



BEFORE THE OHIO SENATE WAYS AND MEANS COMMITTEE
TESTIMONY ON HOUSE BILL 126
September 21, 2021

Good morning Chairman Blessing, Vice Chair Roegner, Ranking Member Williams, and members of the committee. My name is Tony Long, and I am the Director of Tax & Economic Policy for the Ohio Chamber of Commerce. On behalf of the Ohio Chamber, I am testifying in support of House Bill 126.

The current statutory framework that allows local governmental entities to file complaints against real property owners to dispute the valuation set by a county auditor negatively impacts the business environment of Ohio, because a vast majority of the disputes are made against businesses owning or leasing commercial and industrial real property. In fact, in 2019 (updated in March 2020), the Council on State Taxation (COST) in conjunction with the International Property Tax Institute, issued a scorecard on the “Best and Worst of International Property, Tax Administration,” Ohio received a grade of D+. One of the negative factors was the ability of the state’s local political subdivisions to appeal property owners’ valuations. In fact, it appears after a review of the COST scorecard, Ohio is part of a handful of states that allow local school districts to initiate a real property valuation complaint or review process against a single parcel of land.

The Ohio Chamber sees this legislation as a step in the right direction of correcting that scorecard and supports the passage of HB 126. Although we would prefer a measure that only allows counter-complaints after a real property owner files a complaint, we understand that this bill carries forward language negotiated during the debate of HB 343 in the 132nd General Assembly, and language from the as introduced version of HB 75 in the 133rd General Assembly.

The real property owners in the state of Ohio should be able to rely on the expertise of their county auditor's office when value is established on the real property located in that county. This second bite of the valuation apple offered to other local governmental entities is disruptive, expensive, and creates tax uncertainty for the real property owner.

While this legislation does not end the practice of revaluation by a second local government entity, it does codify a more uniform process of notification for the property owner if a complaint is filed by a third party. Finally, HB 126 adds a level of transparency to the complaint process. This transparency is beneficial for local citizens and the real property owners of that county.

On behalf of the Ohio Chamber of Commerce, thank you for allowing me the opportunity to share our support for HB 126. I look forward to answering any questions you may have.