any parcel shall be 174
added to or subtracted from the amount due on that parcel in the 175
ensuing tax year. 176

A percentage or a tax reduction factor determined or 177
computed by the commissioner under this section shall be used 178
solely for the purpose of reducing the sums to be levied by the 179
tax to which it applies for the year for which it was determined 180
or computed. It shall not be used in making any tax computations 181
for any ensuing tax year. 182

(I) In making the determinations under division (D) (1) of 183
this section, the tax commissioner shall take account of changes 184
in the taxable value of carryover property resulting from 185
complaints filed under section 5715.19 of the Revised Code for 186
determinations made for the tax year in which such changes are 187
reported to the commissioner. Such changes shall be reported to 188
the commissioner on the first abstract of real property filed 189
with the commissioner under section 5715.23 of the Revised Code 190
following the date on which the complaint is finally determined 191
by the board of revision or by a court or other authority with 192

jurisdiction on appeal. The tax commissioner shall account for 193
such changes in making the determinations only for the tax year 194
in which the change in valuation is reported. Such a valuation 195
change shall not be used to recompute the percentages determined 196
under division (D)(1) of this section for any prior tax year. 197

Sec. 323.32. As used in this section, "railroad note" 198
means a note issued pursuant to a court order in the 199
reorganization of a railroad company under section 77 of the 200
Bankruptcy Act. 201

Notwithstanding any other provision of law to the 202
contrary, with respect to all payments received in settlement of 203
claims arising from delinquent property tax charges and ordered 204
to be paid by a railroad company under a plan of reorganization 205
as ordered by a federal district court in accordance with 206
provisions of Chapter VIII of the "Federal Bankruptcy Act," 11 207
U.S.C.A. 201-208, the following provisions shall apply: 208

(A) Except as provided in division (H) of this section, 209
all of such payments shall be made payable, and delivered, to 210
the county in which the taxing district sharing in a claim for 211
delinquent taxes is located. Any notes included in such payment 212
shall be issued to such county treasurer, who shall be the 213
custodian of all of said notes, and who shall be liable therefor 214
upon the treasurer's bond until such time as said notes mature, 215
are sold, or otherwise lawfully pass from the treasurer's 216
custody. 217

(B) Upon receipt of a payment by cash or check, the county 218
treasurer shall immediately cause such funds to be paid into the 219
county treasury and credited to a special fund established for 220
this purpose, which shall be known as the "undivided bankruptcy 221
claims fund." All of such moneys so received, including any 222

earned interest, shall be credited to said fund. 223

(C) When the total claim for each county has been 224
satisfied by the receipt of cash or notes, or both, the county 225
auditor shall remit from the tax list and duplicate of real and 226
public utility property in each county, all charges appearing 227
thereon in the name of the railroad company for which such 228
payment has been made, which are delinquent and unpaid from any 229
year previous to the tax year 1977. 230

(D) At any time that funds are present in the undivided 231
bankruptcy claims fund, either upon initial settlement or at any 232
later time, the county auditor shall, forthwith, distribute by 233
auditors' warrant, such funds to the various taxing districts of 234
the county, in which the property taxes, from which the claim in 235
bankruptcy has derived, were originally charged. The funds so 236
distributed shall be apportioned among the various taxing 237
authorities within each taxing district in the same proportions 238
as the said taxes were originally levied, taking into account 239
the various rates of taxation levied for different purposes for 240
each year in which such taxes were charged and remained unpaid, 241
and any unpaid special assessments, including compound interest 242
thereon at the rate of six per cent per annum to January 1, 243
1978. 244

In making such distribution, the auditor shall, first, 245
deduct an amount equal to one per cent of the total amount to be 246
distributed, as fees for services of the county auditor and 247
treasurer in making collection and distribution of the claim in 248
bankruptcy. Such deduction shall be in lieu of all fees provided 249
for in sections 319.54 and 321.26 of the Revised Code. The 250
amount so deducted shall be credited to the general fund of the 251
county. 252

If any funds received pursuant to this section represent 253
taxes which, if collected, would have resulted from any ~~general~~ 254
~~or emergency~~ levy which has since expired, such funds may be 255
credited to the general operating fund and expended as though 256
they are proceeds from a current levy, and if any of such funds 257
represent taxes from any current general bond retirement levy or 258
one which has since expired, said funds may be credited to the 259
current bond retirement fund and used to service any current 260
bond indebtedness, or may be credited to the general operating 261
fund of the district, if so designated by a majority of the 262
members of the taxing authority of the taxing district. 263

(E) Except as provided in division (H) of this section, 264
when, as a part of the settlement of a claim in bankruptcy of a 265
reorganized railroad company a county receives notes on behalf 266
of a taxing authority in partial payment of said claim, the 267
county treasurer shall, within a reasonable length of time, 268
notify the taxing authority of each taxing district sharing in 269
the claim that such notes are in the treasurer's custody. Within 270
sixty days of receipt of such notice, each taxing authority 271
shall decide by a resolution approved by a majority of its 272
members whether: 273

(1) The notes shall remain in custody of the county 274
treasurer, as issued, and allowed to mature according to the 275
terms presented on their face with the proceeds to be 276
distributed upon maturity pursuant to division (D) of this 277
section; or 278

(2) The railroad notes shall be exchanged for several new 279
notes in denominations equal to the proportionate share, or 280
portion thereof, of the taxing district having a share in the 281
claim in bankruptcy as determined in division (D) of this 282

section. The new notes shall be distributed, upon receipt, to 283
each taxing authority in full satisfaction of its claim or in 284
full satisfaction of the portion of its claim represented by the 285
notes so received. If notes cannot be issued in denominations 286
equal to the taxing district's proportionate share, the 287
treasurer shall certify to the taxing authority of the district 288
the amount of notes held by the treasurer on behalf of the 289
district and for which notes cannot be issued pursuant to the 290
taxing authority's decision under this subdivision. Upon receipt 291
of such certification, the taxing authority may borrow money and 292
issue notes against such certification in the same manner as is 293
provided by division (F) of this section. 294

If a taxing authority elects the option provided under 295
division (E) (1) of this section, it may at any subsequent time 296
elect instead the option provided under division (E) (2) of this 297
section by resolution approved by a majority of its members. The 298
election of the option provided under division (E) (2) of this 299
section becomes final upon receipt by the taxing authority of 300
the new notes or certification distributed by the county 301
treasurer under such division. 302

Each taxing authority shall certify a copy of any 303
resolution adopted under this division to the county treasurer 304
who shall take appropriate action as directed by each taxing 305
authority. 306

(F) A taxing authority having possession of any railroad 307
note or a treasurer's certification issued under division (E) (2) 308
of this section may, by approval of a majority of its members, 309
borrow money and issue its note in anticipation of the revenue 310
payable on maturity of the railroad note and pledge the railroad 311
note or the proceeds thereof. Such anticipation note shall 312

mature no later than the railroad note and shall be in an amount 313
no greater than seventy per cent of the face amount of said 314
railroad note. By like action a taxing authority may sell any 315
railroad note in its possession at public or private offering 316
for not less than the prevailing market price. Such a sale or 317
borrowing shall be exempt from all other requirements and 318
limitations of the Revised Code, including the requirements of 319
the Uniform Bond Law. 320

(1) If a taxing authority desires to issue delinquent tax 321
bonds pursuant to section 131.23 of the Revised Code prior to 322
either receipt of any payment from a railroad in bankruptcy or 323
utilization of the authority granted in this section, the taxing 324
authority may determine whether or not the net amount of 325
delinquent taxes unpledged for purposes of division (B) (5) of 326
section 131.23 of the Revised Code shall include all or part of 327
the delinquent taxes owed by a railroad, or, if notes have been 328
received pursuant to this section, the unpaid principal amount 329
of such notes. If the taxing authority determines that any such 330
railroad delinquencies or note amount shall be included under 331
section 131.23 of the Revised Code, the amount which may be 332
borrowed pursuant to this section may not exceed seventy per 333
cent of the total face amount of railroad notes remaining after 334
deducting the amount so included. 335

(2) If a taxing authority desires to issue delinquent tax 336
bonds pursuant to section 131.23 of the Revised Code after 337
utilization of the authority granted in this section, the net 338
amount of delinquent taxes unpledged for purposes of division 339
(B) (5) of section 131.23 of the Revised Code may not include the 340
principal amount of railroad notes which have been borrowed 341
against or sold pursuant to this section. 342

(G) When a taxing authority receives a railroad note, the 343
face amount of such note shall not be considered as revenue for 344
any purpose in the year in which the note is received. Upon sale 345
or maturity of the note, any proceeds not pledged pursuant to 346
division (F) of this section shall be considered as 347
unanticipated revenue from a new source and all of the 348
provisions of law pertaining to such revenue, including section 349
5705.36 of the Revised Code, shall apply. 350

(H) When there are present in a county nonrepresented 351
taxing districts as provided in amended substitute house bill 352
336 of the 112th general assembly, all of the provisions of this 353
section shall apply to such districts, except as follows: 354

(1) Payments by cash or check may be made payable, and 355
delivered, directly to the treasurer of the taxing district. Any 356
notes included in the settlement of the district's claim may be 357
issued, and delivered, directly to said treasurer. 358

Upon receipt of any of such payments, the treasurer of the 359
taxing district shall certify, to the county treasurer of the 360
county in which the district is located, the fact of such 361
receipt and the amounts so received. 362

(2) If the claim of a nonrepresented taxing district is 363
not paid directly to the treasurer of the district but is 364
included with payments for the remainder of the county, cash 365
payments included in the initial settlement shall be distributed 366
as provided in divisions (B) and (D) of this section. Any notes 367
received as payment shall be exchanged and distributed to 368
nonrepresented taxing districts upon receipt. 369

Sec. 5705.192. (A) For the purposes of this section only, 370
"taxing authority" includes a township board of park 371

commissioners appointed under section 511.18 of the Revised
Code.

(B) A taxing authority may propose to replace an existing
levy that the taxing authority is authorized to levy, regardless
of the section of the Revised Code under which the authority is
granted, except a ~~school district emergency~~ levy proposed
pursuant to sections 5705.194 to 5705.197 of the Revised Code.
The taxing authority may propose to replace the existing levy in
its entirety at the rate at which it is authorized to be levied;
may propose to replace a portion of the existing levy at a
lesser rate; or may propose to replace the existing levy in its
entirety and increase the rate at which it is levied. If the
taxing authority proposes to replace an existing levy, the
proposed levy shall be called a replacement levy and shall be so
designated on the ballot. Except as otherwise provided in this
division, a replacement levy shall be limited to the purpose of
the existing levy, and shall appear separately on the ballot
from, and shall not be conjoined with, the renewal of any other
existing levy. In the case of an existing school district levy
imposed under section 5705.21 of the Revised Code for the
purpose specified in division (F) of section 5705.19 of the
Revised Code, or in the case of an existing school district levy
imposed under section 5705.217 of the Revised Code for the
acquisition, construction, enlargement, renovation, and
financing of permanent improvements, the replacement for that
existing levy may be for the same purpose or for the purpose of
general permanent improvements as defined in section 5705.21 of
the Revised Code. The replacement for an existing levy imposed
under division (L) of section 5705.19 or section 5705.222 of the
Revised Code may be for any purpose authorized for a levy
imposed under section 5705.222 of the Revised Code.

The resolution proposing a replacement levy shall specify 403
the purpose of the levy; its proposed rate expressed in mills 404
for each one dollar of taxable value and in dollars for each one 405
hundred thousand dollars of the county auditor's appraised 406
value; whether the proposed rate is the same as the rate of the 407
existing levy, a reduction, or an increase; the extent of any 408
reduction or increase expressed in mills for each one dollar of 409
taxable value and in dollars for each one hundred thousand 410
dollars of the county auditor's appraised value; the first 411
calendar year in which the levy will be due; and the term of the 412
levy, expressed in years or, if applicable, that it will be 413
levied for a continuing period of time. 414

The sections of the Revised Code governing the maximum 415
rate and term of the existing levy, the contents of the 416
resolution that proposed the levy, the adoption of the 417
resolution, the arrangements for the submission of the question 418
of the levy, and notice of the election also govern the 419
respective provisions of the proposal to replace the existing 420
levy, except as provided in divisions (B)(1) to (5) of this 421
section: 422

(1) In the case of an existing school district levy that 423
is imposed under section 5705.21 of the Revised Code for the 424
purpose specified in division (F) of section 5705.19 of the 425
Revised Code or under section 5705.217 of the Revised Code for 426
the acquisition, construction, enlargement, renovation, and 427
financing of permanent improvements, and that is to be replaced 428
by a levy for general permanent improvements, the term of the 429
replacement levy may be for a continuing period of time. 430

(2) The date on which the election is held shall be as 431
follows: 432

(a) For the replacement of a levy with a fixed term of 433
years, the date of the general election held during the last 434
year the existing levy may be extended on the real and public 435
utility property tax list and duplicate, or the date of any 436
election held in the ensuing year; 437

(b) For the replacement of a levy imposed for a continuing 438
period of time, the date of any election held in any year after 439
the year the levy to be replaced is first approved by the 440
electors, except that only one election on the question of 441
replacing the levy may be held during any calendar year. 442

The failure by the electors to approve a proposal to 443
replace a levy imposed for a continuing period of time does not 444
terminate the existing continuing levy. 445

(3) In the case of an existing school district levy 446
imposed under division (B) of section 5705.21, division (C) of 447
section 5705.212, or division (J) of section 5705.218 of the 448
Revised Code, the rates allocated to the qualifying school 449
district and to partnering community schools each may be 450
increased or decreased or remain the same, and the total rate 451
may be increased, decreased, or remain the same. 452

(4) In the case of an existing levy imposed under division 453
(L) of section 5705.19 of the Revised Code, the term may be for 454
any number of years not exceeding ten or for a continuing period 455
of time. 456

(5) In addition to other required information, the 457
election notice shall express the levy's annual collections, as 458
estimated and certified by the county auditor under section 459
5705.03 of the Revised Code. 460

(C) The form of the ballot at the election on the question 461

of a replacement levy shall be as follows:

"A replacement of a tax for the benefit of _____
(name of subdivision or public library) for the purpose of _____
(the purpose stated in the resolution), that the
county auditor estimates will collect \$_____ annually, at a rate
not exceeding _____ mills for each \$1 of taxable value,
which amounts to \$_____ for each \$100,000 of the county
auditor's appraised value, for _____ (number of years levy
is to run, or that it will be levied for a continuous period of
time)

	FOR THE TAX LEVY
	AGAINST THE TAX LEVY

If the replacement levy is proposed by a qualifying school
district to replace an existing tax levied under division (B) of
section 5705.21, division (C)(1) of section 5705.212, or
division (J) of section 5705.218 of the Revised Code, the form
of the ballot shall be modified by adding, after the phrase
"each \$1 of taxable value," the following: "(of which _____
mills is to be allocated to partnering community schools)."

If the proposal is to replace an existing levy and
increase the rate of the existing levy, the form of the ballot
shall be changed by adding the words "_____ mills of an
existing levy and an increase of _____ mills, to
constitute" after the words "a replacement of." If the proposal
is to replace only a portion of an existing levy, the form of
the ballot shall be changed by adding the words "a portion of an
existing levy, being a reduction of _____ mills, to
constitute" after the words "a replacement of." If the existing

levy is imposed under division (B) of section 5705.21, division 489
(C) (1) of section 5705.212, or division (J) of section 5705.218 490
of the Revised Code, the form of the ballot also shall state the 491
portion of the total increased rate or of the total rate as 492
reduced that is to be allocated to partnering community schools. 493

If the tax is to be placed on the tax list of the current 494
tax year, the form of the ballot shall be modified by adding at 495
the end of the form the phrase ", commencing in _____ 496
(first year the replacement tax is to be levied), first due in 497
calendar year _____ (first calendar year in which the tax 498
shall be due)."

The question covered by the resolution shall be submitted 500
as a separate proposition, but may be printed on the same ballot 501
with any other proposition submitted at the same election, other 502
than the election of officers. More than one such question may 503
be submitted at the same election. 504

(D) Two or more existing levies, or any portion of those 505
levies, may be combined into one replacement levy, so long as 506
all of the existing levies are for the same purpose and either 507
all are due to expire the same year or all are for a continuing 508
period of time. The question of combining all or portions of 509
those existing levies into the replacement levy shall appear as 510
one ballot proposition before the electors. If the electors 511
approve the ballot proposition, all or the stated portions of 512
the existing levies are replaced by one replacement levy. 513

(E) A levy approved in excess of the ten-mill limitation 514
under this section shall be certified to the tax commissioner. 515
In the first year of a levy approved under this section, the 516
levy shall be extended on the tax lists after the February 517
settlement succeeding the election at which the levy was 518

approved. If the levy is to be placed on the tax lists of the 519
current year, as specified in the resolution providing for its 520
submission, the result of the election shall be certified 521
immediately after the canvass by the board of elections to the 522
taxing authority, which shall forthwith make the necessary levy 523
and certify it to the county auditor, who shall extend it on the 524
tax lists for collection. After the first year, the levy shall 525
be included in the annual tax budget that is certified to the 526
county budget commission. 527

If notes are authorized to be issued in anticipation of 528
the proceeds of the existing levy, notes may be issued in 529
anticipation of the proceeds of the replacement levy, and such 530
issuance is subject to the terms and limitations governing the 531
issuance of notes in anticipation of the proceeds of the 532
existing levy. 533

(F) This section does not authorize a tax to be levied in 534
any year after the year in which revenue is not needed for the 535
purpose for which the tax is levied. 536

Sec. 5705.194. The board of education of any city, local, 537
exempted village, cooperative education, or joint vocational 538
school district at any time may declare by resolution that the 539
revenue that will be raised by all tax levies which the district 540
is authorized to impose, when combined with state and federal 541
revenues, will be insufficient to provide for the ~~emergency~~ 542
requirements of the school district ~~or to avoid an operating~~ 543
~~deficit~~, and that it is therefore necessary to levy an 544
additional tax in excess of the ten-mill limitation for the 545
current expenses of the district. The resolution shall be 546
confined to ~~a single purpose and shall specify that purpose~~. If 547
the levy is proposed to renew all or a portion of the proceeds 548

derived from one or more existing levies imposed pursuant to 549
this section, it shall be called a renewal levy and shall be so 550
designated on the ballot, except that an existing levy may not 551
be renewed under this section if the purpose of that levy is to 552
avoid an operating deficit or to provide for the emergency 553
requirements of the school district. If two or more existing 554
levies are to be included in a single renewal levy but are not 555
scheduled to expire in the same year, the resolution shall 556
specify that the existing levies to be renewed shall not be 557
levied after the year preceding the year in which the renewal 558
levy is first imposed. ~~Notwithstanding the original purpose of~~ 559
~~any one or more existing levies that are to be in any single~~ 560
~~renewal levy, the purpose of the renewal levy may be either to~~ 561
~~avoid an operating deficit or to provide for the emergency~~ 562
~~requirements of the school district.~~ The resolution shall 563
further specify the amount of money it is necessary to raise for 564
the specified purpose for each calendar year the millage is to 565
be imposed; if a renewal levy, whether the levy is to renew all, 566
or a portion of, the proceeds derived from one or more existing 567
levies; and the number of years in which the millage is to be in 568
effect, which may include a levy upon the current year's tax 569
list. The number of years may be any number not exceeding ten. 570

The question shall be submitted at a special election on a 571
date specified in the resolution. The date shall not be earlier 572
than eighty days after the adoption and certification of the 573
resolution to the county auditor and shall be consistent with 574
the requirements of section 3501.01 of the Revised Code. A 575
resolution for a renewal levy shall not be placed on the ballot 576
unless the question is submitted on a date on which a special 577
election may be held under division (D) of section 3501.01 of 578
the Revised Code, except for the first Tuesday after the first 579

Monday in August, during the last year the levy to be renewed 580
may be extended on the real and public utility property tax list 581
and duplicate, or at any election held in the ensuing year, 582
except that if the resolution proposes renewing two or more 583
existing levies, the question shall be submitted on the date of 584
the general or primary election held during the last year at 585
least one of the levies to be renewed may be extended on that 586
list and duplicate, or at any election held during the ensuing 587
year. For purposes of this section and sections 5705.197 and 588
5705.199 of the Revised Code, a levy shall be considered to be 589
an "existing levy" through the year following the last year it 590
can be placed on the real and public utility property tax list 591
and duplicate. 592

The submission of questions to the electors under this 593
section is subject to the limitation on the number of election 594
dates established by section 5705.214 of the Revised Code. 595

The resolution shall go into immediate effect upon its 596
passage, and no publication of the resolution shall be necessary 597
other than that provided for in the notice of election. A copy 598
of the resolution shall immediately after its passing be 599
certified to the county auditor of the proper county. Section 600
5705.195 of the Revised Code shall govern the arrangements for 601
the submission of questions to the electors under this section 602
and other matters concerning the election. Publication of notice 603
of the election shall be made in one newspaper of general 604
circulation in the county once a week for two consecutive weeks, 605
or as provided in section 7.16 of the Revised Code, prior to the 606
election. If the board of elections operates and maintains a web 607
site, the board of elections shall post notice of the election 608
on its web site for thirty days prior to the election. If a 609
majority of the electors voting on the question submitted in an 610

election vote in favor of the levy, the board of education of
the school district may make the additional levy necessary to
raise the amount specified in the resolution for the purpose
stated in the resolution. The tax levy shall be included in the
next tax budget that is certified to the county budget
commission.

After the approval of the levy and prior to the time when
the first tax collection from the levy can be made, the board of
education may anticipate a fraction of the proceeds of the levy
and issue anticipation notes in an amount not exceeding the
total estimated proceeds of the levy to be collected during the
first year of the levy.

The notes shall be issued as provided in section 133.24 of
the Revised Code, shall have principal payments during each year
after the year of their issuance over a period not to exceed
five years, and may have principal payment in the year of their
issuance.

Sec. 5705.197. The form of the ballot to be used at the
election provided for in section 5705.195 of the Revised Code
shall be as follows:

"Shall a fixed-sum levy be imposed by the _____
(here insert name of school district) for the purpose of
_____~~(here insert purpose of levy)~~current operating
expenses in the sum of \$_____ (here insert annual amount
the levy is to produce) and a levy of taxes to be made outside
of the ten-mill limitation estimated by the county auditor to
average _____ mills for each \$1 of taxable value, which
amounts to \$_____ for each \$100,000 of the county auditor's
appraised value, for a period of _____ (here insert the
number of years the millage is to be imposed) years?"

641

	FOR THE TAX LEVY
	AGAINST THE TAX LEVY

"

If the tax is to be placed on the current tax list, the form of the ballot shall be modified by adding, after "years," the phrase ", commencing in _____ (first year the tax is to be levied), first due in calendar year _____ (first calendar year in which the tax shall be due)."

If the levy submitted is a proposal to renew all or a portion of an existing levy, the form of the ballot specified in this section must be changed by adding the following at the beginning of the form, after the words "shall a levy":

(A) "Renewing an existing levy" in the case of a proposal to renew an existing levy in the same amount;

(B) "Renewing \$_____ and providing an increase of \$_____ " in the case of an increase;

(C) "Renewing part of an existing levy, being a reduction of \$_____ " in the case of a renewal of only part of an existing levy.

If the levy submitted is a proposal to renew all or a portion of more than one existing levy, the form of the ballot may be changed in any of the manners provided in division (A), (B), or (C) of this section, or any combination of those manners, as appropriate, so long as the form of the ballot reflects the number of levies to be renewed, whether the amount of any of the levies will be increased or decreased, the amount of any such increase or decrease for each levy, and that none of

the existing levies to be renewed will be levied after the year 666
preceding the year in which the renewal levy is first imposed. 667
The form of the ballot shall be changed by adding the following 668
statement after "for a period of _____ years?" and before "For 669
the Tax Levy" and "Against the Tax Levy": 670

"If approved, any remaining tax years on any of the above 671
_____ (here insert the number of existing levies) existing 672
levies will not be collected after _____ (here insert the 673
current tax year or, if not the current tax year, the applicable 674
tax year)."

Sec. 5705.199. (A) At any time before the effective date 676
of this amendment the board of education of a city, local, 677
exempted village, cooperative education, or joint vocational 678
school district, by a vote of two-thirds of all its members, may 679
declare by resolution that the revenue that will be raised by 680
all tax levies that the district is authorized to impose, when 681
combined with state and federal revenues, will be insufficient 682
to provide for the necessary requirements of the school 683
district, and that it is therefore necessary to levy a tax in 684
excess of the ten-mill limitation for the purpose of providing 685
for the necessary requirements of the school district. Such a 686
levy shall be proposed as a substitute for all or a portion of 687
one or more existing levies imposed under sections 5705.194 to 688
5705.197 of the Revised Code or under this section, by levying a 689
tax as follows: 690

(1) In the initial year the levy is in effect, the levy 691
shall be in a specified amount of money equal to the aggregate 692
annual dollar amount of proceeds derived from the levy or 693
levies, or portion thereof, being substituted. 694

(2) In each subsequent year the levy is in effect, the 695

levy shall be in a specified amount of money equal to the sum of 696
the following: 697

(a) The dollar amount of the proceeds derived from the 698
levy in the prior year; and 699

(b) The dollar amount equal to the product of the total 700
taxable value of all taxable real property in the school 701
district in the then-current year, excluding carryover property 702
as defined in section 319.301 of the Revised Code, multiplied by 703
the annual levy, expressed in mills for each one dollar of 704
taxable value, that was required to produce the annual dollar 705
amount of the levy under this section in the prior year; 706
provided, that the amount under division (A) (2) (b) of this 707
section shall not be less than zero. 708

~~(B) The resolution proposing the substitute levy shall 709
specify the annual dollar amount the levy is to produce in its 710
initial year; the first calendar year in which the levy will be 711
due; and the term of the levy expressed in years, which may be 712
any number not exceeding ten, or for a continuing period of 713
time. The resolution shall specify the date of holding the 714
election, which shall not be earlier than ninety days after 715
certification of the resolution to the board of elections, and 716
which shall be consistent with the requirements of section 717
3501.01 of the Revised Code. If two or more existing levies are 718
to be included in a single substitute levy, but are not 719
scheduled to expire in the same year, the resolution shall 720
specify that the existing levies to be substituted shall not be 721
levied after the year preceding the year in which the substitute 722
levy is first imposed. 723~~

~~The resolution shall go into immediate effect upon its 724
passage, and no publication of the resolution shall be necessary 725~~

~~other than that provided for in the notice of election. A copy of the resolution shall immediately after its passage be certified to the county auditor in the manner provided by section 5705.195 of the Revised Code, and sections 5705.194 and 5705.196 of the Revised Code shall govern the arrangements for the submission of the question and other matters concerning the notice of election and the election, except as may be provided otherwise in this section.~~

~~(C) The form of the ballot to be used at the election on the question of a levy under this section shall be as follows:~~

~~"Shall a tax levy substituting for an existing levy be imposed by the _____ (here insert name of school district) for the purpose of providing for the necessary requirements of the school district in the initial sum of \$_____ (here insert the annual dollar amount the levy is to produce in its initial year), and a levy of taxes be made outside of the ten-mill limitation estimated by the county auditor to require _____ mills for each \$1 of taxable value, which amounts to \$_____ for each \$100,000 of the county auditor's appraised value for the initial year of the tax, for a period of _____ (here insert the number of years the levy is to be imposed, or that it will be levied for a continuing period of time), commencing in _____ (first year the tax is to be levied), first due in calendar year _____ (first calendar year in which the tax shall be due), with the sum of such tax to increase only if and as new land or real property improvements not previously taxed by the school district are added to its tax list?~~

	FOR THE TAX LEVY
--	-----------------------------

	AGAINST THE TAX LEVY	"
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~~If the levy submitted is a proposal to substitute all or a portion of more than one existing levy, the form of the ballot may be changed so long as the ballot reflects the number of levies to be substituted and that none of the existing levies to be substituted will be levied after the year preceding the year in which the substitute levy is first imposed. The form of the ballot shall be modified by substituting the statement "Shall a tax levy substituting for an existing levy" with "Shall a tax levy substituting for existing levies" and adding the following statement after "added to its tax list?" and before "For the Tax Levy":~~

~~"If approved, any remaining tax years on any of the _____ (here insert the number of existing levies) existing levies will not be collected after _____ (here insert the current tax year or, if not the current tax year, the applicable tax year)."~~

~~(D) The submission of questions to the electors under this section is subject to the limitation on the number of election dates established by section 5705.214 of the Revised Code.~~

~~(E)~~ If a majority of the electors voting on the question so submitted in an election vote in favor of the levy, the board of education may make the necessary levy within the school district at the rate and for the purpose stated in the resolution. The tax levy shall be included in the next tax budget that is certified to the county budget commission.

~~(F)~~ (C) A levy for a continuing period of time may be decreased pursuant to section 5705.261 of the Revised Code.

~~(G) A levy under this section substituting for all or a portion of one or more existing levies imposed under sections 5705.194 to 5705.197 of the Revised Code or under this section shall be treated as having renewed the levy or levies being substituted for purposes of the payments made under sections 5751.20 to 5751.22 of the Revised Code.~~

~~(H)~~ (D) After the approval of a levy on the current tax list and duplicate, and prior to the time when the first tax collection from the levy can be made, the board of education may anticipate a fraction of the proceeds of the levy and issue anticipation notes in a principal amount not exceeding fifty per cent of the total estimated proceeds of the levy to be collected during the first year of the levy. The notes shall be issued as provided in section 133.24 of the Revised Code, shall have principal payments during each year after the year of their issuance over a period not to exceed five years, and may have a principal payment in the year of their issuance."

In line 214, after "the" insert "(A)"

In line 220, before "If" insert "(B)"

In line 222, delete "other"; after "manner" insert "other than described in division (A) of this section"

After line 239, insert:

"Sec. 5709.92. (A) As used in this section:

(1) "School district" means a city, local, or exempted village school district.

(2) "Joint vocational school district" means a joint vocational school district created under section 3311.16 of the Revised Code, and includes a cooperative education school

district created under section 3311.52 or 3311.521 of the 810
Revised Code and a county school financing district created 811
under section 3311.50 of the Revised Code. 812

(3) "Total resources" means the sum of the amounts 813
described in divisions (A) (3) (a) to (g) of this section less any 814
reduction required under division (C) (3) (a) of this section. 815

(a) The state education aid for fiscal year 2015; 816

(b) The sum of the payments received in fiscal year 2015 817
for current expense levy losses under division (C) (3) of section 818
5727.85 and division (C) (12) of section 5751.21 of the Revised 819
Code, as they existed at that time, excluding the portion of 820
such payments attributable to levies for joint vocational school 821
district purposes; 822

(c) The sum of fixed-sum levy loss payments received by 823
the school district in fiscal year 2015 under division (F) (1) of 824
section 5727.85 and division (E) (1) of section 5751.21 of the 825
Revised Code, as they existed at that time, for fixed-sum levies 826
charged and payable for a purpose other than paying debt 827
charges; 828

(d) The district's taxes charged and payable against all 829
property on the tax list of real and public utility property for 830
current expense purposes for tax year 2014, including taxes 831
charged and payable from ~~emergency~~ levies charged and payable 832
under sections 5705.194 to 5705.197 of the Revised Code, 833
excluding taxes levied for joint vocational school district 834
purposes or levied under section 5705.23 of the Revised Code; 835

(e) The amount certified for fiscal year 2015 under 836
division (A) (2) of section 3317.08 of the Revised Code; 837

(f) Distributions received during calendar year 2014 from	838
taxes levied under section 718.09 of the Revised Code;	839
(g) Distributions received during fiscal year 2015 from	840
the gross casino revenue county student fund.	841
(4) (a) "State education aid" for a school district means	842
the sum of state amounts computed for the district under	843
sections 3317.022 and 3317.0212 of the Revised Code after any	844
amounts are added or subtracted under Section 263.240 of Am.	845
Sub. H.B. 59 of the 130th general assembly, entitled	846
"TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL	847
DISTRICTS."	848
(b) "State education aid" for a joint vocational district	849
means the amount computed for the district under section 3317.16	850
of the Revised Code after any amounts are added or subtracted	851
under Section 263.250 of Am. Sub. H.B. 59 of the 130th general	852
assembly, entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL	853
DISTRICTS."	854
(5) "Taxes charged and payable" means taxes charged and	855
payable after the reduction required by section 319.301 of the	856
Revised Code but before the reductions required by sections	857
319.302 and 323.152 of the Revised Code.	858
(6) "Capacity quintile" means the capacity measure	859
quintiles determined under division (B) of this section.	860
(7) "Threshold per cent" means the following:	861
(a) For a school district in the lowest capacity quintile,	862
one per cent for fiscal year 2016 and two per cent for fiscal	863
year 2017.	864
(b) For a school district in the second lowest capacity	865

quintile, one and one-fourth per cent for fiscal year 2016 and 866
two and one-half per cent for fiscal year 2017. 867

(c) For a school district in the third lowest capacity 868
quintile, one and one-half per cent for fiscal year 2016 and 869
three per cent for fiscal year 2017. 870

(d) For a school district in the second highest capacity 871
quintile, one and three-fourths per cent for fiscal year 2016 872
and three and one-half per cent for fiscal year 2017. 873

(e) For a school district in the highest capacity 874
quintile, two per cent for fiscal year 2016 and four per cent 875
for fiscal year 2017. 876

(f) For a joint vocational school district, two per cent 877
for fiscal year 2016 and four per cent for fiscal year 2017. 878

(8) "Current expense allocation" means the sum of the 879
payments received by a school district or joint vocational 880
school district in fiscal year 2015 for current expense levy 881
losses under division (C) (3) of section 5727.85 and division (C) 882
(12) of section 5751.21 of the Revised Code as they existed at 883
that time, less any reduction required under division (C) (3) (b) 884
of this section. 885

(9) "Non-current expense allocation" means the sum of the 886
payments received by a school district or joint vocational 887
school district in fiscal year 2015 for levy losses under 888
division (C) (3) (c) of section 5727.85 and division (C) (12) (c) of 889
section 5751.21 of the Revised Code, as they existed at that 890
time, and levy losses in fiscal year 2015 under division (H) of 891
section 5727.84 of the Revised Code as that section existed at 892
that time attributable to levies for and payments received for 893
losses on levies intended to generate money for maintenance of 894

classroom facilities. 895

(10) "Operating TPP fixed-sum levy losses" means the sum 896
of payments received by a school district in fiscal year 2015 897
for levy losses under division (E) of section 5751.21 of the 898
Revised Code, excluding levy losses for debt purposes. 899

(11) "Operating S.B. 3 fixed-sum levy losses" means the 900
sum of payments received by the school district in fiscal year 901
2015 for levy losses under division (H) of section 5727.84 of 902
the Revised Code, excluding levy losses for debt purposes. 903

(12) "TPP fixed-sum debt levy losses" means the sum of 904
payments received by a school district in fiscal year 2015 for 905
levy losses under division (E) of section 5751.21 of the Revised 906
Code for debt purposes. 907

(13) "S.B. 3 fixed-sum debt levy losses" means the sum of 908
payments received by the school district in fiscal year 2015 for 909
levy losses under division (H) of section 5727.84 of the Revised 910
Code for debt purposes. 911

(14) "Qualifying levies" means qualifying levies described 912
in section 5751.20 of the Revised Code as that section was in 913
effect before July 1, 2015. 914

(15) "Total taxable value" has the same meaning as in 915
section 3317.02 of the Revised Code. 916

(B) The department of education and workforce shall rank 917
all school districts in the order of districts' capacity 918
measures determined under former section 3317.018 of the Revised 919
Code from lowest to highest, and divide such ranking into 920
quintiles, with the first quintile containing the twenty per 921
cent of school districts having the lowest capacity measure and 922

the fifth quintile containing the twenty per cent of school 923
districts having the highest capacity measure. This calculation 924
and ranking shall be performed once, in fiscal year 2016. 925

(C) (1) In fiscal year 2016, payments shall be made to 926
school districts and joint vocational school districts equal to 927
the sum of the amounts described in divisions (C) (1) (a) or (b) 928
and (C) (1) (c) of this section. In fiscal year 2017, payments 929
shall be made to school districts and joint vocational school 930
districts equal to the amount described in division (C) (1) (a) or 931
(b) of this section. 932

(a) If the ratio of the current expense allocation to 933
total resources is equal to or less than the district's 934
threshold percent, zero; 935

(b) If the ratio of the current expense allocation to 936
total resources is greater than the district's threshold per 937
cent, the difference between the current expense allocation and 938
the product of the threshold percentage and total resources; 939

(c) For fiscal year 2016, the product of the non-current 940
expense allocation multiplied by fifty per cent. 941

(2) In fiscal year 2018 and subsequent fiscal years, 942
payments shall be made to school districts and joint vocational 943
school districts equal to the difference obtained by subtracting 944
the amount described in division (C) (2) (b) of this section from 945
the amount described in division (C) (2) (a) of this section, 946
provided that such amount is greater than zero. 947

(a) The sum of the payments received by the district under 948
division (C) (1) (b) or (C) (2) of this section for the immediately 949
preceding fiscal year; 950

(b) One-sixteenth of one per cent of the average of the
total taxable value of the district for tax years 2014, 2015,
and 2016.

(3) (a) "Total resources" used to compute payments under
division (C) (1) of this section shall be reduced to the extent
that payments distributed in fiscal year 2015 were attributable
to levies no longer charged and payable for tax year 2014.

(b) "Current expense allocation" used to compute payments
under division (C) (1) of this section shall be reduced to the
extent that the payments distributed in fiscal year 2015 were
attributable to levies no longer charged and payable for tax
year 2014.

(4) The department of education and workforce shall report
to each school district and joint vocational school district the
apportionment of the payments under division (C) (1) of this
section among the district's funds based on qualifying levies.

(D) (1) Payments in the following amounts shall be made to
school districts and joint vocational school districts in tax
years 2016 through 2021:

(a) In tax year 2016, the sum of the district's operating
TPP fixed-sum levy losses and operating S.B. 3 fixed-sum levy
losses.

(b) In tax year 2017, the sum of the district's operating
TPP fixed-sum levy losses and eighty per cent of operating S.B.
3 fixed-sum levy losses.

(c) In tax year 2018, the sum of eighty per cent of the
district's operating TPP fixed-sum levy losses and sixty per
cent of its operating S.B. 3 fixed-sum levy losses.

(d) In tax year 2019, the sum of sixty per cent of the district's operating TPP fixed-sum levy losses and forty per cent of its operating S.B. 3 fixed-sum levy losses.

(e) In tax year 2020, the sum of forty per cent of the district's operating TPP fixed-sum levy losses and twenty per cent of its operating S.B. 3 fixed-sum levy losses.

(f) In tax year 2021, twenty per cent of the district's operating TPP fixed-sum levy losses.

No payment shall be made under division (D) (1) of this section after tax year 2021.

(2) Amounts are payable under division (D) of this section for fixed-sum levy losses only to the extent of such losses for qualifying levies that remain in effect for the current tax year. For this purpose, a qualifying levy levied under section 5705.194 or 5705.213 of the Revised Code remains in effect for the current tax year only if a tax levied under either of those sections is charged and payable for the current tax year for an annual sum at least equal to the annual sum levied by the board of education for tax year 2004 under those sections less the amount of the payment under this division.

(E) (1) For fixed-sum levies for debt purposes, payments shall be made to school districts and joint vocational school districts equal to one hundred per cent of the district's fixed-sum levy loss determined under division (E) of section 5751.20 and division (H) of section 5727.84 of the Revised Code as in effect before July 1, 2015, and paid in tax year 2014. No payment shall be made for qualifying levies that are no longer charged and payable.

(2) Beginning in 2016, by the thirty-first day of January

of each year, the tax commissioner shall review the calculation 1008
of fixed-sum levy loss for debt purposes determined under 1009
division (E) of section 5751.20 and division (H) of section 1010
5727.84 of the Revised Code as in effect before July 1, 2015. If 1011
the commissioner determines that a fixed-sum levy that had been 1012
scheduled to be reimbursed in the current year is no longer 1013
charged and payable, a revised calculation for that year and all 1014
subsequent years shall be made. 1015

(F) (1) For taxes levied within the ten-mill limitation for 1016
debt purposes in tax year 1998 in the case of electric company 1017
tax value losses, and in tax year 1999 in the case of natural 1018
gas company tax value losses, payments shall be made to school 1019
districts and joint vocational school districts equal to one 1020
hundred per cent of the loss computed under division (D) of 1021
section 5727.85 of the Revised Code as in effect before July 1, 1022
2015, as if the tax were a fixed-rate levy, but those payments 1023
shall extend through fiscal year 2016. 1024

(2) For taxes levied within the ten-mill limitation for 1025
debt purposes in tax year 2005, payments shall be made to school 1026
districts and joint vocational school districts equal to one 1027
hundred per cent of the loss computed under division (D) of 1028
section 5751.21 of the Revised Code as in effect before July 1, 1029
2015, as if the tax were a fixed-rate levy, but those payments 1030
shall extend through fiscal year 2018. 1031

(G) If all the territory of a school district or joint 1032
vocational school district is merged with another district, or 1033
if a part of the territory of a school district or joint 1034
vocational school district is transferred to an existing or 1035
newly created district, the department of education and 1036
workforce, in consultation with the tax commissioner, shall 1037

adjust the payments made under this section as follows: 1038

(1) For a merger of two or more districts, fixed-sum levy 1039
losses, total resources, current expense allocation, and non- 1040
current expense allocation of the successor district shall be 1041
the sum of such items for each of the districts involved in the 1042
merger. 1043

(2) If property is transferred from one district to a 1044
previously existing district, the amount of the total resources, 1045
current expense allocation, and non-current expense allocation 1046
that shall be transferred to the recipient district shall be an 1047
amount equal to the total resources, current expense allocation, 1048
and non-current expense allocation of the transferor district 1049
times a fraction, the numerator of which is the number of pupils 1050
being transferred to the recipient district, measured, in the 1051
case of a school district, by formula ADM as defined in section 1052
3317.02 of the Revised Code or, in the case of a joint vocational 1053
school district, by formula ADM as defined for a joint 1054
vocational school district in that section, and the denominator 1055
of which is the formula ADM of the transferor district. 1056

(3) After December 31, 2010, if property is transferred 1057
from one or more districts to a district that is newly created 1058
out of the transferred property, the newly created district 1059
shall be deemed not to have any total resources, current expense 1060
allocation, total allocation, or non-current expense allocation. 1061

(4) If the recipient district under division (G) (2) of 1062
this section or the newly created district under division (G) (3) 1063
of this section is assuming debt from one or more of the 1064
districts from which the property was transferred and any of the 1065
districts losing the property had fixed-sum levy losses, the 1066
department of education and workforce, in consultation with the 1067

tax commissioner, shall make an equitable division of the 1068
reimbursements for those losses. 1069

(H) The payments required by divisions (C), (D), (E), (F), 1070
and (I) of this section shall be distributed periodically to 1071
each school and joint vocational school district by the 1072
department of education and workforce unless otherwise provided 1073
for. Except as provided in division (D) of this section, if a 1074
levy that is a qualifying levy is not charged and payable in any 1075
year after 2014, payments to the school district or joint 1076
vocational school district shall be reduced to the extent that 1077
the payments distributed in fiscal year 2015 were attributable 1078
to the levy loss of that levy. 1079

(I) For fiscal years 2022 through 2026, if the total 1080
amount to be received under divisions (C) and (E) of this 1081
section by any school district that has a nuclear power plant 1082
located within its territory is less than the amount the 1083
district received under this section in fiscal year 2017, the 1084
district shall receive a supplemental payment equal to the 1085
difference between the amount to be received under those 1086
divisions for the fiscal year and the amount received under this 1087
section in fiscal year 2017. 1088

Sec. 5748.09. (A) The board of education of a city, 1089
local, or exempted village school district, at any time by a 1090
vote of two-thirds of all its members, may declare by resolution 1091
that it may be necessary for the school district to do all of 1092
the following: 1093

(1) Raise a specified amount of money for school district 1094
purposes by levying an annual tax on school district income; 1095

(2) Levy an additional property tax in excess of the ten- 1096

mill limitation for the purpose of providing for the necessary 1097
requirements of the district, stating in the resolution the 1098
amount of money to be raised each year for such purpose; 1099

(3) Submit the question of the school district income tax 1100
and property tax to the electors of the district at a special 1101
election. 1102

The resolution shall specify whether the income that is to 1103
be subject to the tax is taxable income of individuals and 1104
estates as defined in divisions (E)(1)(a) and (2) of section 1105
5748.01 of the Revised Code or taxable income of individuals as 1106
defined in division (E)(1)(b) of that section. 1107

On adoption of the resolution, the board shall certify a 1108
copy of it to the tax commissioner and the county auditor not 1109
later than one hundred days prior to the date of the special 1110
election at which the board intends to propose the income tax 1111
and property tax. Not later than ten days after receipt of the 1112
resolution, the tax commissioner, in the same manner as required 1113
by division (A) of section 5748.02 of the Revised Code, shall 1114
estimate the rates designated in divisions (A)(1) and (2) of 1115
that section and certify them to the board. Not later than ten 1116
days after receipt of the resolution, the county auditor, in the 1117
same manner as required by section 5705.195 of the Revised Code, 1118
shall make the calculation specified in that section and certify 1119
it to the board. 1120

(B) On receipt of the tax commissioner's and county 1121
auditor's certifications prepared under division (A) of this 1122
section, the board of education of the city, local, or exempted 1123
village school district, by a vote of two-thirds of all its 1124
members, may adopt a resolution declaring that the amount of 1125
taxes that can be raised by all tax levies the district is 1126

authorized to impose, when combined with state and federal 1127
revenues, will be insufficient to provide an adequate amount for 1128
the present and future requirements of the school district, and 1129
that it is therefore necessary to levy, for a specified number 1130
of years or for a continuing period of time, an annual tax for 1131
school district purposes on school district income, and to levy, 1132
for a specified number of years not exceeding ten or for a 1133
continuing period of time, an additional property tax in excess 1134
of the ten-mill limitation for the purpose of providing for the 1135
necessary requirements of the district, and declaring that the 1136
question of the school district income tax and property tax 1137
shall be submitted to the electors of the school district at a 1138
special election, which shall not be earlier than ninety days 1139
after certification of the resolution to the board of elections, 1140
and the date of which shall be consistent with section 3501.01 1141
of the Revised Code. The resolution shall specify all of the 1142
following: 1143

(1) The purpose for which the school district income tax 1144
is to be imposed and the rate of the tax, which shall be the 1145
rate set forth in the tax commissioner's certification rounded 1146
to the nearest one-fourth of one per cent; 1147

(2) Whether the income that is to be subject to the tax is 1148
taxable income of individuals and estates as defined in 1149
divisions (E) (1) (a) and (2) of section 5748.01 of the Revised 1150
Code or taxable income of individuals as defined in division (E) 1151
(1) (b) of that section. The specification shall be the same as 1152
the specification in the resolution adopted and certified under 1153
division (A) of this section. 1154

(3) The number of years the school district income tax 1155
will be levied, or that it will be levied for a continuing 1156

period of time; 1157

(4) The date on which the school district income tax shall 1158
take effect, which shall be the first day of January of any year 1159
following the year in which the question is submitted; 1160

(5) The amount of money it is necessary to raise for the 1161
purpose of providing for the necessary requirements of the 1162
district for each year the property tax is to be imposed; 1163

(6) The number of years the property tax will be levied, 1164
or that it will be levied for a continuing period of time; 1165

(7) The tax list upon which the property tax shall be 1166
first levied, which may be the current year's tax list; 1167

(8) The amount of the average tax levy, expressed in 1168
dollars for each one hundred thousand dollars of the county 1169
auditor's appraised value as well as in mills for each one 1170
dollar of taxable value, estimated by the county auditor under 1171
division (A) of this section. 1172

(C) A resolution adopted under division (B) of this 1173
section shall go into immediate effect upon its passage, and no 1174
publication of the resolution shall be necessary other than that 1175
provided for in the notice of election. Immediately after its 1176
adoption and at least ninety days prior to the election at which 1177
the question will appear on the ballot, the board of education 1178
shall certify a copy of the resolution, along with copies of the 1179
county auditor's certification and the resolution under division 1180
(A) of this section, to the board of elections of the proper 1181
county. The board of education shall make the arrangements for 1182
the submission of the question to the electors of the school 1183
district, and the election shall be conducted, canvassed, and 1184
certified in the same manner as regular elections in the 1185

district for the election of county officers. 1186

The resolution shall be put before the electors as one 1187
ballot question, with a majority vote indicating approval of the 1188
school district income tax and the property tax. The board of 1189
elections shall publish the notice of the election in a 1190
newspaper of general circulation in the school district once a 1191
week for two consecutive weeks, or as provided in section 7.16 1192
of the Revised Code, prior to the election. If the board of 1193
elections operates and maintains a web site, also shall post 1194
notice of the election on its web site for thirty days prior to 1195
the election. The notice of election shall state all of the 1196
following: 1197

(1) The questions to be submitted to the electors as a 1198
single ballot question; 1199

(2) The rate of the school district income tax; 1200

(3) The number of years the school district income tax 1201
will be levied or that it will be levied for a continuing period 1202
of time; 1203

(4) The annual proceeds of the proposed property tax levy 1204
for the purpose of providing for the necessary requirements of 1205
the district; 1206

(5) The number of years during which the property tax levy 1207
shall be levied, or that it shall be levied for a continuing 1208
period of time; 1209

(6) The estimated average additional tax rate of the 1210
property tax, expressed in dollars for each one hundred thousand 1211
dollars of the county auditor's appraised value as well as in 1212
mills for each one dollar of taxable value, outside the 1213

limitation imposed by Section 2 of Article XII, Ohio 1214
Constitution, as certified by the county auditor; 1215

(7) The time and place of the special election. 1216

(D) The form of the ballot on a question submitted to the 1217
electors under this section shall be as follows: 1218

"Shall the _____ school district be authorized to do both 1219
of the following: 1220

(1) Impose an annual income tax of _____ (state the 1221
proposed rate of tax) on the school district income of 1222
individuals and of estates, for _____ (state the number of 1223
years the tax would be levied, or that it would be levied for a 1224
continuing period of time), beginning _____ (state the date 1225
the tax would first take effect), for the purpose of _____ 1226
(state the purpose of the tax)? 1227

(2) Impose a property tax levy outside of the ten-mill 1228
limitation for the purpose of providing for the necessary 1229
requirements of the district in the sum of \$ _____ 1230
(here insert annual amount the levy is to produce), estimated by 1231
the county auditor to average _____ mills for each \$1 1232
of taxable value, which amounts to \$ _____ for each 1233
\$100,000 of the county auditor's appraised value, for 1234
_____ (state the number of years the tax is to be 1235
imposed or that it will be imposed for a continuing period of 1236
time), commencing in _____ (first year the tax is to be 1237
levied), first due in calendar year _____ (first calendar 1238
year in which the tax shall be due)? 1239

1240

	FOR THE INCOME TAX AND PROPERTY TAX
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	AGAINST THE INCOME TAX AND PROPERTY TAX	"
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If the question submitted to electors proposes a school district income tax only on the taxable income of individuals as defined in division (E) (1) (b) of section 5748.01 of the Revised Code, the form of the ballot shall be modified by stating that the tax is to be levied on the "earned income of individuals residing in the school district" in lieu of the "school district income of individuals and of estates."

(E) The board of elections promptly shall certify the results of the election to the tax commissioner and the county auditor of the county in which the school district is located. If a majority of the electors voting on the question vote in favor of it:

(1) The income tax and the applicable provisions of Chapter 5747. of the Revised Code shall take effect on the date specified in the resolution.

(2) The board of education of the school district may make the additional property tax levy necessary to raise the amount specified on the ballot for the purpose of providing for the necessary requirements of the district. The property tax levy shall be included in the next tax budget that is certified to the county budget commission.

(F) (1) After approval of a question under this section, the board of education may anticipate a fraction of the proceeds of the school district income tax in accordance with section 5748.05 of the Revised Code. Any anticipation notes under this division shall be issued as provided in section 133.24 of the Revised Code, shall have principal payments during each year after the year of their issuance over a period not to exceed

five years, and may have a principal payment in the year of 1269
their issuance. 1270

(2) After the approval of a question under this section 1271
and prior to the time when the first tax collection from the 1272
property tax levy can be made, the board of education may 1273
anticipate a fraction of the proceeds of the levy and issue 1274
anticipation notes in an amount not exceeding the total 1275
estimated proceeds of the levy to be collected during the first 1276
year of the levy. Any anticipation notes under this division 1277
shall be issued as provided in section 133.24 of the Revised 1278
Code, shall have principal payments during each year after the 1279
year of their issuance over a period not to exceed five years, 1280
and may have a principal payment in the year of their issuance. 1281

(G) (1) The question of repeal of a school district income 1282
tax levied for more than five years may be initiated and 1283
submitted in accordance with section 5748.04 of the Revised 1284
Code. 1285

(2) A property tax levy for a continuing period of time 1286
may be reduced in the manner provided under section 5705.261 of 1287
the Revised Code. 1288

(H) No board of education shall submit a question under 1289
this section to the electors of the school district more than 1290
twice in any calendar year. If a board submits the question 1291
twice in any calendar year, one of the elections on the question 1292
shall be held on the date of the general election. 1293

(I) If the electors of the school district approve a 1294
question under this section, and if the last calendar year the 1295
school district income tax is in effect and the last calendar 1296
year of collection of the property tax are the same, the board 1297

of education of the school district may propose to submit under 1298
this section the combined question of a school district income 1299
tax to take effect upon the expiration of the existing income 1300
tax and a property tax to be first collected in the calendar 1301
year after the calendar year of last collection of the existing 1302
property tax, and specify in the resolutions adopted under this 1303
section that the proposed taxes would renew the existing taxes. 1304
The form of the ballot on a question submitted to the electors 1305
under division (I) of this section shall be as follows: 1306

"Shall the _____ school district be authorized to do 1307
both of the following: 1308

(1) Impose an annual income tax of _____ (state the 1309
proposed rate of tax) on the school district income of 1310
individuals and of estates to renew an income tax expiring at 1311
the end of _____ (state the last year the existing income tax 1312
may be levied) for _____ (state the number of years the tax 1313
would be levied, or that it would be levied for a continuing 1314
period of time), beginning _____ (state the date the tax would 1315
first take effect), for the purpose of _____ (state the 1316
purpose of the tax)? 1317

(2) Impose a property tax levy renewing an existing levy 1318
outside of the ten-mill limitation for the purpose of providing 1319
for the necessary requirements of the district in the sum of 1320
\$_____ (here insert annual amount the levy is to 1321
produce), estimated by the county auditor to average 1322
_____ mills for each \$1 of taxable value, which 1323
amounts to \$_____ for each \$100,000 of the county 1324
auditor's appraised value, for _____ (state the number 1325
of years the tax is to be imposed or that it will be imposed for 1326
a continuing period of time), commencing in _____ (first 1327

year the tax is to be levied), first due in calendar year 1328
 _____ (first calendar year in which the tax shall be 1329
 due)? 1330
 1331

	FOR THE INCOME TAX AND PROPERTY TAX	"
	AGAINST THE INCOME TAX AND PROPERTY TAX	

If the question submitted to electors proposes a school 1332
 district income tax only on the taxable income of individuals as 1333
 defined in division (E) (1) (b) of section 5748.01 of the Revised 1334
 Code, the form of the ballot shall be modified by stating that 1335
 the tax is to be levied on the "earned income of individuals 1336
 residing in the school district" in lieu of the "school district 1337
 income of individuals and of estates." 1338

(J) (1) If the electors of the school district approve a 1339
 question under this section, and if the last calendar year the 1340
 school district income tax is in effect and the last calendar 1341
 year in which the property tax is collected are the same, the 1342
 board of education of the school district may propose to submit 1343
 under this section the combined question of all of the 1344
 following: 1345

(a) The renewal of the school district income tax levied 1346
 under this section, to take effect upon the expiration of the 1347
 existing income tax; 1348

(b) The renewal of the property tax levied under this 1349
 section, to be levied beginning in the tax year after the tax 1350
 year in which the existing property tax expires; 1351

(c) The renewal of a property tax levied under section 1352
 5705.194 of the Revised Code, regardless of the year it expires, 1353

to be levied beginning in the same tax year that the tax 1354
described in division (J) (1) (b) of this section is first levied. 1355
A tax levied under section 5705.194 of the Revised Code that is 1356
for the purpose of avoiding an operating deficit or providing 1357
for the emergency requirements of the school district may not be 1358
renewed as part of a combined renewal question under division 1359
(J) of this section. 1360

If the combined question is approved, the existing tax 1361
levied under section 5705.194 of the Revised Code may not be 1362
levied for the first tax year the renewal tax is levied or any 1363
following tax year. 1364

(2) In its resolution to be submitted to the tax 1365
commissioner and county auditor, the board of education shall 1366
include, in addition to the applicable requirements of division 1367
(A) of this section, a declaration of the necessity for the 1368
renewal of the property tax levied under section 5705.194 of the 1369
Revised Code, the purpose of the tax as specified under that 1370
section, and the necessity of the submission of the question of 1371
the renewal of the school district income tax and both property 1372
taxes to the electors of the district at a special election. Not 1373
later than ten days after receipt of the resolution, the county 1374
auditor shall make a separate calculation and certification with 1375
respect to the renewal tax described in division (J) (1) (c) of 1376
this section in the same manner as required by section 5705.195 1377
of the Revised Code. 1378

In its resolution adopted upon receipt of the 1379
commissioner's and county auditor's certifications, the board of 1380
education shall include, in addition to the applicable 1381
requirements of division (B) of this section, a declaration that 1382
the amount of taxes that can be raised by all tax levies the 1383

district is authorized to impose, when combined with state and 1384
federal revenues, will be insufficient to provide an adequate 1385
amount for the present and future requirements of the school 1386
district, and that it is therefore necessary to renew the 1387
existing property tax being levied in excess of the ten-mill 1388
limitation under section 5705.194 of the Revised Code for the 1389
purpose ~~as specified in that section~~ of current operating 1390
expenses, for a specified number of years not exceeding ten or 1391
for a continuing period of time, and that the question of the 1392
renewal of the school district income tax and of both property 1393
taxes shall be submitted to the electors of the school district 1394
at a special election as described in division (B) of this 1395
section. With respect to the renewal tax described in division 1396
(J) (1) (c) of this section, the resolution shall specify the 1397
amount of money it is necessary to raise for the specified 1398
purpose for each calendar year the millage is to be imposed, the 1399
tax year that tax is to be first levied, and the estimated rate 1400
of that tax, expressed in dollars for each one hundred thousand 1401
dollars of the county auditor's appraised value as well as in 1402
mills for each one dollar of taxable value, as certified by the 1403
county auditor. 1404

(3) In addition to the requirements of division (C) of 1405
this section, the notice of election shall separately state, 1406
with respect to the renewal tax described in division (J) (1) (c) 1407
of this section, the annual proceeds of the proposed levy for 1408
the specified purpose; the number of years the proposed tax will 1409
be levied, or that it shall be levied for a continuing period of 1410
time; and the estimated rate of the proposed levy, expressed in 1411
dollars for each one hundred thousand dollars of the county 1412
auditor's appraised value as well as in mills for each one 1413
dollar of taxable value, as certified by the county auditor. 1414

(4) The form of the ballot on a question submitted to the electors under division (J) of this section shall be identical to the form of the ballot prescribed in division (I) of this section, except that the following shall be added after the third paragraph and in place of the voting box: "(3) Impose a property tax levy renewing an existing levy outside of the ten-mill limitation for the purpose of _____ (~~here insert purpose of levy as specified in section 5705.194 of the Revised Code and determined by the board of education~~) current operating expenses in the sum of \$ _____ (here insert annual amount the levy is to produce), estimated by the county auditor to average _____ mills for each \$1 of taxable value, which amounts to \$ _____ for each \$100,000 of the county auditor's appraised value, for _____ (state the number of years the tax is to be imposed or that it will be imposed for a continuing period of time), commencing in _____ (first year the tax is to be levied), first due in calendar year _____ (first calendar year in which the tax shall be due)?"

	FOR THE INCOME TAX AND PROPERTY TAXES	
	AGAINST THE INCOME TAX AND PROPERTY TAXES	"

If the existing property tax being levied under section 5705.194 of the Revised Code is scheduled to expire in a tax year different from that of the existing property tax being levied under this section, the form of the ballot shall be modified by adding the following statement at the end of the paragraph prescribed in this division: "If approved, any remaining tax years on the existing levy will not be levied after tax year _____ (last tax year the tax will be levied), last due in _____ (last calendar year in which the tax shall

be due)." 1443

(5) If a majority of the electors voting on the question 1444
submitted under division (J) of this section vote in favor of 1445
it, the board of education of the school district may, in 1446
addition to any other authorization in the Revised Code and 1447
prior to the time when the first tax collection from the renewal 1448
tax levy can be made, anticipate a fraction of the proceeds of 1449
the renewal levy described in division (J)(1)(c) of this section 1450
and issue anticipation notes in an amount not exceeding the 1451
total estimated proceeds of the levy to be collected during the 1452
first year of the levy. Any such anticipation notes shall be 1453
issued as provided in section 133.24 of the Revised Code, shall 1454
have principal payments during each year after the year of their 1455
issuance over a period not to exceed five years, and may have a 1456
principal payment in the year of their issuance. 1457

(K) The question of a renewal levy under division (I) or 1458
(J) of this section shall not be placed on the ballot unless the 1459
question is submitted on a date on which a special election may 1460
be held under section 3501.01 of the Revised Code, except for 1461
the first Tuesday after the first Monday in August, during the 1462
last year the existing property tax levy described in division 1463
(J)(1)(b) of this section may be extended on the real and public 1464
utility property tax list and duplicate, or at any election held 1465
in the ensuing year. 1466

The failure by the electors to approve the question of a 1467
renewal levy under division (I) or (J) of this section does not 1468
terminate the authority previously granted by the electors to 1469
levy the taxes proposed to be renewed for their previously 1470
approved duration. 1471

(L) If the electors of the school district approve a 1472

question under this section, the board of education of the 1473
school district may propose to renew any of the existing taxes 1474
as individual ballot questions in accordance with section 1475
5748.02 of the Revised Code, for the school district income tax, 1476
or section 5705.194 of the Revised Code, for the property tax or 1477
taxes." 1478

In line 240, delete "and" and insert ", 323.32, 5705.192, 5705.194, 1479
5705.197, 5705.199,"; after "5705.314" insert ", 5709.92, and 5748.09" 1480

After line 248, insert: 1481

"(C) The amendment by this act of sections 5705.194 and 1482
5705.197 of the Revised Code applies to elections held on or 1483
after January 1, 2026." 1484

The motion was _____ agreed to.

SYNOPSIS 1485

Income tax inclusion in floor computation 1486

R.C. 319.301(E) (1) 1487

Removes a provision in the Introduced bill that required 1488
current expense school district income taxes, converted to 1489
property tax millage, from being included computation of the 1490
district's 20-mill floor. 1491

Application of 20-mill floor to additional floor millage 1492

R.C. 319.301(E) (4) 1493

Clarifies that, when a school district on the 20-mill 1494
floor levies additional current expense millage or additional 1495

millage is otherwise added to the floor (as proposed by the 1496
bill), then, for the first tax year it is levied or added, the 1497
tax reduction factor must be computed as through the new millage 1498
is added to the millage floor, i.e., 20 mills. 1499

Emergency levy name and purpose 1500

R.C. 5705.194 and 5705.197; Section 3(C) 1501

Changes the purpose of a school district emergency levy 1502
from providing for the district's emergency requirements or 1503
avoiding an operating deficit to pay the district's current 1504
expenses. 1505

Disallows renewal of current emergency levies. 1506

Labels these levies as "fixed-sum levies" in ballot 1507
language, reflecting that they raise a set amount of money and 1508
are not imposed at a fixed rate. 1509

Substitute levies 1510

R.C. 5705.199 1511

Disallows school districts from submitting new substitute 1512
levies to voters for approval. These levies are substitute for 1513
an existing emergency levy and raise a fixed sum in their first 1514
year, then that sum grows each year as new real property is 1515
added to the tax base. 1516

Inside millage shifting clarification 1517

R.C. 5705.314 1518

Retains a prohibition on a school board shifting the 1519
purpose of its inside millage to increase its overall property 1520
tax collections due to the operation of a millage floor, but 1521
clarifies that the board must still have a meeting before 1522

increasing its collections by any other change to inside	1523
millage, such as levying additional inside millage.	1524