

# March 2019 Legislative Update

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## Property Tax and Valuation Issues

- ❖ **HB 17/SB 35 Homestead Exemption for Surviving Spouses** 2/19/19 Sponsor testimony in House Ways & Means; 2/20/19/Sponsor testimony in Senate Ways & Means
  - Grants a homestead exemption for the widow or widower of a peace officer, firefighter, or other emergency responder who dies in the line of duty or by an injury or illness sustained in the line of duty.
  - Exempts \$50,000 of the home's appraised value or cost from property taxation or the manufactured home tax.
  - Exempts such a widow or widower from the income means test, currently \$32,800 in Ohio adjusted gross income.
  - Reimburses local taxing units for the resulting reduction in taxes in the same manner as the existing homestead exemption.
  - Executive and Legislative Committees voted to take a neutral position, March 14<sup>th</sup>
- ❖ **HB 47 Property Tax Complaints Timeframe** 3/12/19 Sponsor testimony in House Ways & Means
  - Extends the deadline for resolving a BOR complaint to 180 days and delays the beginning of that period until the last day a complaint may be filed, regardless of whether a complaint is filed before the last day.
  - Executive and Legislative Committees voted to support, March 14<sup>th</sup>
- ❖ **HB 75 Resolution Required to Initiate Property Tax Complaint** 3/19/19 Proponent testimony in House Ways & Means
  - Require a school board or the legislative authority of a county, municipal corporation, or township, before filing a property tax complaint or counter-complaint, to pass a resolution approving the complaint or counter-complaint at a public meeting.
  - Reviewed for impact on BOR.
  - Executive and Legislative Committees voted to request removal of paragraph to include the resolution with the BOR complaint due to the complaint form including a check off box that notice and resolution have occurred. The Committees voted to support, March 14<sup>th</sup>. CAAO submitted written proponent testimony on March 19<sup>th</sup>.
- ❖ **HB 76 Local Tax Issues, Description of Levies** 3/12/19 Sponsor testimony in Ways & Means
  - Modify information conveyed in election notices and ballot language for property tax levies to convey a property tax levy's rate in dollars for each \$100,000 of fair market value instead of in dollars for each \$100 of taxable value.
  - Concern with mills per \$1 of taxable value vs. what appears on the ballot now, rate in mills expressed as dollars per thousand dollars of taxable value; what now appears on the ballot as a 5.00 mill levy would then appear as a 0.005 mill levy, which looks like a far lower rate.
  - If passed, the numeric presentation of the rate that appears on the resolution of necessity, the resolution to proceed, and on the ballot will be different than the rate that will appear on the tax bill, which means the .005 mill levy you voted for shows up on your bill as 5.00 mills. County Auditor will have to convert the rate from the per \$1 format to the per \$1,000 format.

- The county auditor shall promptly calculate and advise and, not later than ninety days before the election, confirm that advice by certification to, the taxing authority the estimated average annual property tax levy, expressed in ~~cents or dollars and cents~~ for each one hundred thousand dollars of tax valuation fair market value and in mills for each one dollar of ~~tax valuation~~ taxable value, that the county auditor estimates to be required throughout the stated maturity of the bonds to pay the debt charges on the bonds.
  - CAAO Property Tax Committee to review bond counsel document, possible contact with ODT.
- ❖ **HB 109 Authorize Property Tax Exemption for Commercial Maple Sap Extraction** 3/5/19 Referred to House Ways and Means
    - Authorize a property tax exemption for land used for commercial maple sap extraction
  - ❖ **HB 149 Affordable Homebuilding and Housing Act** 3/19/19 Introduced
    - Temporarily exempt from property tax the increased value of land subdivided for residential development
  - ❖ **SB 36 Value of LIHTC Property** 3/5/19 Proponent testimony Senate Ways and Means
    - Former Logan County Auditor Mike Yoder and Attorney Kelley Gorry provided proponent testimony. Ongoing concerns from committee on impact on low income housing. According to the Chair, an interested party meeting will be convened to study alternatives.
    - Rules promulgated by tax commissioner shall require that any residential rental property receiving subsidies to finance construction or renovation, or rent subsidies, be valued according to its income capacity on the basis of rent.
    - Market rents and expenses, as opposed to the actual rents, are used and shall be calculated without considering any effects on the property from the exercise of police powers or from other governmental actions.
    - Committee Chair Terhar agrees there is a problem; will schedule an interested party's meeting

#### **Exemption of Residential Information from Public Records**

- ❖ **HB 61 Exempt Certain Health Provider Info from Public Records** 3/19/19 Reported out of Civil Justice Committee
  - Include forensic mental health providers, mental health evaluation providers, and regional psychiatric hospital employees as individuals whose residential and familial information is exempt from disclosure under the Public Records Law.
- ❖ **SB 31 Exempt EMS Telecommunicator info from Public Records Law** 3/1/19 Sponsor testimony in Senate Judiciary
  - Include emergency service telecommunicators as individuals whose residential and familial information is exempt from disclosure under the Public Records Law.
  - Over the last few years ORC 319.28 (B) (1) has created a list of protected class people who are able to request their name not be available to the general public on the internet. This group has grown in number and scope. Many County Auditors long suggested that those of a protected class of public employee and elected officials have property they own held in a trust and not redacted to the owners' initials. Suggestion the legislature enact a provision to allow the creation of form of trust that the county prosecutor could prepare on request for an entitled person of a protected class to hold title in a concealed fashion and still be on the auditor's website.

### **Other Legislation**

- ❖ **HB 110 Fuel Tax Transparency** 3/5/19 Referred to House Ways & Means
  - Requires stickers to be affixed on retail gas station pumps displaying the rates of state and federal tax on gasoline and diesel fuel.
  - Requires the Director of Agriculture to design and produce the stickers in accordance with the bill's specifications and to deliver them to the local sealers who are responsible for inspecting gas station pumps.
  - As of Wednesday, March 20<sup>th</sup> included in Senate version of HB 62, Transportation Budget.
- ❖ **HB 153 Working Officials Requirements Key Act** 3/20/19 Introduced
  - Modify law regarding a county office vacant for failure to perform duties, including failure to appear at the officer's principal office location.

### **Proposed Legislation**

- ❖ **Transfer of Real Property of Controlling Interest, Pass Through Entities**
  - Apply real estate transfer tax to transfers of ownership interests in pass-through entities that, directly or indirectly, own real estate.
  - Upon transfer of any ownership interest, transferor shall submit to County Auditor a statement that includes the value of all real property that is owned by the entity and the percentage of the ownership interest that is being transferred.
  - Applies transfer tax based on the percentage of ownership interest being transferred and the value of the property transferred.
  - Meeting on March 6<sup>th</sup> with Representative Green, caucus staff and ODT; ODT will review, positive reaction.
- ❖ **Fuel Quality Testing**
  - Ohio Farm Bureau Federation State Association is supportive of a fuel quality testing program.
  - Not included in HB 62, transportation budget.