

**As Introduced**

**134th General Assembly**

**Regular Session**

**2021-2022**

**S. B. No. 140**

**Senator Schaffer**

**Cosponsors: Senators Cirino, Brenner, Romanchuk, O'Brien**



**A BILL**

To amend sections 5713.08 and 5715.27 of the  
Revised Code to modify the property tax  
exemption procedures applicable to community  
schools.

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

**Section 1.** That sections 5713.08 and 5715.27 of the  
Revised Code be amended to read as follows:

**Sec. 5713.08.** (A) The county auditor shall make a list of  
all real and personal property in the auditor's county that is  
exempted from taxation. Such list shall show the name of the  
owner, the value of the property exempted, and a statement in  
brief form of the ground on which such exemption has been  
granted. It shall be corrected annually by adding thereto the  
items of property which have been exempted during the year, and  
by striking therefrom the items which in the opinion of the  
auditor have lost their right of exemption and which have been  
reentered on the taxable list, but no property shall be struck  
from the exempt property list solely because the property has  
been conveyed to a single member limited liability company with

a nonprofit purpose from its nonprofit member or because the  
property has been conveyed by a single member limited liability  
company with a nonprofit purpose to its nonprofit member. No  
additions shall be made to such exempt lists and no additional  
items of property shall be exempted from taxation without the  
consent of the tax commissioner as is provided for in section  
5715.27 of the Revised Code or without the consent of the  
housing officer under section 3735.67 of the Revised Code,  
except for property exempted by the auditor under that section,  
~~property owned by a community school and subject to the~~  
~~exemption authorized under division (A) (1) of section 5709.07 of~~  
~~the Revised Code for tax years after the tax year for which the~~  
~~commissioner grants an application under section 5715.27 of the~~  
~~Revised Code, as described in division (I) of that section, or~~  
qualifying agricultural real property, as defined in section  
5709.28 of the Revised Code, that is enrolled in an agriculture  
security area that is exempt under that section.

The commissioner may revise at any time the list in every  
county so that no property is improperly or illegally exempted  
from taxation. The auditor shall follow the orders of the  
commissioner given under this section. An abstract of such list  
shall be filed annually with the commissioner, on a form  
approved by the commissioner, and a copy thereof shall be kept  
on file in the office of each auditor for public inspection.

An application for exemption of property shall include a  
certificate executed by the county treasurer certifying one of  
the following:

(1) That all taxes, interest, and penalties levied and  
assessed against the property sought to be exempted have been  
paid in full for all of the tax years preceding the tax year for

which the application for exemption is filed, except for such 49  
taxes, interest, and penalties that may be remitted under 50  
division (C) of this section; 51

(2) That the applicant has entered into a valid delinquent 52  
tax contract with the county treasurer pursuant to division (A) 53  
of section 323.31 of the Revised Code to pay all of the 54  
delinquent taxes, interest, and penalties charged against the 55  
property, except for such taxes, interest, and penalties that 56  
may be remitted under division (C) of this section. If the 57  
auditor receives notice under section 323.31 of the Revised Code 58  
that such a written delinquent tax contract has become void, the 59  
auditor shall strike such property from the list of exempted 60  
property and reenter such property on the taxable list. If 61  
property is removed from the exempt list because a written 62  
delinquent tax contract has become void, current taxes shall 63  
first be extended against that property on the general tax list 64  
and duplicate of real and public utility property for the tax 65  
year in which the auditor receives the notice required by 66  
division (A) of section 323.31 of the Revised Code that the 67  
delinquent tax contract has become void or, if that notice is 68  
not timely made, for the tax year in which falls the latest date 69  
by which the treasurer is required by such section to give such 70  
notice. A county auditor shall not remove from any tax list and 71  
duplicate the amount of any unpaid delinquent taxes, 72  
assessments, interest, or penalties owed on property that is 73  
placed on the exempt list pursuant to this division. 74

(3) That a tax certificate has been issued under section 75  
5721.32 or 5721.33 of the Revised Code with respect to the 76  
property that is the subject of the application, and the tax 77  
certificate is outstanding. 78

(B) If the treasurer's certificate is not included with 79  
the application or the certificate reflects unpaid taxes, 80  
penalties, and interest that may not be remitted, the tax 81  
commissioner or county auditor with whom the application was 82  
filed shall notify the property owner of that fact, and the 83  
applicant shall be given sixty days from the date that 84  
notification was mailed in which to provide the tax commissioner 85  
or county auditor with a corrected treasurer's certificate. If a 86  
corrected treasurer's certificate is not received within the 87  
time permitted, the tax commissioner or county auditor does not 88  
have authority to consider the tax exemption application. 89

(C) Any taxes, interest, and penalties which have become a 90  
lien after the property was first used for the exempt purpose, 91  
but in no case prior to the date of acquisition of the title to 92  
the property by the applicant, may be remitted by the 93  
commissioner or county auditor, except as is provided in 94  
division (A) of section 5713.081 of the Revised Code. 95

(D) Real property acquired by the state in fee simple is 96  
exempt from taxation from the date of acquisition of title or 97  
date of possession, whichever is the earlier date, provided that 98  
all taxes, interest, and penalties as provided in the 99  
apportionment provisions of section 319.20 of the Revised Code 100  
have been paid to the date of acquisition of title or date of 101  
possession by the state, whichever is earlier. The proportionate 102  
amount of taxes that are a lien but not yet determined, 103  
assessed, and levied for the year in which the property is 104  
acquired, shall be remitted by the county auditor for the 105  
balance of the year from date of acquisition of title or date of 106  
possession, whichever is earlier. This section shall not be 107  
construed to authorize the exemption of such property from 108  
taxation or the remission of taxes, interest, and penalties 109

thereon until all private use has terminated. 110

**Sec. 5715.27.** (A) (1) Except as provided in division (A) (2) 111  
of this section and in section 3735.67 of the Revised Code, the 112  
owner, a vendee in possession under a purchase agreement or a 113  
land contract, the beneficiary of a trust, or a lessee for an 114  
initial term of not less than thirty years of any property may 115  
file an application with the tax commissioner, on forms 116  
prescribed by the commissioner, requesting that such property be 117  
exempted from taxation and that taxes, interest, and penalties 118  
be remitted as provided in division (C) of section 5713.08 of 119  
the Revised Code. 120

(2) If the property that is the subject of the application 121  
for exemption is any of the following, the application shall be 122  
filed with the county auditor of the county in which the 123  
property is listed for taxation: 124

(a) A public road or highway; 125

(b) Property belonging to the federal government of the 126  
United States; 127

(c) Additions or other improvements to an existing 128  
building or structure that belongs to the state or a political 129  
subdivision, as defined in section 5713.081 of the Revised Code, 130  
and that is exempted from taxation as property used exclusively 131  
for a public purpose. 132

(B) The board of education of any school district may 133  
request the tax commissioner or county auditor to provide it 134  
with notification of applications for exemption from taxation 135  
for property located within that district. If so requested, the 136  
commissioner or auditor shall send to the board on a monthly 137  
basis reports that contain sufficient information to enable the 138

board to identify each property that is the subject of an 139  
exemption application, including, but not limited to, the name 140  
of the property owner or applicant, the address of the property, 141  
and the auditor's parcel number. The commissioner or auditor 142  
shall mail the reports by the fifteenth day of the month 143  
following the end of the month in which the commissioner or 144  
auditor receives the applications for exemption. 145

(C) A board of education that has requested notification 146  
under division (B) of this section may, with respect to any 147  
application for exemption of property located in the district 148  
and included in the commissioner's or auditor's most recent 149  
report provided under that division, file a statement with the 150  
commissioner or auditor and with the applicant indicating its 151  
intent to submit evidence and participate in any hearing on the 152  
application. The statements shall be filed prior to the first 153  
day of the third month following the end of the month in which 154  
that application was docketed by the commissioner or auditor. A 155  
statement filed in compliance with this division entitles the 156  
district to submit evidence and to participate in any hearing on 157  
the property and makes the district a party for purposes of 158  
sections 5717.02 to 5717.04 of the Revised Code in any appeal of 159  
the commissioner's or auditor's decision to the board of tax 160  
appeals. 161

(D) The commissioner or auditor shall not hold a hearing 162  
on or grant or deny an application for exemption of property in 163  
a school district whose board of education has requested 164  
notification under division (B) of this section until the end of 165  
the period within which the board may submit a statement with 166  
respect to that application under division (C) of this section. 167  
The commissioner or auditor may act upon an application at any 168  
time prior to that date upon receipt of a written waiver from 169

each such board of education, or, in the case of exemptions 170  
authorized by section 725.02, 1728.10, 5709.40, 5709.41, 171  
5709.411, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 172  
5709.84, or 5709.88 of the Revised Code, upon the request of the 173  
property owner. Failure of a board of education to receive the 174  
report required in division (B) of this section shall not void 175  
an action of the commissioner or auditor with respect to any 176  
application. The commissioner or auditor may extend the time for 177  
filing a statement under division (C) of this section. 178

(E) A complaint may also be filed with the commissioner or 179  
auditor by any person, board, or officer authorized by section 180  
5715.19 of the Revised Code to file complaints with the county 181  
board of revision against the continued exemption of any 182  
property granted exemption by the commissioner or auditor under 183  
this section. 184

(F) An application for exemption and a complaint against 185  
exemption shall be filed prior to the thirty-first day of 186  
December of the tax year for which exemption is requested or for 187  
which the liability of the property to taxation in that year is 188  
requested. The commissioner or auditor shall consider such 189  
application or complaint in accordance with procedures 190  
established by the commissioner, determine whether the property 191  
is subject to taxation or exempt therefrom, and, if the 192  
commissioner makes the determination, certify the determination 193  
to the auditor. Upon making the determination or receiving the 194  
commissioner's determination, the auditor shall correct the tax 195  
list and duplicate accordingly. If a tax certificate has been 196  
sold under section 5721.32 or 5721.33 of the Revised Code with 197  
respect to property for which an exemption has been requested, 198  
the tax commissioner or auditor shall also certify the findings 199  
to the county treasurer of the county in which the property is 200

located.	201
(G) Applications and complaints, and documents of any kind	202
related to applications and complaints, filed with the tax	203
commissioner or county auditor under this section are public	204
records within the meaning of section 149.43 of the Revised	205
Code.	206
(H) If the commissioner or auditor determines that the use	207
of property or other facts relevant to the taxability of	208
property that is the subject of an application for exemption or	209
a complaint under this section has changed while the application	210
or complaint was pending, the commissioner or auditor may make	211
the determination under division (F) of this section separately	212
for each tax year beginning with the year in which the	213
application or complaint was filed or the year for which	214
remission of taxes under division (C) of section 5713.08 of the	215
Revised Code was requested, and including each subsequent tax	216
year during which the application or complaint is pending before	217
the commissioner or auditor.	218
<del>(I) If the tax commissioner grants an application filed by</del>	219
<del>a community school under this section for the exemption</del>	220
<del>authorized under division (A) (1) of section 5709.07 of the</del>	221
<del>Revised Code, any property that is the subject of that</del>	222
<del>application shall be exempt from property tax for each</del>	223
<del>succeeding tax year regardless of whether the community school</del>	224
<del>files an application under this section with respect to such</del>	225
<del>property. The community school, on or before the thirty-first</del>	226
<del>day of December of each such succeeding tax year, shall submit a</del>	227
<del>statement to the commissioner attesting that the property that</del>	228
<del>is the subject of that initial application qualifies for the</del>	229
<del>exemption authorized under division (A) (1) of section 5709.07 of</del>	230

~~the Revised Code for that succeeding tax year. If the community- 231  
school fails to file such a statement for a tax year or if the 232  
commissioner otherwise discovers that the property no longer 233  
qualifies for that exemption, the commissioner shall order the 234  
county auditor to return the property to the tax list. 235~~

**Section 2.** That existing sections 5713.08 and 5715.27 of 236  
the Revised Code are hereby repealed. 237

**Section 3.** The amendment by this act of sections 5713.08 238  
and 5715.27 of the Revised Code applies to tax year 2022 and 239  
every tax year thereafter. 240