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H.B. 17
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 17's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Rep. Lorenz

Local Impact Statement Procedure Required: Yes

Craig Kerr, Senior Economist

Highlights

- The bill requires the Tax Commissioner to classify a “storage condominium,” which is defined in the bill, as residential real property rather than commercial real property. Statewide property tax losses for applicable taxing districts could plausibly equal hundreds of thousands of dollars per year.

Detailed Analysis

The bill requires the Tax Commissioner to classify a “storage condominium,” which is defined in the bill, as residential real property rather than commercial real property. The applicable properties must be owned by individuals, not businesses, and the property must be dedicated to the storage of a vehicle or household items.

If reclassification results from the bill, it will change the effective property tax rates applied to such storage condominiums from class 2 (commercial) to class 1 (residential) rates. Out of the state’s 4,460 taxing districts, 4,380 or 98% currently have a class 1 effective property tax rate that is lower than its class 2 rate. The effect of the bill would therefore be to lower property tax collections for those political subdivisions where storage condominiums are located.

For example, LBO identified one such storage condominium complex in Powell, [Horsepower Farms](#), with units owned by individuals. Information from the Delaware County Auditor website indicates that units owned by individuals are taxed as commercial property. If these individual-owned units at Horsepower Farms were instead taxed as class 1 rather than class 2 properties, the reduction in tax year (TY) 2024 collections would have been approximately \$36,000 for these properties alone. Additionally, the lower tax rate may incentivize businesses who own storage condominiums to change ownership to one or more individuals. If all units at Horsepower Farms were individual-owned in TY 2024, the tax loss would have been approximately \$45,000.

April 29, 2025

LBO identified multiple other storage condominiums that were owned by individuals as well as multiple locations where new condominiums were being constructed.¹ The number of units, value of applicable property, and difference in rate of taxation across classes varies by location. However, if the case of Horsepower Farms is representative of a typical storage condominium, it is not unreasonable to expect the statewide loss in property tax collections due to the bill to be in the hundreds of thousands of dollars per year, particularly once the market matures and units under construction are sold to individual owners.

This analysis assumes that all storage condominiums are currently treated as class 1 properties. However, LBO did find one group of condominiums that were categorized as residential according to the Union County Auditor's website.² Tax losses will be lower than projected here if other storage condominiums are also currently treated as class 1 property.

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¹ [Torque Motor Suites](#) is currently constructing units at two locations in Hamilton County.

² [Executive Storage Estates](#) sells individual storage condominiums in Plain City (Union County). According to the [Union County Auditor's website](#), all parcels matching the address of Executive Storage Estates are currently treated as residential property.