

As Introduced

136th General Assembly

Regular Session

2025-2026

H. B. No. 40

Representatives Richardson, Dovilla

**Cosponsors: Representatives Fischer, Miller, J., Brennan, Robb Blasdel, Hall, T.,
Williams, Lorenz, Deeter, Schmidt, Hiner, Daniels, Thomas, C., Lampton,
Klopfenstein, Willis, Click**

A BILL

To amend sections 323.152 and 4503.065 of the
Revised Code to increase the enhanced homestead
exemption for certain disabled veterans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 323.152 and 4503.065 of the
Revised Code be amended to read as follows:

Sec. 323.152. In addition to the reduction in taxes
required under section 319.302 of the Revised Code, taxes shall
be reduced as provided in divisions (A) and (B) of this section.

(A) (1) (a) Division (A) (1) of this section applies to any
of the following persons:

- (i) A person who is permanently and totally disabled;
- (ii) A person who is sixty-five years of age or older;
- (iii) A person who is the surviving spouse of a deceased
person who was permanently and totally disabled or sixty-five
years of age or older and who applied and qualified for a

reduction in taxes under this division in the year of death, 16
provided the surviving spouse is at least fifty-nine but not 17
sixty-five or more years of age on the date the deceased spouse 18
dies. 19

(b) Real property taxes on a homestead owned and occupied, 20
or a homestead in a housing cooperative occupied, by a person to 21
whom division (A) (1) of this section applies shall be reduced 22
for each year for which an application for the reduction has 23
been approved. The reduction shall equal one of the following 24
amounts, as applicable to the person: 25

(i) If the person received a reduction under division (A) 26
(1) of this section for tax year 2006, the greater of the 27
reduction for that tax year or the amount computed under 28
division (A) (1) (c) of this section; 29

(ii) If the person received, for any homestead, a 30
reduction under division (A) (1) of this section for tax year 31
2013 or under division (A) of section 4503.065 of the Revised 32
Code for tax year 2014 or the person is the surviving spouse of 33
such a person and the surviving spouse is at least fifty-nine 34
years of age on the date the deceased spouse dies, the amount 35
computed under division (A) (1) (c) of this section. 36

(iii) If the person is not described in division (A) (1) (b) 37
(i) or (ii) of this section and the person's total income does 38
not exceed thirty thousand dollars, as adjusted under division 39
(A) (1) (d) of this section, the amount computed under division 40
(A) (1) (c) of this section. 41

(c) The amount of the reduction under division (A) (1) (c) 42
of this section equals the product of the following: 43

(i) Twenty-five thousand dollars of the true value of the 44

property in money, as adjusted under division (A) (1) (d) of this 45
section; 46

(ii) The assessment percentage established by the tax 47
commissioner under division (B) of section 5715.01 of the 48
Revised Code, not to exceed thirty-five per cent; 49

(iii) The effective tax rate used to calculate the taxes 50
charged against the property for the current year, where 51
"effective tax rate" is defined as in section 323.08 of the 52
Revised Code; 53

(iv) The quantity equal to one minus the sum of the 54
percentage reductions in taxes received by the property for the 55
current tax year under section 319.302 of the Revised Code and 56
division (B) of section 323.152 of the Revised Code. 57

(d) The tax commissioner shall adjust the total income 58
~~threshold-thresholds~~ described in ~~division-divisions~~ (A) (1) (b) 59
(iii) and (A) (2) and the reduction amounts described in 60
divisions (A) (1) (c) (i), (A) (2), and (A) (3) of this section by 61
completing the following calculations in September of each year: 62

(i) Determine the percentage increase in the gross 63
domestic product deflator determined by the bureau of economic 64
analysis of the United States department of commerce from the 65
first day of January of the preceding calendar year to the last 66
day of December of the preceding calendar year; 67

(ii) Multiply that percentage increase by the total income 68
threshold or reduction amount for the current tax year, as 69
applicable; 70

(iii) Add the resulting product to the total income 71
threshold or the reduction amount, as applicable, for the 72
current tax year; 73

(iv) Round the resulting sum to the nearest multiple of 74
one hundred dollars. 75

The commissioner shall certify the amount resulting from 76
each adjustment to each county auditor not later than the first 77
day of December each year. The certified total income threshold 78
~~amount applies~~ amounts apply to the following tax year for 79
persons described in division (A) (1) (b) (iii) or (A) (2) of this 80
section. The certified reduction amount applies to the following 81
tax year. The commissioner shall not make the applicable 82
adjustment in any calendar year in which the amount resulting 83
from the adjustment would be less than the total income 84
threshold or the reduction amount for the current tax year. 85

(2) (a) Real property taxes on a homestead owned and 86
occupied, or a homestead in a housing cooperative occupied, by a 87
disabled veteran shall be reduced for each year for which an 88
application for the reduction has been approved. ~~The~~ For a 89
disabled veteran whose total income exceeds one hundred twenty- 90
five thousand dollars, as adjusted under division (A) (1) (d) of 91
this section, the reduction shall equal the product obtained by 92
multiplying fifty thousand dollars of the true value of the 93
property in money, as adjusted under division (A) (1) (d) of this 94
section, by the amounts described in divisions (A) (1) (c) (ii) to 95
(iv) of this section. For a disabled veteran whose total income 96
does not exceed one hundred twenty-five thousand dollars, as 97
adjusted under division (A) (1) (d) of this section, the reduction 98
shall equal the product obtained by multiplying one hundred 99
thousand dollars of the true value of the property in money, as 100
adjusted under division (A) (1) (d) of this section, by the 101
amounts described in divisions (A) (1) (c) (ii) to (iv) of this 102
section. The reduction is in lieu of any reduction under section 103
323.158 of the Revised Code or division (A) (1), (2) (b), or (3) 104

of this section. The reduction applies to only one homestead 105
owned and occupied by a disabled veteran. 106

(b) Real property taxes on a homestead owned and occupied, 107
or a homestead in a housing cooperative occupied, by the 108
surviving spouse of a disabled veteran shall be reduced for each 109
year an application for exemption is approved. The reduction 110
shall equal to the amount of the reduction authorized under 111
division (A) (2) (a) of this section, except that the amount shall 112
be determined based on the total income of the surviving spouse. 113

The reduction is in lieu of any reduction under section 114
323.158 of the Revised Code or division (A) (1), (2) (a), or (3) 115
of this section. The reduction applies to only one homestead 116
owned and occupied by the surviving spouse of a disabled 117
veteran. A homestead qualifies for a reduction in taxes under 118
division (A) (2) (b) of this section beginning in one of the 119
following tax years: 120

(i) For a surviving spouse described in division (L) (1) of 121
section 323.151 of the Revised Code, the year the disabled 122
veteran dies; 123

(ii) For a surviving spouse described in division (L) (2) 124
of section 323.151 of the Revised Code, the first year on the 125
first day of January of which the total disability rating 126
described in division (F) of that section has been received for 127
the deceased spouse. 128

In either case, the reduction shall continue through the 129
tax year in which the surviving spouse dies or remarries. 130

(3) Real property taxes on a homestead owned and occupied, 131
or a homestead in a housing cooperative occupied, by the 132
surviving spouse of a public service officer killed in the line 133

of duty shall be reduced for each year for which an application 134
for the reduction has been approved. The reduction shall equal 135
the product obtained by multiplying fifty thousand dollars of 136
the true value of the property in money, as adjusted under 137
division (A) (1) (d) of this section, by the amounts described in 138
divisions (A) (1) (c) (ii) to (iv) of this section. The reduction 139
is in lieu of any reduction under section 323.158 of the Revised 140
Code or division (A) (1) or (2) of this section. The reduction 141
applies to only one homestead owned and occupied by such a 142
surviving spouse. A homestead qualifies for a reduction in taxes 143
under division (A) (3) of this section for the tax year in which 144
the public service officer dies through the tax year in which 145
the surviving spouse dies or remarries. 146

(B) To provide a partial exemption, real property taxes on 147
any homestead, and manufactured home taxes on any manufactured 148
or mobile home on which a manufactured home tax is assessed 149
pursuant to division (D) (2) of section 4503.06 of the Revised 150
Code, shall be reduced for each year for which an application 151
for the reduction has been approved. The amount of the reduction 152
shall equal two and one-half per cent of the amount of taxes to 153
be levied by qualifying levies on the homestead or the 154
manufactured or mobile home after applying section 319.301 of 155
the Revised Code. For the purposes of this division, "qualifying 156
levy" has the same meaning as in section 319.302 of the Revised 157
Code. 158

(C) The reductions granted by this section do not apply to 159
special assessments or respread of assessments levied against 160
the homestead, and if there is a transfer of ownership 161
subsequent to the filing of an application for a reduction in 162
taxes, such reductions are not forfeited for such year by virtue 163
of such transfer. 164

(D) The reductions in taxable value referred to in this 165
section shall be applied solely as a factor for the purpose of 166
computing the reduction of taxes under this section and shall 167
not affect the total value of property in any subdivision or 168
taxing district as listed and assessed for taxation on the tax 169
lists and duplicates, or any direct or indirect limitations on 170
indebtedness of a subdivision or taxing district. If after 171
application of sections 5705.31 and 5705.32 of the Revised Code, 172
including the allocation of all levies within the ten-mill 173
limitation to debt charges to the extent therein provided, there 174
would be insufficient funds for payment of debt charges not 175
provided for by levies in excess of the ten-mill limitation, the 176
reduction of taxes provided for in sections 323.151 to 323.159 177
of the Revised Code shall be proportionately adjusted to the 178
extent necessary to provide such funds from levies within the 179
ten-mill limitation. 180

(E) No reduction shall be made on the taxes due on the 181
homestead of any person convicted of violating division (D) or 182
(E) of section 323.153 of the Revised Code for a period of three 183
years following the conviction. 184

Sec. 4503.065. (A) (1) Division (A) of this section applies 185
to any of the following persons: 186

(a) An individual who is permanently and totally disabled; 187

(b) An individual who is sixty-five years of age or older; 188

(c) An individual who is the surviving spouse of a 189
deceased person who was permanently and totally disabled or 190
sixty-five years of age or older and who applied and qualified 191
for a reduction in assessable value under this section in the 192
year of death, provided the surviving spouse is at least fifty- 193

nine but not sixty-five or more years of age on the date the
deceased spouse dies.

(2) The manufactured home tax on a manufactured or mobile
home that is paid pursuant to division (C) of section 4503.06 of
the Revised Code and that is owned and occupied as a home by an
individual whose domicile is in this state and to whom this
section applies, shall be reduced for any tax year for which an
application for such reduction has been approved, provided the
individual did not acquire ownership from a person, other than
the individual's spouse, related by consanguinity or affinity
for the purpose of qualifying for the reduction. An owner
includes a settlor of a revocable or irrevocable inter vivos
trust holding the title to a manufactured or mobile home
occupied by the settlor as of right under the trust.

(a) For manufactured and mobile homes for which the tax
imposed by section 4503.06 of the Revised Code is computed under
division (D)(2) of that section, the reduction shall equal one
of the following amounts, as applicable to the person:

(i) If the person received a reduction under this section
for tax year 2007, the greater of the reduction for that tax
year or the amount computed under division (A)(2)(b) of this
section;

(ii) If the person received, for any homestead, a
reduction under division (A) of this section for tax year 2014
or under division (A)(1) of section 323.152 of the Revised Code
for tax year 2013 or the person is the surviving spouse of such
a person and the surviving spouse is at least fifty-nine years
of age on the date the deceased spouse dies, the amount computed
under division (A)(2)(b) of this section.

(iii) If the person is not described in division (A) (2) (a) 223
(i) or (ii) of this section and the person's total income does 224
not exceed thirty thousand dollars, as adjusted under division 225
(A) (2) (e) of this section, the amount computed under division 226
(A) (2) (b) of this section. 227

(b) The amount of the reduction under division (A) (2) (b) 228
of this section equals the product of the following: 229

(i) Twenty-five thousand dollars of the true value of the 230
property in money, as adjusted under division (A) (2) (e) of this 231
section; 232

(ii) The assessment percentage established by the tax 233
commissioner under division (B) of section 5715.01 of the 234
Revised Code, not to exceed thirty-five per cent; 235

(iii) The effective tax rate used to calculate the taxes 236
charged against the property for the current year, where 237
"effective tax rate" is defined as in section 323.08 of the 238
Revised Code; 239

(iv) The quantity equal to one minus the sum of the 240
percentage reductions in taxes received by the property for the 241
current tax year under section 319.302 of the Revised Code and 242
division (B) of section 323.152 of the Revised Code. 243

(c) For manufactured and mobile homes for which the tax 244
imposed by section 4503.06 of the Revised Code is computed under 245
division (D) (1) of that section, the reduction shall equal one 246
of the following amounts, as applicable to the person: 247

(i) If the person received a reduction under this section 248
for tax year 2007, the greater of the reduction for that tax 249
year or the amount computed under division (A) (2) (d) of this 250
section; 251

(ii) If the person received, for any homestead, a 252
reduction under division (A) of this section for tax year 2014 253
or under division (A) (1) of section 323.152 of the Revised Code 254
for tax year 2013 or the person is the surviving spouse of such 255
a person and the surviving spouse is at least fifty-nine years 256
of age on the date the deceased spouse dies, the amount computed 257
under division (A) (2) (d) of this section. 258

(iii) If the person is not described in division (A) (2) (c) 259
(i) or (ii) of this section and the person's total income does 260
not exceed thirty thousand dollars, as adjusted under division 261
(A) (2) (e) of this section, the amount computed under division 262
(A) (2) (d) of this section. 263

(d) The amount of the reduction under division (A) (2) (d) 264
of this section equals the product of the following: 265

(i) Twenty-five thousand dollars of the cost to the owner, 266
or the market value at the time of purchase, whichever is 267
greater, as those terms are used in division (D) (1) of section 268
4503.06 of the Revised Code, and as adjusted under division (A) 269
(2) (e) of this section; 270

(ii) The percentage from the appropriate schedule in 271
division (D) (1) (b) of section 4503.06 of the Revised Code; 272

(iii) The assessment percentage of forty per cent used in 273
division (D) (1) (b) of section 4503.06 of the Revised Code; 274

(iv) The tax rate of the taxing district in which the home 275
has its situs. 276

(e) The tax commissioner shall adjust the income threshold 277
described in divisions (A) (2) (a) (iii) ~~and~~, (A) (2) (c) (iii), and 278
(B) (1) and the reduction amounts described in divisions (A) (2) 279
(b) (i), (A) (2) (d) (i), (B) (1), (B) (2), (C) (1), and (C) (2) of this 280

section by completing the following calculations in September of 281
each year: 282

(i) Determine the percentage increase in the gross 283
domestic product deflator determined by the bureau of economic 284
analysis of the United States department of commerce from the 285
first day of January of the preceding calendar year to the last 286
day of December of the preceding calendar year; 287

(ii) Multiply that percentage increase by the total income 288
threshold or reduction amount for the ensuing tax year, as 289
applicable; 290

(iii) Add the resulting product to the total income 291
threshold or reduction amount, as applicable for the ensuing tax 292
year; 293

(iv) Round the resulting sum to the nearest multiple of 294
one hundred dollars. 295

The commissioner shall certify the amount resulting from 296
each adjustment to each county auditor not later than the first 297
day of December each year. The certified amount applies to the 298
second ensuing tax year. The commissioner shall not make the 299
applicable adjustment in any calendar year in which the amount 300
resulting from the adjustment would be less than the total 301
income threshold or the reduction amount for the ensuing tax 302
year. 303

(B) (1) The manufactured home tax levied pursuant to 304
division (C) of section 4503.06 of the Revised Code on a 305
manufactured or mobile home that is owned and occupied by a 306
disabled veteran shall be reduced for any tax year for which an 307
application for such reduction has been approved, provided the 308
disabled veteran did not acquire ownership from a person, other 309

than the disabled veteran's spouse, related by consanguinity or 310
affinity for the purpose of qualifying for the reduction. An 311
owner includes an owner within the meaning of division (A) (2) of 312
this section. 313

For an owner whose total income does not exceed one 314
hundred twenty-five thousand dollars, as adjusted under division 315
(A) (2) (e) of this section, the reduction amount shall equal one 316
hundred thousand dollars, as adjusted under division (A) (2) (e) 317
of this section. For an owner whose total income exceeds one 318
hundred twenty-five thousand dollars, as adjusted under division 319
(A) (2) (e) of this section, the reduction amount shall equal 320
fifty thousand dollars, as adjusted under division (A) (2) (e) of 321
this section. The reduction shall be calculated as follows: 322

(a) For manufactured and mobile homes for which the tax 323
imposed by section 4503.06 of the Revised Code is computed under 324
division (D) (2) of that section, the reduction shall equal the 325
product obtained by multiplying ~~fifty thousand dollars~~ the 326
applicable reduction amount of the true value of the property in 327
money, as adjusted under division (A) (2) (e) of this section, by 328
the amounts described in divisions (A) (2) (b) (ii) to (iv) of this 329
section. 330

(b) For manufactured and mobile homes for which the tax 331
imposed by section 4503.06 of the Revised Code is computed under 332
division (D) (1) of that section, the reduction shall equal the 333
product obtained by multiplying ~~fifty thousand dollars~~ the 334
applicable reduction amount of the cost to the owner, or the 335
market value at the time of purchase, whichever is greater, as 336
those terms are used in division (D) (1) of section 4503.06 of 337
the Revised Code, as adjusted under division (A) (2) (e) of this 338
section, by the amounts described in divisions (A) (2) (d) (ii) to 339

(iv) of this section. 340

The reduction is in lieu of any reduction under section 341
4503.0610 of the Revised Code or division (A), (B) (2), or (C) of 342
this section. The reduction applies to only one manufactured or 343
mobile home owned and occupied by a disabled veteran. 344

(2) The manufactured home tax levied pursuant to division 345
(C) of section 4503.06 of the Revised Code on a manufactured or 346
mobile home that is owned and occupied by the surviving spouse 347
of a disabled veteran shall be reduced for each tax year for 348
which an application for such reduction has been approved. The 349
reduction shall equal the amount of the reduction authorized 350
under division (B) (1) (a) or (b) of this section, as applicable, 351
except that the amount shall be determined based on the total 352
income of the surviving spouse. An owner includes an owner 353
within the meaning of division (A) (2) of this section. 354

The reduction is in lieu of any reduction under section 355
4503.0610 of the Revised Code or division (A), (B) (1), or (C) of 356
this section. The reduction applies to only one manufactured or 357
mobile home owned and occupied by the surviving spouse of a 358
disabled veteran. A manufactured or mobile home qualifies for a 359
reduction in taxes under division (B) (2) of this section 360
beginning in one of the following tax years: 361

(a) For a surviving spouse described in division (H) (1) of 362
section 4503.064 of the Revised Code, the year the disabled 363
veteran dies; 364

(b) For a surviving spouse described in division (H) (2) of 365
section 4503.064 of the Revised Code, the first year on the 366
first day of January of which the total disability rating 367
described in division (F) of section 323.151 of the Revised Code 368

has been received for the deceased spouse. 369

In either case, the reduction shall continue through the 370
tax year in which the surviving spouse dies or remarries. 371

(C) The manufactured home tax levied pursuant to division 372
(C) of section 4503.06 of the Revised Code on a manufactured or 373
mobile home that is owned and occupied by the surviving spouse 374
of a public service officer killed in the line of duty shall be 375
reduced for any tax year for which an application for such 376
reduction has been approved, provided the surviving spouse did 377
not acquire ownership from a person, other than the surviving 378
spouse's deceased public service officer spouse, related by 379
consanguinity or affinity for the purpose of qualifying for the 380
reduction. An owner includes an owner within the meaning of 381
division (A) (2) of this section. 382

(1) For manufactured and mobile homes for which the tax 383
imposed by section 4503.06 of the Revised Code is computed under 384
division (D) (2) of that section, the reduction shall equal the 385
product obtained by multiplying fifty thousand dollars of the 386
true value of the property in money, as adjusted under division 387
(A) (2) (e) of this section, by the amounts described in divisions 388
(A) (2) (b) (ii) to (iv) of this section. 389

(2) For manufactured and mobile homes for which the tax 390
imposed by section 4503.06 of the Revised Code is computed under 391
division (D) (1) of that section, the reduction shall equal the 392
product obtained by multiplying fifty thousand dollars of the 393
cost to the owner, or the market value at the time of purchase, 394
whichever is greater, as those terms are used in division (D) (1) 395
of section 4503.06 of the Revised Code, as adjusted under 396
division (A) (2) (e) of this section, by the amounts described in 397
divisions (A) (2) (d) (ii) to (iv) of this section. 398

The reduction is in lieu of any reduction under section 399
4503.0610 of the Revised Code or division (A) or (B) of this 400
section. The reduction applies to only one manufactured or 401
mobile home owned and occupied by such a surviving spouse. A 402
manufactured or mobile home qualifies for a reduction in taxes 403
under this division for the tax year in which the public service 404
officer dies through the tax year in which the surviving spouse 405
dies or remarries. 406

(D) If the owner or the spouse of the owner of a 407
manufactured or mobile home is eligible for a homestead 408
exemption on the land upon which the home is located, the 409
reduction to which the owner or spouse is entitled under this 410
section shall not exceed the difference between the reduction to 411
which the owner or spouse is entitled under division (A), (B), 412
or (C) of this section and the amount of the reduction under the 413
homestead exemption. 414

(E) No reduction shall be made with respect to the home of 415
any person convicted of violating division (C) or (D) of section 416
4503.066 of the Revised Code for a period of three years 417
following the conviction. 418

Section 2. That existing sections 323.152 and 4503.065 of 419
the Revised Code are hereby repealed. 420

Section 3. The amendment by this act of section 323.152 of 421
the Revised Code applies to tax year 2025 and every tax year 422
thereafter. The amendment by this act of section 4503.065 of the 423
Revised Code applies to tax year 2026 and every tax year 424
thereafter. 425

Section 4. The General Assembly, applying the principle 426
stated in division (B) of section 1.52 of the Revised Code that 427

amendments are to be harmonized if reasonably capable of 428
simultaneous operation, finds that the following sections, 429
presented in this act as composites of the sections as amended 430
by the acts indicated, are the resulting versions of the 431
sections in effect prior to the effective date of the sections 432
as presented in this act: 433

Section 323.152 of the Revised Code amended by both H.B. 434
33 and S.B. 43 of the 135th General Assembly. 435

Section 4503.065 of the Revised Code amended by both H.B. 436
33 and S.B. 43 of the 135th General Assembly. 437