

Sub. H. B. No. 96  
As Passed by the Senate  
TAXCD110

\_\_\_\_\_ moved to amend as follows:

In line 56408, delete "solely"; after "5705.316" insert "or 5705.32" 1  
In line 125088, strike through the comma 2  
In line 125089, strike through the first "in" and insert "any of the 3  
following:" 4  
(1) In" 5  
In line 125122, strike through ""Taxing authority"" 6  
In line 125123, strike through "also means the" and insert: 7  
"(2) The" 8  
After line 125129, insert: 9  
"(3) The governing body responsible for levying a tax for any taxing 10  
unit for which a taxing authority is not defined pursuant to division (C) 11  
(1) or (2) of this section." 12  
After line 128629, insert: 13  
"(E) Any health district created under Chapter 3709. of the Revised 14  
Code that does not file an estimate of contemplated revenue and 15  
expenditures for the ensuing fiscal year pursuant to division (C) of this 16

section shall adopt a tax budget on its own behalf pursuant to division 17  
(A) of this section." 18

In line 128661, after "year" insert ", including a statement of 19  
estimated expenses to the end of that fiscal year," 20

In line 128696, strike through "(E) (1)" and insert "(E) If the 21  
taxing unit estimates that it will collect more revenue in the succeeding 22  
fiscal year than in the current fiscal year from any tax levied within the 23  
ten-mill limitation or due to the operation of division (E) of section 24  
319.301 of the Revised Code, a declaration of the taxing unit's intent to 25  
collect the additional revenue or to forgo all or a portion of the 26  
additional revenue. 27

(F) (1) " 28

In line 128715, strike through "(E) (4)" and insert "(F) (4) " 29

Delete lines 128781 through 128844 (remove R.C. 5705.31) and insert: 30

**"Sec. 5705.31.** The county auditor shall present to the 31  
 county budget commission the annual tax budgets submitted under 32  
 sections 5705.01 to 5705.47 of the Revised Code, together with 33  
 an estimate prepared by the auditor of the amount of any state 34  
 levy, the rate of any school tax levy as previously determined, 35  
 the tax commissioner's estimate of the amount to be received in 36  
 the county public library fund, the tax rates provided under 37  
 section 5705.281 of the Revised Code if adoption of the tax 38  
 budget was waived under that section, and such other information 39  
 as the commission requests or the tax commissioner prescribes. 40  
~~The~~ 41

The budget commission shall examine such budget and, if 42  
the taxing authority is a board of education that has elected to 43  
include projections pursuant to division (E) of section 5705.391 44

of the Revised Code, shall examine such projections. Using the 45  
budget and, if applicable, included projections, the budget 46  
commission shall ascertain the total amount proposed to be 47  
raised in the county for the purposes of each subdivision and 48  
other taxing units in the county and the need for those amounts. 49  
Except as otherwise provided in this section, the county budget 50  
commission may reduce the amount to be raised by any levy 51  
pursuant to section 5705.32 of the Revised Code. 52

The commission shall ascertain that the following levies 53  
have been properly authorized and, if so authorized, shall 54  
approve them without modification: 55

(A) All levies in excess of the ten-mill limitation, in 56  
the first year they are levied, unless the levy is the renewal 57  
of an existing tax or the subdivision or taxing unit requests an 58  
amount requiring a lower rate for the succeeding fiscal year. 59  
Such a request for an amount requiring a lower rate applies only 60  
to the succeeding fiscal year unless the subdivision or taxing 61  
unit expressly states that the request is permanent. 62

(B) All levies for unsatisfied debt charges ~~not provided~~ 63  
~~for by levies in excess of the ten-mill limitation,~~ including 64  
levies that remain necessary to pay notes issued for emergency 65  
purposes; 66

(C) The levies prescribed by division (B) of sections 67  
742.33 and 742.34 of the Revised Code; 68

(D) Except as otherwise provided in this division, a 69  
minimum levy within the ten-mill limitation for the current 70  
expense and debt service of each subdivision or taxing unit, 71  
which shall equal two-thirds of the average levy for current 72  
expenses and debt service allotted within the fifteen-mill 73

limitation to such subdivision or taxing unit during the last 74  
five years the fifteen-mill limitation was in effect unless such 75  
subdivision or taxing unit requests an amount requiring a lower 76  
rate. Except for the succeeding fiscal year, or if it expressed 77  
its intent to forgo collections from such a levy under division 78  
(E) of section 5705.29 of the Revised Code. Such a request for 79  
an amount requiring a lower rate applies only to the succeeding 80  
fiscal year unless the subdivision or taxing unit expressly 81  
states that the request is permanent. 82

Except as provided in section 5705.312 of the Revised 83  
Code, if the levies required in divisions (B) and (C) of this 84  
section for the subdivision or taxing unit equal or exceed the 85  
entire minimum levy of the subdivision as fixed, the minimum 86  
levies of the other subdivisions or taxing units shall be 87  
reduced by the commission to provide for the levies and an 88  
operating levy for the subdivision. Such additional levy shall 89  
be deducted from the minimum levies of each of the other 90  
subdivisions or taxing units, but the operating levy for a 91  
school district shall not be reduced below a figure equivalent 92  
to forty-five per cent of the millage available within the ten- 93  
mill limitation after all the levies in divisions (B) and (C) of 94  
this section have been provided for. 95

If a municipal corporation and a township have entered 96  
into an annexation agreement under section 709.192 of the 97  
Revised Code in which they agree to reallocate their shares of 98  
the minimum levies established under this division and if that 99  
annexation agreement is submitted along with the annual tax 100  
budget of both the township and the municipal corporation, then, 101  
when determining the minimum levy under this division, the 102  
auditor shall allocate, to the extent possible, the minimum levy 103

for that municipal corporation and township in accordance with 104  
their annexation agreement. 105

~~(E) The levies prescribed by section 3709.29 of the~~ 106  
~~Revised Code.~~ 107

Divisions (A) to ~~(E)~~(D) of this section are mandatory, and 108  
commissions shall be without discretion to reduce such minimum 109  
levies except as provided in ~~such divisions~~section 5705.316 of 110  
the Revised Code. 111

If any debt charge is omitted from the budget, the 112  
commission shall include it therein." 113

After line 128938, insert: 114

"If a taxing unit declared its intent to forgo all or a portion of 115  
collections under division (E) of section 5705.29 of the Revised Code, the 116  
commission shall adjust the rate of each levy as required to result in 117  
that reduction in collections." 118

In line 128959, after "by" insert "division (A) of this section or" 119

After line 129296, insert: 120

**"Sec. 5705.37.** The taxing authority of any subdivision, or 121  
the board of trustees of any public library, nonprofit 122  
corporation, or library association maintaining a free public 123  
library that has adopted and certified rules under section 124  
5705.28 of the Revised Code, that is dissatisfied with any 125  
action of the county budget commission may, through its fiscal 126  
officer, appeal to the board of tax appeals within thirty days 127  
after the receipt by the subdivision of the official certificate 128  
or notice of the commission's action. In like manner, but 129  
through its clerk, any park district may appeal to the board of 130  
tax appeals. An appeal under this section shall be taken by the 131

filing of a notice of appeal, either in person or by certified 132  
mail, express mail, or authorized delivery service as provided 133  
in section 5703.056 of the Revised Code, with the board and with 134  
the commission. If notice of appeal is filed by certified mail, 135  
express mail, or authorized delivery service, date of the United 136  
States postmark placed on the sender's receipt by the postal 137  
service or the date of receipt recorded by the authorized 138  
delivery service shall be treated as the date of filing. Upon 139  
receipt of the notice of appeal, the commission, by certified 140  
mail, shall notify all persons who were parties to the 141  
proceeding before the commission of the filing of the notice of 142  
appeal and shall file proof of notice with the board of tax 143  
appeals. The secretary of the commission shall forthwith certify 144  
to the board a transcript of the full and accurate record of all 145  
proceedings before the commission, together with all evidence 146  
presented in the proceedings or considered by the commission, 147  
pertaining to the action from which the appeal is taken. The 148  
secretary of the commission also shall certify to the board any 149  
additional information that the board may request. 150

The board of tax appeals, in a de novo proceeding, shall 151  
forthwith consider the matter presented to the commission, and 152  
may modify any action of the commission with reference to the 153  
budget, the estimate of revenues and balances, the allocation of 154  
the public library fund, or the fixing of tax rates. ~~The~~ If the 155  
appeal is taken in response to the fixing of tax rates through a 156  
reduction made by the county budget commission, the burden of 157  
proof is on the appellant to show the need for a different rate 158  
or amount to meet expenses in the ensuing fiscal year. 159

The finding of the board of tax appeals shall be 160  
substituted for the findings of the commission, and shall be 161

sent to the tax commissioner, the county auditor, and the taxing 162  
authority of the subdivision affected, or to the board of public 163  
library trustees affected, as the action of the commission under 164  
sections 5705.01 to 5705.47 of the Revised Code. At the request 165  
of the taxing authority, board of trustees, or park district 166  
that appealed an action of the county budget commission under 167  
this section, the findings of the board of tax appeals shall be 168  
sent by certified mail at the requestor's expense. 169

This section does not give the board of tax appeals any 170  
authority to place any tax levy authorized by law within the 171  
ten-mill limitation outside of that limitation, or to reduce any 172  
levy below any minimum fixed by law." 173

After line 129406, insert: 174

"(D) A school district may submit to the county budget commission 175  
the most recent projection prepared pursuant to this section with its tax 176  
budget as required by section 5705.28 of the Revised Code or other 177  
information as allowed by section 5705.281 of the Revised Code." 178

After line 129691, insert: 179

"Sec. 5705.60. (A) As used in this section, "qualifying 180  
fixed-sum levy" means a tax levied on property at whatever rate 181  
is required to produce a specified amount of tax money, 182  
including a tax levied under section 5705.199 of the Revised 183  
Code, but not including a tax levied in excess of the ten-mill 184  
limitation to pay debt charges. 185

(B) Each year, the tax commissioner shall determine by 186  
what amount, if any, the rate of a qualifying fixed sum levy 187  
must be changed for the levy to produce the levy's specified 188  
amount of money for the current tax year. The tax commissioner 189  
shall certify the amount determined for each fixed-sum levy to 190

the appropriate county auditor by the first day of September. 191

(C) Unless a different rate is required by section 5705.34 192  
of the Revised Code, each county auditor to whom a rate change 193  
is certified under division (B) of this section shall apply the 194  
adjusted rate for the current tax year." 195

Update the title, amend, enact, or repeal clauses accordingly 196

The motion was \_\_\_\_\_ agreed to.

#### SYNOPSIS 197

#### **Tax budgets and voluntary property tax reductions** 198

**R.C. 3317.01 (A) , 5705.01 (C) , 5705.28 (E) , 5705.29 (A) (5) and** 199  
**(E) , 5705.31, 5705.32 (A) and (B) , 5705.37, 5705.391, and 5705.60** 200

Requires a tax budget to include an estimate of expenses 201  
 through the end of the fiscal year in which it is submitted. 202

Requires a taxing unit that anticipates increased revenue 203  
 collections on inside millage due to increased valuations or 204  
 because of the 20-mill floor to state in its tax budget an 205  
 intent to collect the increased revenue or forgo all or a 206  
 portion of the increased revenue. 207

Requires the CBC to reduce levy rates accordingly if the 208  
 taxing unit opts to forgo the increased revenue and prevents a 209  
 school district from losing state funding if the request results 210  
 in the district levying total current expense levies of less 211  
 than 20 mills. 212

Allows a school district to include its most recent 213



projection of operating revenue and expenditures with its tax 214  
budget and requires the CBC that receives the projection to 215  
examine those projections when reviewing the tax budget. 216

Requires a public body that levies property taxes and that 217  
does not currently submit information to a different body for 218  
inclusion in its tax budget to submit a tax budget to a CBC on 219  
its own. 220

Requires each health district that does not file an 221  
estimate of contemplated revenue and expenditures with a taxing 222  
authority for inclusion in that taxing authority's tax budget to 223  
submit a tax budget on its own behalf. 224

**CBC levy adjustment reduction authority 225**

**R.C. 5705.31 and 5705.32 226**

With respect to certain levies that a county budget 227  
commission (CBC) is currently required to authorize without 228  
modification after confirming they are properly authorized, and 229  
which the bill already partially modifies: 230

- Allows a CBC to reduce voted levies in response to a 231  
request by the taxing unit or subdivision requests a lower rate. 232  
The bill currently allows a CBC to reduce voted levies after 233  
their first year of levy and does not treat a renewal levy as 234  
being in its first year. The amendment leaves that change in 235  
place. 236

- Provides that a request for a lower rate with respect to 237  
a voted levy applies only to the succeeding fiscal year unless 238  
specifically stated in the request. 239

- Limits mandatory approval for debt levies to those that 240  
remain necessary to pay unsatisfied debt. The bill currently 241

expands the provision's application to all debt levies, current	242
law only applies it to unvoted debt levies.	243
- Explicitly states that a request by a political	244
subdivision for a reduced rate or reduced guaranteed inside	245
millage applies only to the succeeding year unless stated	246
otherwise in the request.	247
Requires a CBC to determine the need for all amounts	248
proposed to be raised from property taxes when reviewing tax	249
budgets and other submitted information. The amendment leaves in	250
place general authority, added by the bill, to reduce levies to	251
avoid unnecessary collections.	252
<b>CBC appeals</b>	253
<b>R.C. 5705.37</b>	254
Places the burden of proof on a taxing unit to show the	255
need for additional revenue when challenging any levy reductions	256
made by the CBC before the Board of Tax Appeals (BTA).	257
<b>Fixed-sum levies</b>	258
<b>R.C. 5705.60</b>	259
Requires the Tax Commissioner to annually adjust the rate	260
of a fixed-sum levy so that it will continue to raise the sum	261
approved by voters and to certify that adjustment to county	262
auditors.	263