

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

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