

**As Introduced**

**136th General Assembly**

**Regular Session**

**2025-2026**

**H. B. No. 421**

**Representatives Click, Thomas, D.**

**Cosponsors: Representatives Newman, Willis, Gross, Workman, Hiner, Deeter**

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To enact sections 5705.262 and 5705.263 of the  
Revised Code to allow electors to reduce unvoted  
property taxes by initiative and to name this  
act the Taxpayers Freedom Trilogy - Act Two:  
Arresting Inside Millage.

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

**Section 1.** That sections 5705.262 and 5705.263 of the  
Revised Code be enacted to read as follows:

**Sec. 5705.262.** (A) (1) The electors of a subdivision or  
other taxing unit may initiate the reduction of a rate of levy  
of the subdivision or other taxing unit within the ten-mill  
limitation by filing a petition with the board of elections of  
the county in which the subdivision or other taxing unit is  
located. If the subdivision or other taxing unit has territory  
in more than one county, the petition shall be filed with the  
board of elections of the county in which the most populous  
portion of the subdivision or other taxing unit is located.

(2) The petition shall be on a form prescribed by the  
secretary of state, shall state the amount of the proposed  
reduction of the rate of levy, shall include a written argument

in favor of the proposed reduction that does not exceed three 20  
hundred words, shall designate a committee of between three and 21  
five electors to represent the petitioners, and shall be signed 22  
by qualified electors of the subdivision or other taxing unit 23  
equal in number to at least fifteen per cent of the total number 24  
of votes cast in the subdivision or other taxing unit for the 25  
office of governor at the most recent general election for that 26  
office. 27

(3) Immediately upon the filing of the petition, the board 28  
shall notify the taxing authority. During the period beginning 29  
on the day the petition is filed with the board and ending on 30  
the day the board certifies the results of the election on the 31  
question of the reduction, neither the taxing authority nor the 32  
county budget commission may change the rate of the levy. If the 33  
petition is determined to be insufficient or invalid, the 34  
restriction described in this division ceases to apply to the 35  
taxing authority and county budget commission. 36

(4) If the board determines that the petition is 37  
sufficient and valid, the question shall be submitted to the 38  
electors of the subdivision or other taxing unit for their 39  
approval or rejection at the next general election held at least 40  
one hundred twenty days after the petition is filed with the 41  
board. 42

(B) The board of elections shall do both of the following 43  
at least ninety days before the day of the election at which a 44  
question is submitted to the electors under this section: 45

(1) Request that the county auditor certify to the board, 46  
in the same manner as required for a tax levy under section 47  
5705.03 of the Revised Code, an estimate of the levy's annual 48  
collections and the levy's rate in both the last year before the 49

proposed reduction and the first year that the reduction 50  
applies, stated in dollars, rounded to the nearest dollar, for 51  
each one hundred thousand dollars of the county auditor's 52  
appraised value. If the subdivision or other taxing unit is 53  
located in more than one county, the county auditor shall obtain 54  
from the county auditor of each other county in which the 55  
subdivision or other taxing unit is located the tax valuation 56  
applicable to the portion of the subdivision or other taxing 57  
unit in that county. The county auditor shall certify that 58  
information to the board of elections within ten days after 59  
receiving the board's request. 60

(2) Request that the taxing authority of the affected 61  
subdivision or other taxing unit provide a written argument in 62  
opposition to the proposed reduction that does not exceed three 63  
hundred words. The taxing authority shall file the argument with 64  
the board of elections at least eighty days before the day of 65  
the election. If the taxing authority fails to prepare and file 66  
the argument by that date, the board of elections shall prepare 67  
the argument or shall designate a group of persons to prepare 68  
the argument and file it with the board not later than the 69  
seventy-fifth day before the day of the election. 70

(C) (1) The board of elections shall publish notice of the 71  
election in a newspaper of general circulation in the 72  
subdivision or other taxing unit once a week for two consecutive 73  
weeks before the election, or as provided in section 7.16 of the 74  
Revised Code. The board of elections of each county in which the 75  
subdivision or other taxing unit has territory, if it operates 76  
and maintains a web site, shall post notice of the election on 77  
its web site for thirty days before the election. The notice 78  
shall state the time and place of the election and shall include 79  
all of the following: 80

<u>(a) The purpose of the levy proposed to be reduced;</u>	81
<u>(b) The levy's estimated annual collections;</u>	82
<u>(c) The amount of the proposed reduction in rate,</u>	83
<u>expressed in mills for each one dollar of taxable value;</u>	84
<u>(d) The rate of the levy in the year before the proposed</u>	85
<u>reduction and the first year that the reduction applies, both</u>	86
<u>expressed in dollars for each one hundred thousand dollars of</u>	87
<u>the county auditor's appraised value;</u>	88
<u>(e) The arguments filed in support of and in opposition to</u>	89
<u>the reduction.</u>	90
<u>(2) The form of the ballot shall include all of the</u>	91
<u>information described in divisions (C) (1) (a) to (e) of this</u>	92
<u>section.</u>	93
<u>(D) (1) If the question is approved by a majority of the</u>	94
<u>electors voting on it, both of the following apply:</u>	95
<u>(a) Except as otherwise provided in division (D) (2) of</u>	96
<u>this section, beginning on the first day of January following</u>	97
<u>the election, the taxing authority of the subdivision or other</u>	98
<u>taxing unit shall levy the tax upon the tax list of the</u>	99
<u>subdivision or other taxing unit at the reduced rate specified</u>	100
<u>by the petition.</u>	101
<u>(b) The taxing authority may increase the rate of the levy</u>	102
<u>only in accordance with section 5705.263 of the Revised Code.</u>	103
<u>(2) Notwithstanding any contrary provision of this</u>	104
<u>section, if the proceeds of the levy are used to pay debt</u>	105
<u>service, the taxing authority shall continue to levy and collect</u>	106
<u>amounts sufficient to pay the principal of and interest on those</u>	107
<u>debt charges as they fall due.</u>	108

(E) Notwithstanding any other law to the contrary, a 109  
county budget commission shall not reallocate mills reduced 110  
pursuant to this section to any other subdivision or taxing 111  
unit, unless and until electors approve a question submitted 112  
under section 5705.263 of the Revised Code. 113

**Sec. 5705.263.** (A) The taxing authority of a subdivision 114  
or other taxing unit, with the affirmative vote of at least two- 115  
thirds of its members, may adopt a resolution proposing to 116  
increase the rate of a tax within the ten-mill limitation by not 117  
more than the extent to which that rate was reduced under 118  
section 5705.262 of the Revised Code. The resolution shall state 119  
the amount and purpose of the proposed increase and shall 120  
include a written argument in favor of the increase that does 121  
not exceed three hundred words. The resolution shall go into 122  
immediate effect upon its passage, and no publication of the 123  
resolution is necessary other than that provided for in the 124  
notice of election. The taxing authority shall certify the 125  
resolution to the board of elections of the county in which the 126  
subdivision or other taxing unit is located or, if the 127  
subdivision or other taxing unit has territory in more than one 128  
county, to the board of elections of the county in which the 129  
most populous portion of the subdivision or other taxing unit is 130  
located. If the board determines that the resolution is 131  
sufficient and valid, the question shall be submitted to the 132  
electors of the subdivision or other taxing unit for their 133  
approval or rejection at the next general election held at least 134  
ninety days after the taxing authority certifies the resolution 135  
to the board. 136

(B) Upon determining that the certification of the 137  
resolution is valid, the board shall do both of the following: 138

(1) Request that the county auditor certify to the board, 139  
in the same manner as required for a tax levy under section 140  
5705.03 of the Revised Code, an estimate of the levy's annual 141  
collections and the levy's rate in both the last year before the 142  
proposed increase and the first year that the increase applies, 143  
stated in dollars, rounded to the nearest dollar, for each one 144  
hundred thousand dollars of the county auditor's appraised 145  
value. If the subdivision or other taxing unit is located in 146  
more than one county, the county auditor shall obtain from the 147  
county auditor of each other county in which the subdivision or 148  
other taxing unit is located the tax valuation applicable to the 149  
portion of the subdivision or other taxing unit in that county. 150  
The county auditor shall certify that information to the board 151  
of elections within ten days after receiving the board's 152  
request. 153

(2) Request that the committee representing the 154  
petitioners who most recently placed a rate reduction proposal 155  
on the ballot with respect to the levy that was approved by the 156  
electors under section 5705.262 of the Revised Code provide a 157  
written argument in opposition to the proposed increase that 158  
does not exceed three hundred words. The committee shall file 159  
the argument with the board of elections at least eighty days 160  
before the day of the election. If the committee fails to 161  
prepare and file the argument by that date, the board of 162  
elections shall prepare the argument or shall designate a group 163  
of persons to prepare the argument and file it with the board 164  
not later than the seventy-fifth day before the day of the 165  
election. 166

(C) (1) The board of elections shall publish notice of the 167  
election in a newspaper of general circulation in the 168  
subdivision or other taxing unit once a week for two consecutive 169

weeks before the election, or as provided in section 7.16 of the 170  
Revised Code. The board of elections of each county in which the 171  
subdivision or other taxing unit has territory, if it operates 172  
and maintains a web site, shall post notice of the election on 173  
its web site for thirty days before the election. The notice 174  
shall state the time and place of the election and shall include 175  
all of the following: 176

(a) The purpose of the levy proposed to be increased; 177

(b) The levy's estimated annual collections; 178

(c) The amount of the proposed increase in rate, expressed 179  
in mills for each one dollar of taxable value; 180

(d) The rate of the levy in the year before the proposed 181  
increase and the first year that the increase applies, both 182  
expressed in dollars for each one hundred thousand dollars of 183  
the county auditor's appraised value; 184

(e) The arguments filed in support of and in opposition to 185  
the increase. 186

(2) The form of the ballot shall include all of the 187  
information described in divisions (C)(1)(a) to (e) of this 188  
section. 189

(D) If the question is approved by a majority of the 190  
electors voting on it, then beginning on the first day of 191  
January following the election, the taxing authority shall levy 192  
the tax at the increased rate and division (E) of section 193  
5705.262 of the Revised Code no longer applies to that levy. 194

**Section 2.** This act shall be known as the Taxpayers 195  
Freedom Trilogy - Act Two: Arresting Inside Millage. 196