

**As Introduced**

**134th General Assembly**

**Regular Session**

**2021-2022**

**H. B. No. 357**

**Representatives Stephens, LaRe**

**Cosponsors: Representatives Riedel, Gross, Bird, Zeltwanger, Carruthers,  
Galonski, Hall, Stein, Fowler Arthur**

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**A BILL**

To amend sections 323.152 and 4503.065 of the 1  
Revised Code to index the homestead exemption 2  
amounts to inflation. 3

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

**Section 1.** That sections 323.152 and 4503.065 of the 4  
Revised Code be amended to read as follows: 5

**Sec. 323.152.** In addition to the reduction in taxes 6  
required under section 319.302 of the Revised Code, taxes shall 7  
be reduced as provided in divisions (A) and (B) of this section. 8

(A) (1) (a) Division (A) (1) of this section applies to any 9  
of the following persons: 10

(i) A person who is permanently and totally disabled; 11

(ii) A person who is sixty-five years of age or older; 12

(iii) A person who is the surviving spouse of a deceased 13  
person who was permanently and totally disabled or sixty-five 14  
years of age or older and who applied and qualified for a 15  
reduction in taxes under this division in the year of death, 16

provided the surviving spouse is at least fifty-nine but not 17  
sixty-five or more years of age on the date the deceased spouse 18  
dies. 19

(b) Real property taxes on a homestead owned and occupied, 20  
or a homestead in a housing cooperative occupied, by a person to 21  
whom division (A) (1) of this section applies shall be reduced 22  
for each year for which an application for the reduction has 23  
been approved. The reduction shall equal one of the following 24  
amounts, as applicable to the person: 25

(i) If the person received a reduction under division (A) 26  
(1) of this section for tax year 2006, the greater of the 27  
reduction for that tax year or the amount computed under 28  
division (A) (1) (c) of this section; 29

(ii) If the person received, for any homestead, a 30  
reduction under division (A) (1) of this section for tax year 31  
2013 or under division (A) of section 4503.065 of the Revised 32  
Code for tax year 2014 or the person is the surviving spouse of 33  
such a person and the surviving spouse is at least fifty-nine 34  
years of age on the date the deceased spouse dies, the amount 35  
computed under division (A) (1) (c) of this section. ~~For purposes~~ 36  
~~of divisions (A) (1) (b) (ii) and (iii) of this section, a person~~ 37  
~~receives a reduction under division (A) (1) of this section or~~ 38  
~~under division (A) of section 4503.065 of the Revised Code for~~ 39  
~~tax year 2013 or 2014, respectively, if the person files a late~~ 40  
~~application for that respective tax year that is approved by the~~ 41  
~~county auditor under section 323.153 or 4503.066 of the Revised~~ 42  
~~Code.~~ 43

(iii) If the person is not described in division (A) (1) (b) 44  
(i) or (ii) of this section and the person's total income does 45  
not exceed thirty thousand dollars, as adjusted under division 46

(A) (1) (d) of this section, the amount computed under division 47  
(A) (1) (c) of this section. 48

(c) The amount of the reduction under division (A) (1) (c) 49  
of this section equals the product of the following: 50

(i) Twenty-five thousand dollars of the true value of the 51  
property in money, as adjusted under division (A) (1) (d) of this 52  
section; 53

(ii) The assessment percentage established by the tax 54  
commissioner under division (B) of section 5715.01 of the 55  
Revised Code, not to exceed thirty-five per cent; 56

(iii) The effective tax rate used to calculate the taxes 57  
charged against the property for the current year, where 58  
"effective tax rate" is defined as in section 323.08 of the 59  
Revised Code; 60

(iv) The quantity equal to one minus the sum of the 61  
percentage reductions in taxes received by the property for the 62  
current tax year under section 319.302 of the Revised Code and 63  
division (B) of section 323.152 of the Revised Code. 64

(d) ~~Each calendar year, the~~ The tax commissioner shall 65  
adjust the total income threshold described in division (A) (1) 66  
(b) (iii) and the reduction amounts described in divisions (A) (1) 67  
(c) (i), (A) (2) and (A) (3) of this section by completing the 68  
following calculations in September of each year: 69

(i) Determine the percentage increase in the gross 70  
domestic product deflator determined by the bureau of economic 71  
analysis of the United States department of commerce from the 72  
first day of January of the preceding calendar year to the last 73  
day of December of the preceding calendar year; 74

(ii) Multiply that percentage increase by the total income 75  
threshold or reduction amount for the current tax year, as 76  
applicable; 77

(iii) Add the resulting product to the total income 78  
threshold or the reduction amount, as applicable, for the 79  
current tax year; 80

(iv) Round the resulting sum to the nearest multiple of 81  
one hundred dollars. 82

The commissioner shall certify the amount resulting from 83  
~~the~~ each adjustment to each county auditor not later than the 84  
first day of December each year. The certified total income 85  
threshold amount applies to the following tax year for persons 86  
described in division (A) (1) (b) (iii) of this section. The 87  
certified reduction amount applies to the following tax year. 88  
The commissioner shall not make the applicable adjustment in any 89  
calendar year in which the amount resulting from the adjustment 90  
would be less than the total income threshold or the reduction 91  
amount for the current tax year. 92

(2) Real property taxes on a homestead owned and occupied, 93  
or a homestead in a housing cooperative occupied, by a disabled 94  
veteran shall be reduced for each year for which an application 95  
for the reduction has been approved. The reduction shall equal 96  
the product obtained by multiplying fifty thousand dollars of 97  
the true value of the property in money, as adjusted under 98  
division (A) (1) (d) of this section, by the amounts described in 99  
divisions (A) (1) (c) (ii) to (iv) of this section. The reduction 100  
is in lieu of any reduction under section 323.158 of the Revised 101  
Code or division (A) (1) or (3) of this section. The reduction 102  
applies to only one homestead owned and occupied by a disabled 103  
veteran. 104

If a homestead qualifies for a reduction in taxes under 105  
division (A) (2) of this section for the year in which the 106  
disabled veteran dies, and the disabled veteran is survived by a 107  
spouse who occupied the homestead when the disabled veteran died 108  
and who acquires ownership of the homestead or, in the case of a 109  
homestead that is a unit in a housing cooperative, continues to 110  
occupy the homestead, the reduction shall continue through the 111  
year in which the surviving spouse dies or remarries. 112

(3) Real property taxes on a homestead owned and occupied, 113  
or a homestead in a housing cooperative occupied, by the 114  
surviving spouse of a public service officer killed in the line 115  
of duty shall be reduced for each year for which an application 116  
for the reduction has been approved. The reduction shall equal 117  
the product obtained by multiplying fifty thousand dollars of 118  
the true value of the property in money, as adjusted under 119  
division (A) (1) (d) of this section, by the amounts described in 120  
divisions (A) (1) (c) (ii) to (iv) of this section. The reduction 121  
is in lieu of any reduction under section 323.158 of the Revised 122  
Code or division (A) (1) or (2) of this section. The reduction 123  
applies to only one homestead owned and occupied by such a 124  
surviving spouse. A homestead qualifies for a reduction in taxes 125  
under division (A) (3) of this section for the tax year in which 126  
the public service officer dies through the tax year in which 127  
the surviving spouse dies or remarries. 128

(B) To provide a partial exemption, real property taxes on 129  
any homestead, and manufactured home taxes on any manufactured 130  
or mobile home on which a manufactured home tax is assessed 131  
pursuant to division (D) (2) of section 4503.06 of the Revised 132  
Code, shall be reduced for each year for which an application 133  
for the reduction has been approved. The amount of the reduction 134  
shall equal two and one-half per cent of the amount of taxes to 135

be levied by qualifying levies on the homestead or the 136  
manufactured or mobile home after applying section 319.301 of 137  
the Revised Code. For the purposes of this division, "qualifying 138  
levy" has the same meaning as in section 319.302 of the Revised 139  
Code. 140

(C) The reductions granted by this section do not apply to 141  
special assessments or respread of assessments levied against 142  
the homestead, and if there is a transfer of ownership 143  
subsequent to the filing of an application for a reduction in 144  
taxes, such reductions are not forfeited for such year by virtue 145  
of such transfer. 146

(D) The reductions in taxable value referred to in this 147  
section shall be applied solely as a factor for the purpose of 148  
computing the reduction of taxes under this section and shall 149  
not affect the total value of property in any subdivision or 150  
taxing district as listed and assessed for taxation on the tax 151  
lists and duplicates, or any direct or indirect limitations on 152  
indebtedness of a subdivision or taxing district. If after 153  
application of sections 5705.31 and 5705.32 of the Revised Code, 154  
including the allocation of all levies within the ten-mill 155  
limitation to debt charges to the extent therein provided, there 156  
would be insufficient funds for payment of debt charges not 157  
provided for by levies in excess of the ten-mill limitation, the 158  
reduction of taxes provided for in sections 323.151 to 323.159 159  
of the Revised Code shall be proportionately adjusted to the 160  
extent necessary to provide such funds from levies within the 161  
ten-mill limitation. 162

(E) No reduction shall be made on the taxes due on the 163  
homestead of any person convicted of violating division (D) or 164  
(E) of section 323.153 of the Revised Code for a period of three 165

years following the conviction.	166
<b>Sec. 4503.065.</b> (A) (1) Division (A) of this section applies	167
to any of the following persons:	168
(a) An individual who is permanently and totally disabled;	169
(b) An individual who is sixty-five years of age or older;	170
(c) An individual who is the surviving spouse of a	171
deceased person who was permanently and totally disabled or	172
sixty-five years of age or older and who applied and qualified	173
for a reduction in assessable value under this section in the	174
year of death, provided the surviving spouse is at least fifty-	175
nine but not sixty-five or more years of age on the date the	176
deceased spouse dies.	177
(2) The manufactured home tax on a manufactured or mobile	178
home that is paid pursuant to division (C) of section 4503.06 of	179
the Revised Code and that is owned and occupied as a home by an	180
individual whose domicile is in this state and to whom this	181
section applies, shall be reduced for any tax year for which an	182
application for such reduction has been approved, provided the	183
individual did not acquire ownership from a person, other than	184
the individual's spouse, related by consanguinity or affinity	185
for the purpose of qualifying for the reduction. An owner	186
includes a settlor of a revocable or irrevocable inter vivos	187
trust holding the title to a manufactured or mobile home	188
occupied by the settlor as of right under the trust.	189
(a) For manufactured and mobile homes for which the tax	190
imposed by section 4503.06 of the Revised Code is computed under	191
division (D) (2) of that section, the reduction shall equal one	192
of the following amounts, as applicable to the person:	193
(i) If the person received a reduction under this section	194

for tax year 2007, the greater of the reduction for that tax 195  
year or the amount computed under division (A) (2) (b) of this 196  
section; 197

(ii) If the person received, for any homestead, a 198  
reduction under division (A) of this section for tax year 2014 199  
or under division (A) (1) of section 323.152 of the Revised Code 200  
for tax year 2013 or the person is the surviving spouse of such 201  
a person and the surviving spouse is at least fifty-nine years 202  
of age on the date the deceased spouse dies, the amount computed 203  
under division (A) (2) (b) of this section. ~~For purposes of~~ 204  
~~divisions (A) (2) (a) (ii) and (iii) of this section, a person~~ 205  
~~receives a reduction under division (A) of this section or~~ 206  
~~division (A) (1) of section 323.152 of the Revised Code for tax~~ 207  
~~year 2014 or 2013, respectively, if the person files a late~~ 208  
~~application for that respective tax year that is approved by the~~ 209  
~~county auditor under section 4503.066 or 323.153 of the Revised~~ 210  
~~Code.~~ 211

(iii) If the person is not described in division (A) (2) (a) 212  
(i) or (ii) of this section and the person's total income does 213  
not exceed thirty thousand dollars, as adjusted under division 214  
(A) (2) (e) of this section, the amount computed under division 215  
(A) (2) (b) of this section. 216

(b) The amount of the reduction under division (A) (2) (b) 217  
of this section equals the product of the following: 218

(i) Twenty-five thousand dollars of the true value of the 219  
property in money, as adjusted under division (A) (2) (e) of this 220  
section; 221

(ii) The assessment percentage established by the tax 222  
commissioner under division (B) of section 5715.01 of the 223



Revised Code, not to exceed thirty-five per cent;	224
(iii) The effective tax rate used to calculate the taxes	225
charged against the property for the current year, where	226
"effective tax rate" is defined as in section 323.08 of the	227
Revised Code;	228
(iv) The quantity equal to one minus the sum of the	229
percentage reductions in taxes received by the property for the	230
current tax year under section 319.302 of the Revised Code and	231
division (B) of section 323.152 of the Revised Code.	232
(c) For manufactured and mobile homes for which the tax	233
imposed by section 4503.06 of the Revised Code is computed under	234
division (D) (1) of that section, the reduction shall equal one	235
of the following amounts, as applicable to the person:	236
(i) If the person received a reduction under this section	237
for tax year 2007, the greater of the reduction for that tax	238
year or the amount computed under division (A) (2) (d) of this	239
section;	240
(ii) If the person received, for any homestead, a	241
reduction under division (A) of this section for tax year 2014	242
or under division (A) (1) of section 323.152 of the Revised Code	243
for tax year 2013 or the person is the surviving spouse of such	244
a person and the surviving spouse is at least fifty-nine years	245
of age on the date the deceased spouse dies, the amount computed	246
under division (A) (2) (d) of this section. <del>For purposes of</del>	247
<del>divisions (A) (2) (c) (ii) and (iii) of this section, a person</del>	248
<del>receives a reduction under division (A) of this section or under</del>	249
<del>division (A) (1) of section 323.152 of the Revised Code for tax</del>	250
<del>year 2014 or 2013, respectively, if the person files a late</del>	251
<del>application for a refund of overpayments for that respective tax</del>	252

<del>year that is approved by the county auditor under section</del>	253
<del>4503.066 of the Revised Code.</del>	254
(iii) If the person is not described in division (A) (2) (c)	255
(i) or (ii) of this section and the person's total income does	256
not exceed thirty thousand dollars, as adjusted under division	257
(A) (2) (e) of this section, the amount computed under division	258
(A) (2) (d) of this section.	259
(d) The amount of the reduction under division (A) (2) (d)	260
of this section equals the product of the following:	261
(i) Twenty-five thousand dollars of the cost to the owner,	262
or the market value at the time of purchase, whichever is	263
greater, as those terms are used in division (D) (1) of section	264
4503.06 of the Revised Code, <u>and as adjusted under division (A)</u>	265
<u>(2) (e) of this section;</u>	266
(ii) The percentage from the appropriate schedule in	267
division (D) (1) (b) of section 4503.06 of the Revised Code;	268
(iii) The assessment percentage of forty per cent used in	269
division (D) (1) (b) of section 4503.06 of the Revised Code;	270
(iv) The tax rate of the taxing district in which the home	271
has its situs.	272
(e) <del>Each calendar year, the</del> <u>The</u> tax commissioner shall	273
adjust the income threshold described in divisions (A) (2) (a)	274
(iii) and (A) (2) (c) (iii) <u>and the reduction amounts described in</u>	275
<u>divisions (A) (2) (b) (i), (A) (2) (d) (i), (B) (1), (B) (2), (C) (1),</u>	276
<u>and (C) (2) of this section by completing the following</u>	277
calculations in September of each year:	278
(i) Determine the percentage increase in the gross	279
domestic product deflator determined by the bureau of economic	280

analysis of the United States department of commerce from the 281  
first day of January of the preceding calendar year to the last 282  
day of December of the preceding calendar year; 283

(ii) Multiply that percentage increase by the total income 284  
threshold or reduction amount for the ensuing tax year, as 285  
applicable; 286

(iii) Add the resulting product to the total income 287  
threshold or reduction amount, as applicable for the ensuing tax 288  
year; 289

(iv) Round the resulting sum to the nearest multiple of 290  
one hundred dollars. 291

The commissioner shall certify the amount resulting from 292  
~~the each~~ adjustment to each county auditor not later than the 293  
first day of December each year. The certified amount applies to 294  
the second ensuing tax year. The commissioner shall not make the 295  
applicable adjustment in any calendar year in which the amount 296  
resulting from the adjustment would be less than the total 297  
income threshold or the reduction amount for the ensuing tax 298  
year. 299

(B) The manufactured home tax levied pursuant to division 300  
(C) of section 4503.06 of the Revised Code on a manufactured or 301  
mobile home that is owned and occupied by a disabled veteran 302  
shall be reduced for any tax year for which an application for 303  
such reduction has been approved, provided the disabled veteran 304  
did not acquire ownership from a person, other than the disabled 305  
veteran's spouse, related by consanguinity or affinity for the 306  
purpose of qualifying for the reduction. An owner includes an 307  
owner within the meaning of division (A) (2) of this section. 308

(1) For manufactured and mobile homes for which the tax 309

imposed by section 4503.06 of the Revised Code is computed under 310  
division (D) (2) of that section, the reduction shall equal the 311  
product obtained by multiplying fifty thousand dollars of the 312  
true value of the property in money, as adjusted under division 313  
(A) (2) (e) of this section, by the amounts described in divisions 314  
(A) (2) (b) (ii) to (iv) of this section. 315

(2) For manufactured and mobile homes for which the tax 316  
imposed by section 4503.06 of the Revised Code is computed under 317  
division (D) (1) of that section, the reduction shall equal the 318  
product obtained by multiplying fifty thousand dollars of the 319  
cost to the owner, or the market value at the time of purchase, 320  
whichever is greater, as those terms are used in division (D) (1) 321  
of section 4503.06 of the Revised Code, as adjusted under 322  
division (A) (2) (e) of this section, by the amounts described in 323  
divisions (A) (2) (d) (ii) to (iv) of this section. 324

The reduction is in lieu of any reduction under section 325  
4503.0610 of the Revised Code or division (A) or (C) of this 326  
section. The reduction applies to only one manufactured or 327  
mobile home owned and occupied by a disabled veteran. 328

If a manufactured or mobile home qualifies for a reduction 329  
in taxes under this division for the year in which the disabled 330  
veteran dies, and the disabled veteran is survived by a spouse 331  
who occupied the home when the disabled veteran died and who 332  
acquires ownership of the home, the reduction shall continue 333  
through the year in which the surviving spouse dies or 334  
remarries. 335

(C) The manufactured home tax levied pursuant to division 336  
(C) of section 4503.06 of the Revised Code on a manufactured or 337  
mobile home that is owned and occupied by the surviving spouse 338  
of a public service officer killed in the line of duty shall be 339

reduced for any tax year for which an application for such 340  
reduction has been approved, provided the surviving spouse did 341  
not acquire ownership from a person, other than the surviving 342  
spouse's deceased public service officer spouse, related by 343  
consanguinity or affinity for the purpose of qualifying for the 344  
reduction. An owner includes an owner within the meaning of 345  
division (A) (2) of this section. 346

(1) For manufactured and mobile homes for which the tax 347  
imposed by section 4503.06 of the Revised Code is computed under 348  
division (D) (2) of that section, the reduction shall equal the 349  
product obtained by multiplying fifty thousand dollars of the 350  
true value of the property in money, as adjusted under division 351  
(A) (2) (e) of this section, by the amounts described in divisions 352  
(A) (2) (b) (ii) to (iv) of this section. 353

(2) For manufactured and mobile homes for which the tax 354  
imposed by section 4503.06 of the Revised Code is computed under 355  
division (D) (1) of that section, the reduction shall equal the 356  
product obtained by multiplying fifty thousand dollars of the 357  
cost to the owner, or the market value at the time of purchase, 358  
whichever is greater, as those terms are used in division (D) (1) 359  
of section 4503.06 of the Revised Code, as adjusted under 360  
division (A) (2) (e) of this section, by the amounts described in 361  
divisions (A) (2) (d) (ii) to (iv) of this section. 362

The reduction is in lieu of any reduction under section 363  
4503.0610 of the Revised Code or division (A) or (B) of this 364  
section. The reduction applies to only one manufactured or 365  
mobile home owned and occupied by such a surviving spouse. A 366  
manufactured or mobile home qualifies for a reduction in taxes 367  
under this division for the tax year in which the public service 368  
officer dies through the tax year in which the surviving spouse 369

dies or remarries. 370

(D) If the owner or the spouse of the owner of a 371  
manufactured or mobile home is eligible for a homestead 372  
exemption on the land upon which the home is located, the 373  
reduction to which the owner or spouse is entitled under this 374  
section shall not exceed the difference between the reduction to 375  
which the owner or spouse is entitled under division (A), (B), 376  
or (C) of this section and the amount of the reduction under the 377  
homestead exemption. 378

(E) No reduction shall be made with respect to the home of 379  
any person convicted of violating division (C) or (D) of section 380  
4503.066 of the Revised Code for a period of three years 381  
following the conviction. 382

**Section 2.** That existing sections 323.152 and 4503.065 of 383  
the Revised Code are hereby repealed. 384

**Section 3.** The amendment by this act of section 323.152 of 385  
the Revised Code applies to tax year 2021 and every tax year 386  
thereafter. The amendment by this act of section 4503.065 of the 387  
Revised Code applies to tax year 2022 and every tax year 388  
thereafter. 389