



**Testimony (S.B.36)  
March 5, 2019**

**Chairman Terhar, Vice-Chair Roegner, Ranking member Williams and members of the Senate Ways & Means Committee, my name is Mike Yoder. I am the former Auditor of Logan County and was a two-time President of the County Auditors' Association of Ohio. One of the primary responsibilities of a county auditor is that of chief assessor. In that role, I was charged with establishing a taxable value for every parcel of real property in the county. As this value is used to determine the amount of taxes levied against each parcel, it is of the utmost importance that I am "fair and equitable" with every parcel and every taxpayer. In fact, "fair and equitable" isn't just a catchphrase, it is the guiding principle of assessors and tax administrators across the country. Because of the interconnected nature of Ohio's system of real estate taxation, the increase or decrease of one parcel of real estate impacts every other parcel. In other words, decreasing the valuation and tax owed on one parcel will increase the tax burden on all other parcels. During my tenure as auditor, which began in 1995, I went to great lengths to ensure each taxpayer of Logan County was treated fairly and equitably. This was my pledge. Unfortunately, it became very difficult to maintain this fair and equitable treatment given recent developments in the Ohio courts. Of particular concern is the case arising in Logan County over the proper value of Notestine Manor, a federal subsidized housing property with rental restrictions imposed by the federal grant to build the property.**

**Here are the facts of the case: Before the building was constructed, Notestine Manor purchased a vacant piece of land which transferred on July 26, 2012 for \$145,000.00. Following the purchase of the land, construction of the building you see above was built. The President of Notestine Manor testified the construction costs for the property was about 1.5 million dollars and the federal grant was 1.3 million. The low value request was because the**

**building is a part of the HUD Section 202 program meaning the rents are restricted and subsidized by the Federal Government.**

**Initially, Notestine Manor filed a complaint with the Logan County Board of Revision. As of January 1, 2013, the county had valued the property at \$811,120 as it was thought the property was only partially completed as of that date. Notestine Manor initially thought the value should be \$165,000.00. The Board of Revision rejected the notion of this low value and chose not to change it.**

**Notestine Manor then appealed the decision of the Board of Revision to the Ohio Board of Tax Appeals in Columbus. At the Board of Tax Appeals, Notestine's Appraiser indicated the value should be set at \$75,000.00 as it was not completed as of the tax lien date. The Board of Tax Appeals agreed.**

**This decision prompted the county to appeal to the Ohio Supreme Court. As stated above, the court agreed with the Board of Tax Appeals and held the value should be set at \$75,000.00 for tax year 2013. The county then asked the Supreme Court to reconsider its decision based upon case law which was not used in the decision. They refused.**

**Notestine Manor paid taxes based upon the county valuation during the years under appeal. Following the conclusion of the case, a refund of \$55,735.85 was given to Notestine for overpayment of tax liability. When one property receives a break like the one described, other taxpayers, such as the widow trying to make it on social security or the young couple with children struggling to make ends meet pay more.**

**So the reality is, Notestine Manor was built with Federal Tax Dollars and now that it has been completed, they want to not pay their fair share of local taxes while receiving all of the benefits of local police, fire, emergency medical services and paved streets to name a few.**

**Following the decision regarding this case, I no longer felt I could tell the citizens of Logan County I was treating everyone fairly and equally, and chose to resign as Auditor on June 30, 2018.**

**With this being said, I stand today as a strong proponent of S.B. 36 and hope you will see fit to fix the problem as it exists today.**

**Thank you for your kind attention and I am available for any questions you may have. If I am unable to answer your inquiries, Attorney Kelly Gorry will be testifying following me and she will be able to give additional insight.**

**Mike Yoder**