As Introduced

134th General Assembly
Regular Session **H. B. No. 614**
2021-2022

Representative Fowler Arthur

Cosponsors: Representatives Schmidt, Koehler, Kick, Brinkman, Grendell

A BILL

To amend section 319.302 of the Revised Code to allow property used for commercial timber production to receive the 10% nonbusiness property tax rollback.

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

Section 1. That section 319.302 of the Revised Code be amended to read as follows:

Sec. 319.302. (A)(1) Real property that is not intended primarily for use in a business activity shall qualify for a partial exemption from real property taxation. For purposes of this partial exemption, "business activity" includes all uses of real property, except ~~farming~~agriculture; leasing property for ~~farming~~agriculture; occupying or holding property improved with single-family, two-family, or three-family dwellings; leasing property improved with single-family, two-family, or three-family dwellings; or holding vacant land that the county auditor determines will be used for ~~farming~~ agriculture or to develop single-family, two-family, or three-family dwellings. ~~For purposes of this partial exemption, "farming" does not include~~

~~land used for the commercial production of timber that is receiving the tax benefit under section 5713.23 or 5713.31 of the Revised Code and all improvements connected with such commercial production of timber~~ As used in this division, "agriculture" has the same meaning as in section 1.61 of the Revised Code.

(2) Each year, the county auditor shall review each parcel of real property to determine whether it qualifies for the partial exemption provided for by this section as of the first day of January of the current tax year.

(B) After complying with section 319.301 of the Revised Code, the county auditor shall reduce the remaining sums to be levied by qualifying levies against each parcel of real property that is listed on the general tax list and duplicate of real and public utility property for the current tax year and that qualifies for partial exemption under division (A) of this section, and against each manufactured and mobile home that is taxed pursuant to division (D)(2) of section 4503.06 of the Revised Code and that is on the manufactured home tax list for the current tax year, by ten per cent, to provide a partial exemption for that parcel or home. For the purposes of this division:

(1) "Qualifying levy" means a levy approved at an election held before September 29, 2013; a levy within the ten-mill limitation; a levy provided for by the charter of a municipal corporation that was levied on the tax list for tax year 2013; a subsequent renewal of any such levy; or a subsequent substitute for such a levy under section 5705.199 of the Revised Code.

(2) "Qualifying levy" does not include any replacement imposed under section 5705.192 of the Revised Code of any levy

described in division (B)(1) of this section.

(C) Except as otherwise provided in sections 323.152, 323.158, 323.16, 505.06, and 715.263 of the Revised Code, the amount of the taxes remaining after any such reduction shall be the real and public utility property taxes charged and payable on each parcel of real property, including property that does not qualify for partial exemption under division (A) of this section, and the manufactured home tax charged and payable on each manufactured or mobile home, and shall be the amounts certified to the county treasurer for collection. Upon receipt of the real and public utility property tax duplicate, the treasurer shall certify to the tax commissioner the total amount by which the real property taxes were reduced under this section, as shown on the duplicate. Such reduction shall not directly or indirectly affect the determination of the principal amount of notes that may be issued in anticipation of any tax levies or the amount of bonds or notes for any planned improvements. If after application of sections 5705.31 and 5705.32 of the Revised Code and other applicable provisions of law, including divisions (F) and (I) of section 321.24 of the Revised Code, there would be insufficient funds for payment of debt charges on bonds or notes payable from taxes reduced by this section, the reduction of taxes provided for in this section shall be adjusted to the extent necessary to provide funds from such taxes.

(D) The tax commissioner may adopt rules governing the administration of the partial exemption provided for by this section.

(E) The determination of whether property qualifies for partial exemption under division (A) of this section is solely for the purpose of allowing the partial exemption under division (B) of this section.

Section 2. That existing section 319.302 of the Revised Code is hereby repealed.

Section 3. The amendment by this act of section 319.302 of the Revised Code applies to tax years beginning on and after the effective date of that amendment.