OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis   Mackenzie Damon

Sub. H.B. 342
132nd General Assembly
(As Passed by the House)

Reps.   Merrin, Duffey, Becker, Brinkman, Dean, Riedel, Vitale, Koehler, Schaffer, Butler, Hood, Ginter, Householder, Johnson, Lang, Retherford, Roegner, Romanchuk, Ryan, Thompson, Wiggam

BILL SUMMARY

- Requires property tax election notices and ballot language 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.

CONTENT AND OPERATION

Property tax rate information

The bill changes the rate information required to be displayed on property tax election notices and ballot language. In general, to submit a property tax levy to voters, a taxing authority certifies a resolution to the board of elections, which places a notice describing the proposed levy in newspapers generally two weeks before the election and prepares ballot language describing the levy.[1]

Under current law, election notices and ballot language for most property tax questions vary slightly but are generally required to display the rate of the tax being levied, renewed, or replaced in both mills (0.1¢) for each $1 of taxable value and dollars for each $100 or $1000 of taxable value. (For real property, taxable value is 35% of so-called "fair market value" – the full value as appraised or affixed by county auditors or the Tax Commissioner.)

The bill requires election notices and ballot language to continue to display the millage rate per $1 of taxable value for each type of property tax levy but standardizes terminology by employing the term "taxable value." Currently, the ballot language that

---

[1] See, e.g., R.C. 5705.25.

is prescribed for some levies uses other terms such as "valuation" or "tax valuation," while the language for others does not specify what value the millage rate is based on.

The bill additionally alters the rate information conveyed in election notices and ballot language by requiring the tax rate to be displayed in terms of dollars for each $100,000 of *fair market value*, instead of for each $100 of taxable value. Thus, for example, the election notice and ballot language for a 12-mill levy would, under current law, convey to voters that the rate equals 12 mills for each $1 of taxable value and $1.20 for each $100 of taxable value. Under the bill, the notice and language would continue to convey the 12-mill rate for each $1 of taxable value but, instead of the $1.20 per $100 of taxable value rate, would state that the millage rate translates to $420 for each $100,000 of fair market value.[2]

The bill's changes apply to levies submitted at elections occurring after 2018.[3] The changes affect not only levies submitted by subdivisions, but also to voter-initiated petitions to reduce certain levies.[4]

County auditor certification

Under continuing law, before a subdivision submits a property tax question to voters it must ask the county auditor for either (1) an estimate of the revenue the tax would generate from a specified millage rate or (2) the millage rate necessary to generate a specified amount of revenue. Upon receiving such information, the subdivision may submit the levy to voters by certifying a resolution to the appropriate county board of elections. In the case of a request for an estimated rate (#2, above), the bill requires the auditor to also certify the levy's rate for each $100,000 of fair market value to enable board of elections to enter that information on the ballot as the bill requires.[5]

---

[2] R.C. 133.18, 306.32, 306.322, 345.01, 345.03, 345.04, 505.48, 505.481, 511.27, 511.28, 511.34, 1545.041, 1545.21, 3311.50, 3318.01, 3318.06, 3318.061, 3318.062, 3318.063, 3318.361, 3318.45, 3381.03, 4582.024, 4582.26, 5705.01, 5705.192, 5705.195, 5705.196, 5705.197, 5705.199, 5705.21, 5705.213, 5705.215, 5705.218, 5705.219, 5705.233, 5705.25, 5705.251, 5705.55, 5748.01, 5748.02, 5748.03, 5748.08, and 5748.09.

[3] Section 3.

[4] R.C. 5705.261 and 5748.04.

[5] R.C. 5705.03.

HISTORY

ACTION	DATE
Introduced	09-11-17
Reported, H. Government and Oversight	04-19-18
Passed House (61-32)	06-20-18