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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 51
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 51's Bill Analysis](#)

Version: As Enacted

Primary Sponsor: Rep. Lampton

Local Impact Statement Procedure Required: No

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Highlights

- The bill changes the process for lowering taxable property valuations for damage or loss, allowing a county auditor to initiate an adjustment, in addition to the owner or two disinterested persons under current law.
- The Department of Taxation will incur no added cost to provide a form required by the bill, for use in requesting such an adjustment.
- The bill updates conformance of state income tax law with federal law. This change appears to have minimal fiscal effects.
- The bill provides temporary authority for meetings of public bodies via electronic means, likely resulting in little or no additional costs, at the discretion of the public bodies.
- The bill declares an emergency so goes into immediate effect.

Detailed Analysis

Damaged or destroyed real property

When property is damaged or destroyed, the property owner may request that the county auditor lower the valuation used for tax purposes. Such a request may also be made by two disinterested persons who are residents of the township or municipal corporation where the property is located. The bill in addition allows the county auditor to investigate and adjust the valuation. This change appears unlikely to alter local government costs significantly, and would be permissive for the county auditor.

Under the bill, the Department of Taxation is to prescribe a form to be used for this purpose. The form is to be filed by the property owner or two disinterested persons with the

county auditor, or the auditor may complete the form on behalf of the owner. The Department already has such a form, so would incur no additional cost to comply with this requirement of the bill.

Conformance with federal tax law

The bill updates conformance of Ohio income tax law with federal law. The Department of Taxation identified one such change as having a potential effect on federal adjusted gross income (FAGI), the starting point for calculation of state income taxes due, since the last incorporation bill. In federal law, for corporations, gross income excludes “any contribution to the capital of the taxpayer.” H.R. 3684, the Infrastructure Investment and Jobs Act, amended the Internal Revenue Code to create special rules for water and sewerage disposal entities. These changes allow impacted regulated utilities to exclude amounts that qualify as contributions of capital of the taxpayer from gross income. For a utility organized as a pass-through entity and owned by an individual, such reduced gross income will lead to reduced FAGI.

This change appears to have minimal fiscal effects.

Temporary authority for meetings attended electronically

The bill provides temporary authority, expiring June 30, 2022, for members of a public body to meet by means of teleconference or video conference. A public body is any board, commission, committee, council, or similar decision-making body of a state agency, institution, or authority, and any legislative authority or board, commission, committee, council, agency, authority, or similar decision-making body of any county, township, municipal corporation, school district, or other political subdivision or local public institution, as well as any committee or subcommittee of such a body. Also included is a court of jurisdiction of a sanitary district organized to provide a water supply, other than when meeting to consider litigation involving the district.¹ Members of the public body who attend a meeting by way of electronic technology will be considered present and entitled to vote as if attending the meeting in person. The public and news media are to be notified of and provided access to these meetings, and to receive documentary testimony and physical evidence.

Providing the electronic access will likely entail little or no additional costs for units of government. Such authority was created by H.B. 197 of the 133rd General Assembly in 2020, and extended to July 1, 2021, by H.B. 404 of the 133rd General Assembly. Incurring any such costs would be discretionary for the government units.

Emergency clause

The bill declares an emergency so that the conformance with federal tax law provision and the temporary authority for meetings attended electronically provision will go into effect immediately on enactment and Governor’s action.

¹ R.C. 121.22, not part of the bill.