

# 2017-2018 Legislative Agenda

## County Auditors' Association of Ohio



### **Replace Loss of Medicaid Managed Care Sales Tax**

Over the last decade, decreases in the LGF, investment income and real and tangible personal property taxes have made counties more reliant on sales tax revenue. In fact, sales tax is currently the number one revenue source for both counties and the state. The loss of Medicaid MCO sales tax will have a significant impact on county government. A plan must be put in place to protect counties from further losses to their general revenue fund. County Auditors support solutions that are permanent, hold all counties harmless, and do not impact funding of other local government programs or increase mandates on counties.



### **Apply Real Estate Transfer Tax to Transfers of Ownership Interests in Pass-Through Entities that Own Real Estate**

Single asset transfers avoid real estate conveyance tax fees and real estate tax valuation increases. The transfer price of the assets is not recorded and the transfer of real estate assets is not disclosed as part of the public record. The pass-through entity also avoids payment of the conveyance fee.



### **Eliminate Mandate that Political Subdivisions Pay Legal and Other Fees in Loss of Property Tax Assessment Appeal**

Mandating the payment of legal and other fees to the government loser of a property tax assessment appeal has a chilling effect on the decision of whether or not to appeal which extends beyond one property and one case. County Auditors do not take the decision to appeal a property valuation case lightly. Appeals are usually of decisions on a legal matter of great significance and precedence and involve major commercial properties and considerable differences in value. In fact, issues are often so complex, that a number of decisions at the Board of Tax Appeals (BTA) are overturned and remanded for further legal analysis. Determining the correct valuation method and value of any given property is essential for the equitable treatment of all types of property. County Auditors believe this major change in policy and decision making requires adequate time to consider serious negative ramifications.



### **Protect All Taxpayers & Preserve Tax Base**

County Auditors represent the interest of all real property tax payers including residential, business, and farmers. Significant changes to the value of one class of taxpayers may have unintended consequences of impacting the value of other properties and/or reducing the revenue to taxing districts including schools. Tax exemptions and changes in valuation methodology can have a negative effect on other property owners.

