

Ohio House of Representatives  
House Government Accountability and Oversight Committee

House Bill 398

April 30, 2016

Chairman Brown, Vice Chairman Blessing, Ranking Member Clyde, and members of the Government Accountability and Oversight Committee.

Thank you for the opportunity to offer this letter of comment regarding HB 398. I regret that I am unable to appear.

I own Elms Farm, McVey Farms, and Elms Farm Angus Beef which have been owned by my family since 1910. This farming operation is in Highland and Clinton counties and is a corn, wheat, soybeans, hay, and Angus beef cattle operation. Earlier this year I received my county real estate tax bill which increased from 77%-98%! This kind of fixed cost tax increase is simply not sustainable. Grain prices have decreased approximately 50% and cattle prices have decreased 20-25%. Input cost continue to increase most years with some occasional slight decreases.

There has been lengthy discussions about how to value and tax farm land through the CAUV formula. Much of this discussion is irrelevant. The only thing that should matter is what the net profit per acre (and per bushel of grain) that you can generate from the land.

My real estate tax fixed cost on average is \$.62/bushel of grain raised. (It is actually over \$1.00/B for soybeans due to the yield differential). It should not be relevant as to how much money the county or schools need if you can't make a net profit from and acre of land.

If the rural agricultural community in Ohio is going to survive and prosper, these taxes must be reduced or it will cause a rural economic depression. I have had to curtail needed repair and maintenance projects this year. This adjustment needs to be implemented immediately and NOT wait for the 3 year appraisal cycle or some farms won't be around in 3 years.

In a time when people want to be paid a fair wage, what about having a fair real estate tax so farmers can earn a fair profit so they can pay for increased cost.

Thank you for allowing me the opportunity to provide these comments. You can contact me with any questions.

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